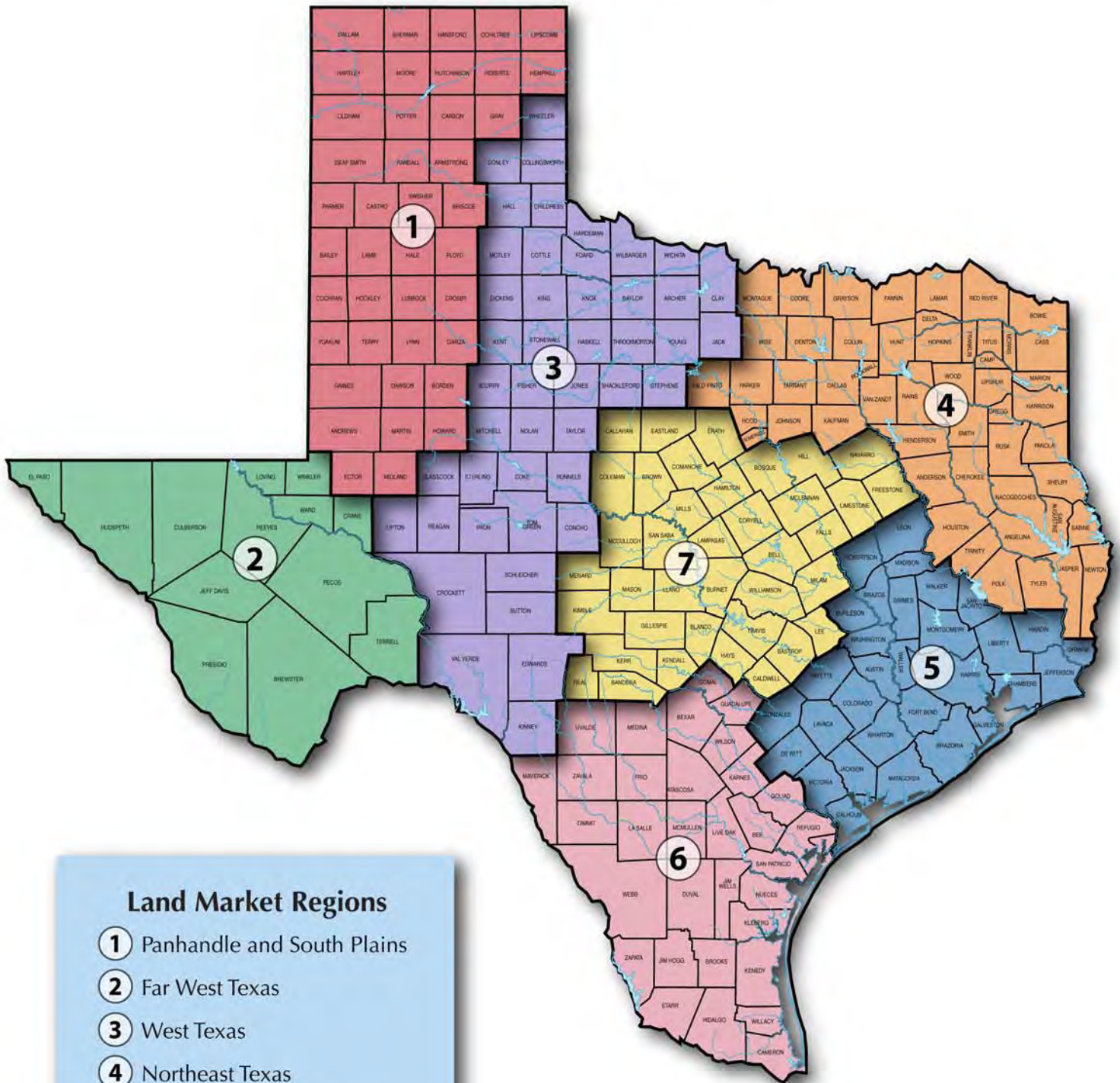


Texas Rural Land Value Trends 2010



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Texas Chapter ASFMRA Land Value Survey Reporting Regions



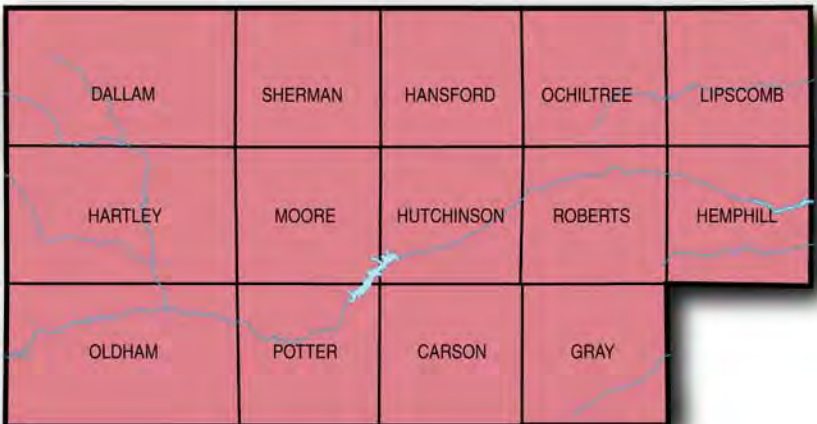
Land Market Regions

- ① Panhandle and South Plains
- ② Far West Texas
- ③ West Texas
- ④ Northeast Texas
- ⑤ Gulf Coast-Brazos Bottom
- ⑥ South Texas
- ⑦ Austin-Waco-Hill Country

