Land Values Hit Records, But Growth Slows

What does this market deceleration mean for investors and producers nationwide?

Swipe for insights →

THE DATA

$4,500

Average Farm Real Estate Value Per Acre

U.S. farm real estate values reached a record average of $4,500 per acre in 2026.

This figure represents a 3.4% increase from 2025, marking the sixth consecutive year of gains. However, this growth rate is notably slower than the 11.7% peak observed in 2022, signaling a significant shift in market momentum.



Source: USDA National Agricultural Statistics Service · Published July 31, 2026

01

Moderating Growth: Why the Pace is Slowing

The deceleration in appreciation reflects a market grappling with elevated interest rates and tighter farm margins, even amidst strong underlying demand. High input costs for producers, coupled with fluctuating commodity prices, are tempering aggressive land bidding. This suggests a more discerning buyer pool and a potential recalibration of investment strategies across the agricultural sector.



02

Affordability Challenges Intensify for New Entrants

While record land values continue to bolster equity for established landowners, the persistently high purchase prices and elevated cash rents create significant barriers for beginning farmers and those looking to expand their operations. Competition from non-agricultural uses, such as development and energy projects, further exacerbates these affordability issues in key regional markets.

Real Estate Strategy & Intelligence Leader. Democratized Blue Ocean Strategist & Operator.

Diane Hart Alexander, MBA, MHA

Designated Broker, ALEX.RealEstate
Chair & CEO, ALEX

+1 713.591.9902 · diane@alex.realestate



ALEX

ALEX Intelligence
deep intelligence

ALEX Real Estate
genius real estate

ALEX Advisory
uncontested strategy

ALEX Cares
purposeful philanthropy