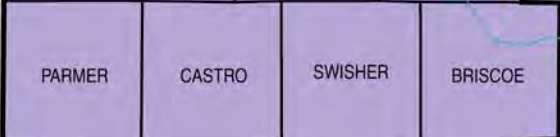
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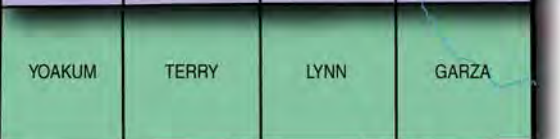
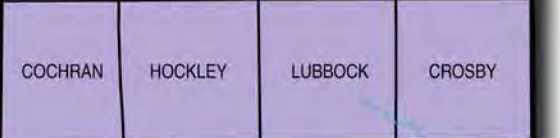
Region 1



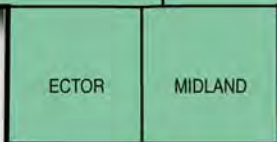
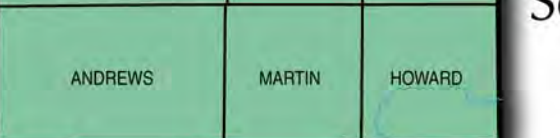
North Panhandle



South Plains - Amarillo to Lubbock



South Plains - South of Lubbock



REGION ONE – PANHANDLE AND SOUTH PLAINS GENERAL MARKET CONDITIONS FOR 2010

prepared by
B.L. Jones, ARA – Region One Team Captain

Region One, the most northerly region in Texas, is bordered on the west by New Mexico and by Oklahoma on the north and east. The upper third of the region is commonly known as the Panhandle, while the South Plains comprises the balance.

Highlights of the overall market precede brief discussions related to the subregions.

- Very limited demand for large hunting and recreational properties. Very limited sales of highly improved properties. Moderate demand for small to mid-sized ranches with stable prices.
- Farm commodity prices up from 2009. Cotton acreage and production was average with the exception of some large areas south and west of Lubbock that received late season hail damage. Profit margins were very good due to a combination of plentiful rainfall, reasonable fuel prices and high commodity prices.
- The inventory of good irrigated land for sale is still in a decline, and land prices range from stable to increasing. Some landlords are willing to sell due to recent price increases. Strong demand throughout the region for most classes of cropland. Values for farms with weak or marginal irrigation water have risen because of the dwindling inventory of prime irrigated land.
- Market conditions for dairy operators have improved. Milk prices have increased, and profitability has improved to above break-even levels. Construction activities are still on hold.
- Institutional buyers are still in the market for prime irrigated farmland.
- Looking forward into 2011, owners and operators of irrigated farms are concerned about the proposed High Plains Underground Water District pumping restrictions, which call for reductions in the amount of water that can be pumped. Other concerns include metering and reporting requirements for wells and/or systems, and potential future reductions each year that a high decline area exceeds an allowable decline rate.

North Panhandle

Carson, Dallam, Gray, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore,
Ochiltree, Oldham, Potter, Roberts and Sherman Counties

Sales activity for cropland was fairly strong in 2010, with most activity occurring in the last half of the year. Prices were stable to increasing. Most acreage was planted in corn, wheat and sorghum in 2010. Wheat yields were well above average thanks to good rainfall.

Cash leases for irrigated cropland are common in the northwest quadrant of the Panhandle and were stable to increasing during 2010. A crop share lease is most prevalent in the eastern sector of the Panhandle.

Cash lease rates for grazing and hunting on native rangeland continued to be stable. Range conditions were average to above. Values and lease rates are generally higher in the eastern Panhandle as rainfall and carrying capacity increase.

South Plains from Amarillo to Lubbock

Armstrong, Bailey, Briscoe, Castro, Cochran, Crosby, Deaf Smith, Floyd, Hale, Hockley, Lamb, Lubbock, Parmer, Randall and Swisher Counties

Crop yields on dryland were average in the northern part of the region. Irrigated cotton brought in good yields. The land market was generally active with prices being stable to increasing. Demand increased for farms with weaker irrigation water and dryland.

Native rangeland is in scattered areas along draws or a band of sandhills and runs southeast across the region; generally, these are smaller tracts used in conjunction with adjoining cropland. Range conditions were good in most areas.

Crop share leases are the most common lease arrangement for both irrigated and dry cropland; rental rates and terms remain stable. The trend of absentee landlords selling to tenants continued but to a lesser degree because of the higher commodity prices.

Drip irrigation continued to be installed. Prices for land enrolled in the Conservation Reserve Program (CRP) are generally stable. Some expired CRP acreage is being broken out and returned to production due to higher commodity prices.

South Plains to the South of Lubbock

Andrews, Borden, Dawson, Ector, Gaines, Garza, Howard, Lynn, Martin, Midland, Terry and Yoakum Counties

This area is composed of a diverse land-use mixture. The topography has rolling plains, broad valleys and flood plains. Most of the land in Garza, Borden, Andrews, Midland, Ector and Howard Counties is native range used for cattle grazing. Quite a bit of the native range was leased for hunting. Most cultivated farming uses dryland cultural practices because of inadequate groundwater. Irrigation practices are predominantly sprinkler due to sandy soils.

There is still a demand for dryland, but there is a limited inventory of dryland farms. Crop yields in 2010 were average to below average. Farming is localized geographically and is limited by soil types that are conducive to cultivation. Where there is adequate groundwater, crops include cotton, small grains and peanuts. The limited pool of farmland buyers is typically composed of local farmers. Some expired CRP acreage being placed back into production. Considerable amount of oil and gas lease activity with bonus payments in the range of \$200 to \$400 per acre.

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Region 1 - Panhandle and South Plains

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
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North Panhandle

Dallam, Sherman, Hansford, Ochiltree, Lipscomb, Hartley, Moore, Hutchinson, Roberts, Hemphill, Oldham, Potter, Carson and Gray Counties

Irrigated Cropland Good Water	\$2,200	to	\$2,800	Active / Stable	\$165	to	\$200	Stable / Stable
Irrigated Cropland Fair Water	\$1,600	to	\$2,000	Active / Increase	\$115	to	\$150	Stable / Stable
Dry Cropland East	\$400	to	\$700	Moderate / Increase	\$25	to	\$45	Stable / Stable
Dry Cropland West	\$350	to	\$500	Moderate / Stable	\$15	to	\$35	Stable / Stable
Rangeland	\$325	to	\$1,000	Moderate / Stable	\$7	to	\$10	Stable / Stable
Conservation Reserve Program	\$450	to	\$700	Moderate / Stable	\$30	to	\$45	Stable / Stable

Value for irrigated cropland typically includes center pivot sprinklers
Minerals are typically either not included or not a factor in the land classes listed above

South Plains - Amarillo to Lubbock

Deaf Smith, Randall, Armstrong, Parmer, Castro, Swisher, Briscoe, Bailey, Lamb, Hale, Floyd, Cochran, Hockley, Lubbock and Crosby Counties

Irrigated Cropland Good Water	\$1,750	to	\$2,800	Active / Increase	\$150	to	\$175	Stable / Stable
Irrigated Cropland Fair Water	\$1,000	to	\$1,600	Active / Increase	\$100	to	\$150	Stable / Stable
Drip Irrigation	\$1,600	to	\$2,300	Active / Increase	\$125	to	\$200	Stable / Stable
Dry Cropland Wheat	\$350	to	\$600	Moderate / Increase	\$25	to	\$45	Stable / Stable
Dry Cropland Cotton	\$500	to	\$700	Moderate / Increase	\$25	to	\$45	Stable / Stable
Rangeland	\$350	to	\$800	Moderate / Stable	\$7	to	\$10	Stable / Stable
Conservation Reserve Program	\$400	to	\$600	Moderate / Stable	\$30	to	\$45	Stable / Stable

Value for irrigated cropland typically includes center pivot sprinklers
Minerals are typically either not included or not a factor in the land classes listed above

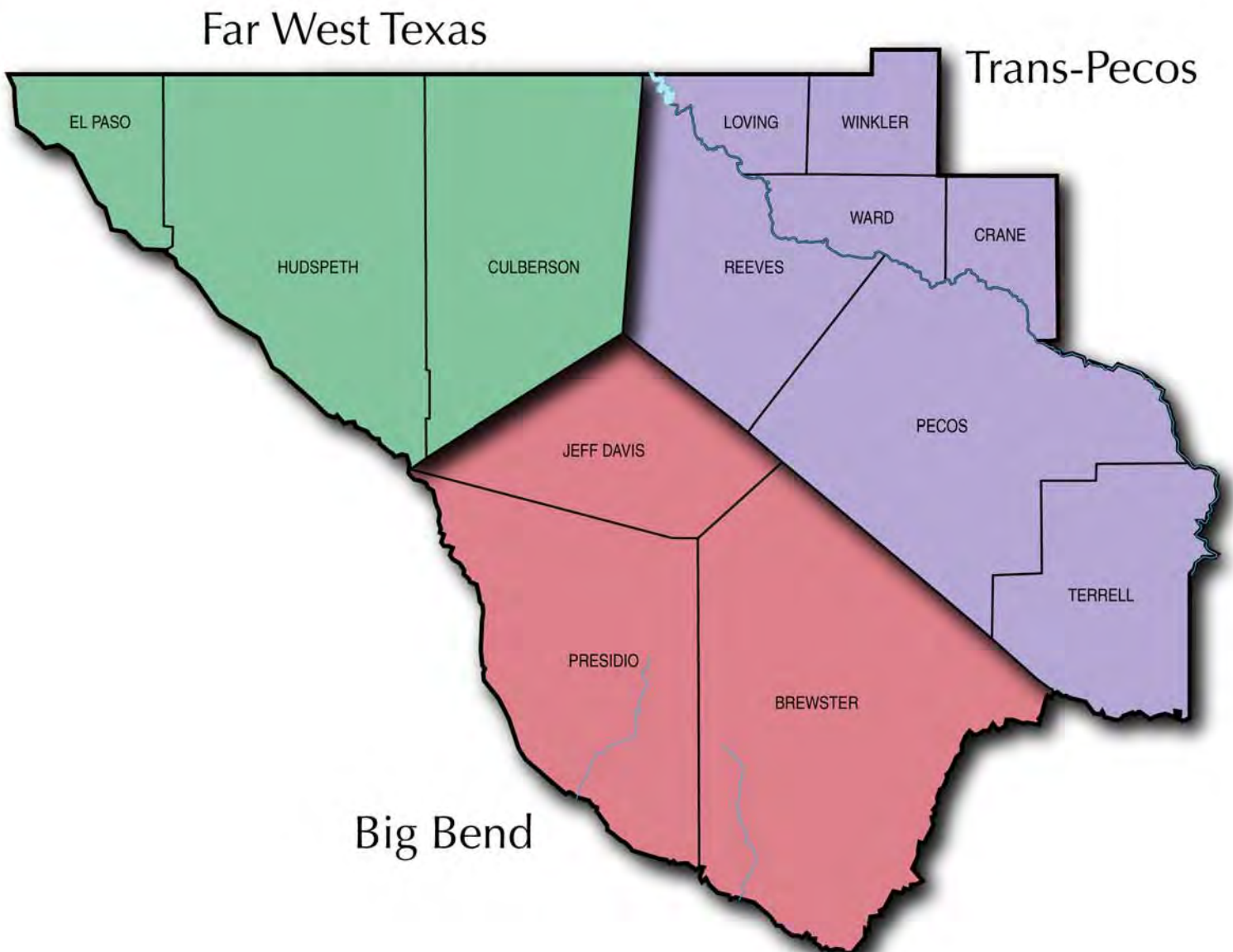
South Plains - South of Lubbock

Yoakum, Terry, Lynn, Garza, Gaines, Dawson, Borden, Andrews, Martin, Howard, Ector and Midland Counties

Irrigated Cropland Better Water (Peanuts)	\$1,400	to	\$2,500	Moderate / Increase	\$135	to	\$185	Stable / Stable
Irrigated Cropland Fair Water	\$1,000	to	\$1,400	Moderate / Increase	\$75	to	\$125	Stable / Stable
Dry Cropland Cotton	\$500	to	\$1,000	Moderate / Increase	\$25	to	\$45	Stable / Stable
Rangeland	\$275	to	\$900	Moderate / Stable	\$3	to	\$7	Stable / Stable
Conservation Reserve Program	\$400	to	\$600	Moderate / Increase	\$30	to	\$40	Stable / Stable

Value for irrigated cropland typically includes center pivot sprinklers
Minerals are typically either not included or not a factor in the land classes listed above

Region 2



REGION TWO – FAR WEST TEXAS, TRANS-PECOS AND BIG BEND GENERAL MARKET CONDITIONS FOR 2010

prepared by
Karl Armstead, ARA – Region Two Team Captain

Region Two encompasses West Texas and is bound on the north by the State of New Mexico and on the south by the Republic of Mexico. Andrews County forms a small portion of the region's north boundary and Ector County forms the northerly portion of the region's east boundary; both of these counties are in Region One (Panhandle and South Plains). Region Three (North, Central and South Central Texas) counties of Crane, Crockett and Val Verde form the balance of the region's east boundary.

Guadalupe Peak, at 8,749 feet, is the highest point in Texas and is in Region Two (in Culberson County). In terms of land mass, the region includes the four largest Texas counties – Brewster, Hudseph, Presidio and Culberson. Loving County, the least populated county in Texas, also is in Region Two.

Highlights of the overall West Texas market precede brief discussions related to each subregion.

- The region has a diverse land-use mix. Topographically, the terrain exhibits mountainous expanses with broad valleys and flood plains.
- Generally, the land area is basically native range and is used for cattle grazing. The grazing of both sheep and goats is inhibited by populations of coyotes, mountain lions and eagles.
- Native rangeland has typically been held by established ranching families. However, over the last 20-plus years, low income levels from cattle operations plus pressure from individuals (and entities) with increasing disposable income from nonagricultural sources have caused property ownerships to change.
- Another development has been the creation of “ranchettes.” It is expected that this market pressure will continue.
- Irrigation is predominantly by flooding, which is the result of the high clay content of the soils as well as the abundant water volumes available. Center pivot sprinkler systems have become more common and can be attributed to the ever-increasing water pumping costs.
- Supply and demand are generally stable and are dominated by both investors and recreationalists, with the cultivated land market continuing to be dominated by producers.
- It is noted that drought, which is common, is a limiting factor throughout the region.

Far West Texas
Culberson, El Paso and Hudspeth Counties

The subregion identified as “Far West Texas” covers approximately 8,765 square miles. Significant acreage in the valley bottoms and flood plains is cultivated under irrigation practices. Many areas possess abundant supplies of groundwater, the quality of which varies greatly. The valley that is associated with the Rio Grande has irrigation districts and furnishes water based on adjudicated water rights.

In the El Paso Upper Valley, the market is generally driven by the investor; strong urban pressures are present. In the El Paso Lower Valley, there is moderate urban pressure and the investor is again the primary market force.

In the areas around Van Horn and Dell City, the market continued to increase and was typically producer oriented. Water volumes in these areas remain an attractive factor; another contributor was water rights speculation for municipal uses.

Big Bend
Brewster, Jeff Davis and Presidio Counties

The Big Bend encompasses some 12,284 square miles and topographically is characterized as mountainous with broad upland areas and canyon bottoms. The geology of the Big Bend is unique. The area regularly attracts more than 350,000 visitors annually.

Some lands in the valley along the Rio Grande are cultivated and irrigated using adjudicated water rights from the river. Typical cash crops include alfalfa, onions, carrots and melons. The farmland market continued to be limited, with the major adverse factors being increasing operating costs, decreasing commodity prices and travel distances to market centers.

In the areas associated with the Davis Mountains, demand for properties remained strong; however, once again only a few properties were available. The market continued to be dominated by the investment-driven recreational rancher and/or environmentalist. In the Highland area, the market is driven primarily by investment operators. Around the Desert Mountains, the market continued to be driven both by purchase for investment purposes as well as for use as recreational ranches.

Trans-Pecos
Loving, Pecos, Reeves, Terrell, Ward and Winkler Counties

The area covers approximately 15,191 square miles and is characterized by rolling plains, broad valleys and flood plains.

Prior to the 1970s, significant acreage in the Pecos River Valley was cultivated and irrigated. The area possesses abundant supplies of poor quality land; the area also has alkaline soils.

Agricultural production is the factor considered by most landowners as, generally speaking, the area lacks scenic splendor, geologic uniqueness and varied recreational opportunities.

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Region 2 - Far West Texas, Trans-Pecos and Big Bend

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
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Far West Texas Culberson, El Paso and Hudspeth Counties

Rangeland	\$300	to	\$325	stable/stable	\$0.65	to	\$0.85	stable/stable
Dell City Irrigated Cropland	\$600	to	\$800	stable/stable	\$85	to	\$120	stable/stable
El Paso Upper Valley Irrigated	\$9,000	to	\$12,000	stable/stable	\$100	to	\$125	stable/stable
El Paso Lower Valley Irrigated	\$3,000	to	\$5,200	stable/stable	\$65	to	\$85	stable/stable
Van Horn Irrigated Cropland	\$450	to	\$520	increase/increase	\$25	to	\$50	stable/stable

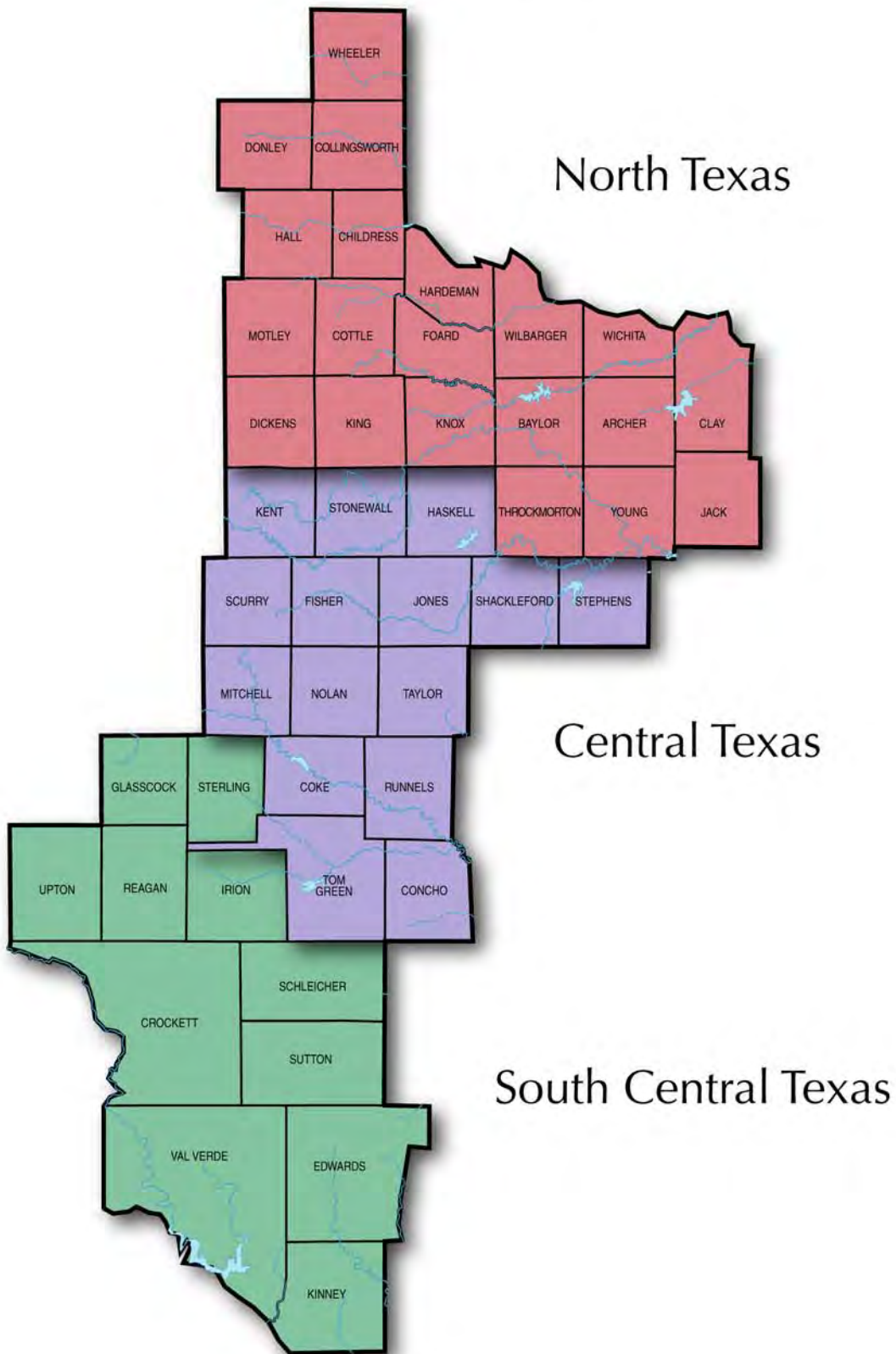
Big Bend Jeff Davis, Presidio and Brewster Counties

Davis Mountains Rangeland	\$1,500	to	\$1,650	increase/increase	\$3.25	to	\$5.00	stable/stable
Highlands Rangeland	\$500	to	\$630	increase/increase	\$2.50	to	\$2.75	stable/stable
Desert Mountains Rangeland	\$300	to	\$400	stable/stable	\$1.25	to	\$1.50	stable/stable

Trans-Pecos Reeves, Loving, Winkler, Ward, Pecos and Terrell

Rangeland*	\$225	to	\$600	increase/increase	\$0.50	to	\$1.00	stable/stable
Irrigated Cropland	\$170	to	\$420	increase/increase	\$10.00	to	\$25.00	stable/stable

Region 3



REGION THREE - NORTH, CENTRAL AND SOUTH CENTRAL TEXAS GENERAL MARKET CONDITIONS DURING 2010

prepared by
Victor Probandt, ARA – Region Three Team Captain

Region Three encompasses a large area and stretches from the Texas-Oklahoma border on the north to the Rio Grande and Republic of Mexico on the south. With the exception of Region Five, all of the other reporting regions abut at least a portion of Region Three. General highlights of the overall regional market precede brief discussions related to the area's three sub-regions.

- With regard to rangeland properties, the level of activity has remained relatively slow. The total number of sales continues to be low and, while there has not been a significant reduction in price, there are some pockets where there has been a slight decrease in rangeland values.
- Farmland has seen a significant increase in activity and price. This is due primarily to the large increase in commodity prices such as cotton and other farm products.
- Recreational leasing has seen a decrease over the past year. This has been reflected in both the number of ranches that are available for lease as well as the reduced prices that ranchers have been asking.
- Purchases of ranches with wind turbine potential are also down. When the wind turbines first came into West Texas, there was a great interest in ranches with mesas, which could be used for wind turbines. The lack of transmission lines and the reluctance of wind turbine companies to build turbines away from major transmissions lines, however, has reduced this market significantly.
- While foreclosures continue to be rare, a few have occurred in the West Texas area in both pastureland and farmland.

North Texas

Archer, Baylor, Childress, Clay, Collingsworth, Cottle, Dickens, Donley,
Foard, Hall, Hardeman, Jack, King, Knox, Motley, Throckmorton,
Wheeler, Wichita, Wilbarger and Young Counties

Prices paid for ranchland showed a decrease resulting from a decrease in demand. Dryland cropland prices were up significantly because of the increase in commodity prices.

Central Texas

Coke, Concho, Fisher, Haskell, Jones, Kent, Mitchell, Nolan, Runnels, Scurry,
Shackelford, Stephens, Stonewall, Taylor and Tom Green Counties

The market declined for all types of pastureland. Irrigated cropland and dryland markets both increased due to high commodity prices.

South Central Texas

Crane, Crockett, Edwards, Glasscock, Irion, Kinney, Reagan, Schleicher,
Sterling, Sutton, Upton and Val Verde Counties

In this area, rangeland prices were relatively stable, but demand was limited. Dryland cropland was stable, due primarily to the lack of irrigation water in the area. Most of these properties sell surface only.

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Region 3 - North, Central and South Central Texas

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
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North Texas

Wheeler, Donley, Collingsworth, Hall, Childress, Motley, Cottle, Hardeman, Foard, Wilbarger, Wichita, Clay, Dickens, King, Knox, Baylor, Archer, Throckmorton, Young and Jack Counties

Irrigated Cropland	\$700	to	\$1,200	stable	\$40	to	\$50	stable
Class II & III Dry Crop	\$700	to	\$1,200	active/increase	\$35	to	\$50	stable
Class IV & V Dry Crop	\$450	to	\$650	active/increase	\$15	to	\$30	stable
Rangeland >2,000 Acres	\$550	to	\$1,000	slow/decrease	\$8	to	\$12	stable
Rangeland <2,000 Acres	\$650	to	\$1,200	slow/decrease	\$8	to	\$12	stable
Hunting Lease Rangeland					\$3	to	\$12	stable

Rangeland lease rates per animal unit year long range from \$150 to \$200

Central Texas

Kent, Stonewall, Haskell, Scurry, Fisher, Jones, Schackelford, Stephens, Mitchell, Nolan, Taylor, Coke, Runnels, Tom Green and Concho Counties

Irrigated Cropland	\$1,500	to	\$3,500	active/increase	\$50	to	\$100	stable
Class II & III Dry Crop	\$600	to	\$2,800	active/increase	\$35	to	\$50	stable
Class IV & V Dry Crop	\$600	to	\$1,500	active/increase	\$25	to	\$40	stable
Rangeland >2,000 Acres	\$650	to	\$1,300	slow/decrease	\$5	to	\$13	stable
Rangeland <2,000 Acres	\$700	to	\$1,600	slow/decrease	\$5	to	\$13	stable
Hunting Lease Rangeland					\$5	to	\$15	stable

Rangeland lease rates per animal unit year long range from \$150 to \$200

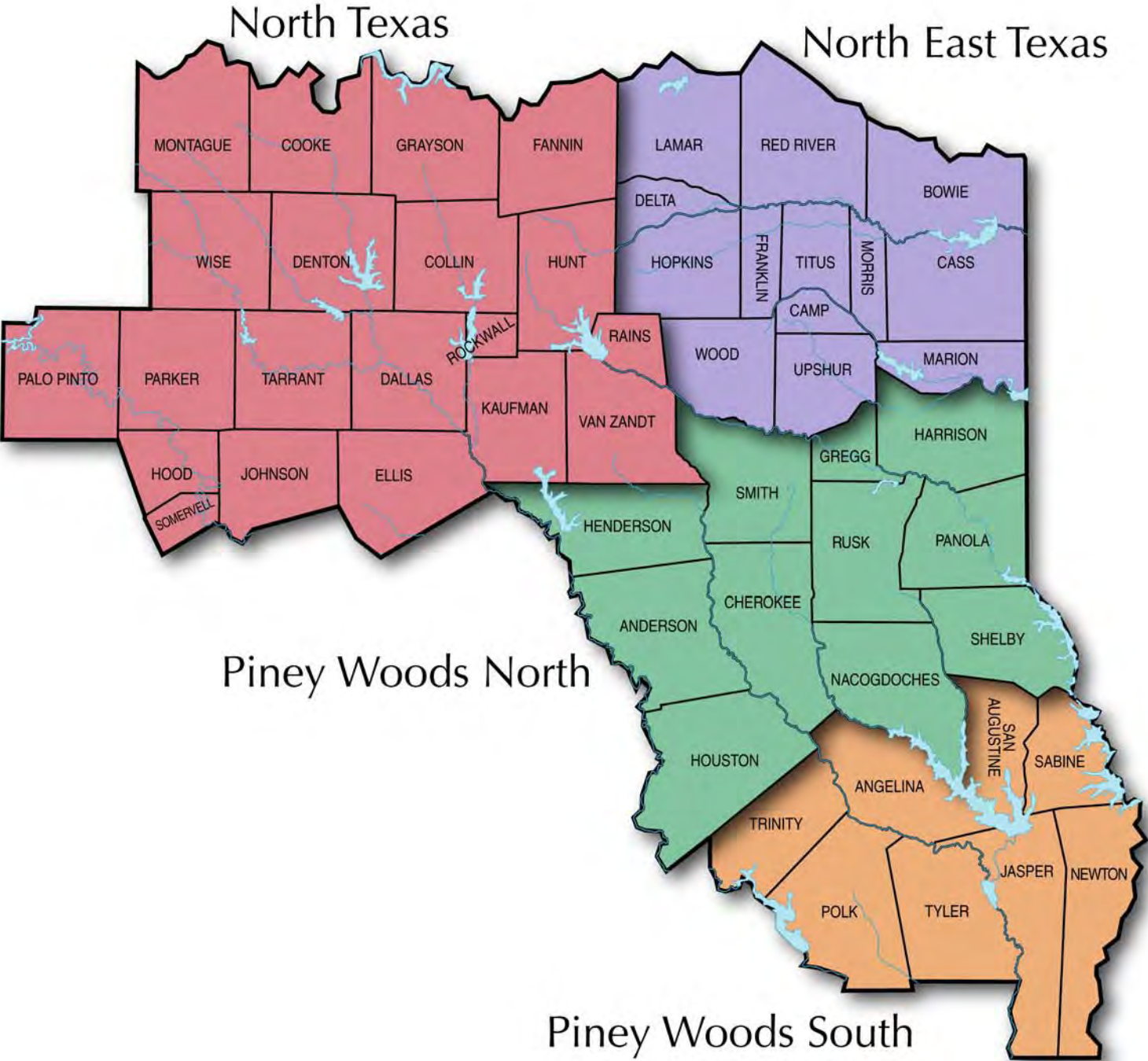
South Central Texas

Glasscock, Sterling, Crane, Upton, Reagan, Irion, Crockett, Schleicher, Sutton, Val Verde, Edwards and Kinney Counties

Irrigated Cropland	\$600	to	\$800	active/stable	\$50	to	\$75	stable
Dry Cropland	\$350	to	\$600	active/stable	\$25	to	\$55	stable
Rangeland > 2,000 Acres	\$250	to	\$1,400	lower/stable	\$4	to	\$10	stable
Rangeland < 2,000 Acres	\$350	to	\$2,000	lower/stable	\$4	to	\$10	stable
Hunting Lease (Rangeland)					\$2	to	\$15	stable

Rangeland lease rates per animal unit year long range from \$150 to \$200

Region 4



REGION FOUR – NORTH TEXAS, NORTHEAST TEXAS AND PINEY WOODS GENERAL MARKET CONDITIONS FOR 2010

prepared by
Charles S. “Scott” Seely, ARA – Region Four Team Captain

On the north and east sides, Region Four is bordered by the states of Oklahoma, Arkansas and Louisiana. The Dallas-Fort Worth metroplex is located in the west quadrant of the region; the Houston metropolitan area is located approximately 80 miles south of the region’s southern boundary. Due to the diverse nature of the area, Region Four has been divided into four sub-regions.

Highlights of the overall regional market precede a brief discussion of each subregion.

- In most counties, prices have stabilized. Real estate brokers reported extended days on the market. Many report that a seller’s price expectations exceed buyers’ willingness to pay. Demand was slower, but properly priced, high-quality tracts continued to sell.
- Rental demand for pasture and recreational leases exceeded the supply.
- In many counties, the continuing subdivision of wooded and pasture tracts into rural residential or recreational tracts almost eliminated sales larger than 300 acres.
- Wooded tracts with good recreational qualities consistently commanded prices on par with good pasture lands.
- In the North and Northeast Texas areas, most buyers were from the Dallas-Fort Worth metroplex.
- In the Piney Woods, the influence of the International Paper and Louisiana Pacific and Temple-Inland sell-offs have now moved to long-term investors or final users. Some of these final users have now re-sold their tracts at higher prices. In some areas, there were slight increases, but the majority of the counties showed stable prices.

North Texas

Cooke, Ellis, Fannin, Grayson, Hunt, Johnson, Kaufman,
Montague, Parker, Rains, Somervell, and Van Zandt Counties

Rural lands in Dallas, Tarrant, Collin and Denton Counties are scarce, so these counties were not considered in the development of the subregion’s value trends. The transitional counties of Hood, Johnson, Parker, Rockwall and Wise are a separate category. These fringe counties are becoming an extension of the Dallas-Fort Worth metroplex.

In the North Texas region, sales activity declined with the few sales showing price stability. The Barnett Shale natural gas formation continued to influence the land market in areas to the northwest and southwest of Fort Worth. Proceeds from gas leases and production were invested in land.

Northeast Texas

Bowie, Camp, Cass, Delta, Franklin, Hopkins, Lamar, Marion,
Morris, Red River, Titus, Upshur and Wood Counties

The Dallas metroplex is still the primary source of new buyers. Sales numbers are still depressed at 2009 levels and far below their 2005 and 2006 peaks. With sharply higher commodity prices, however, cropland has experienced renewed interest, mainly from outside sources. The relatively few sales in 2010 showed evidence that production-oriented tracts did decline some 10 percent to 20 percent from the peak in late 2008. The current interest in large tracts is coming from out-of-state buyers and mostly from the Midwest where cropland has reached all-time highs. Properly priced listings on large cropland tracts are practically nonexistent. If commodity prices remain high, increased cash rents are expected in 2011, especially if crops provide strong yields.

While pasture tracts continue to command a higher price per acre than similar cropland tracts, the demand for pasture tracts going forward may be less than cropland. Prices for cropland in the region may be in for a sharp increase in 2011.

There were very few sales of large timber tracts and few listings.

Overall interest from the investment segment seems to have increased in the last couple of months of 2010 and in the first quarter of 2011, but it has yet to translate to increased sales. Buyers continue to be very selective and are still bargain hunting.

Piney Woods North

Anderson, Cherokee, Gregg, Harrison, Henderson, Houston, Nacogdoches,
Panola, Rusk, Shelby and Smith Counties

Activity in the Piney Woods North land market continued at a slow pace during 2010. Prices stabilized.

Brokers reported a lack of listings of good properties. Sellers had high price expectations, which may have begun to moderate. There was little evidence that values declined with the exception of the high land value areas close to Dallas.

There is not enough cropland in the Piney Woods North to have a separate reporting classification.

Demand for pasture tracts continued to be primarily from Dallas-area investors along with some local market participants. The areas closer to the Dallas-Fort Worth metroplex experienced greater demand than 2009 at higher prices.

Hunting and recreation dominate this region's rural land market. Purchasers continued to seek tracts of timberland with good interior roads, good surface water and woodland conducive to hunting.

This strong demand, coupled with the decreasing number of acres available for lease, caused hunting lease rates to generally increase.

Piney Woods South

Angelina, Jasper, Newton, Polk, Sabine, San Augustine, Trinity and Tyler Counties

Activity in the Piney Woods South market continued to be slow during 2010, but some areas saw slight price increases. Most, however, showed increased marketing times and stable prices. High-quality hunting properties continue to sell and command higher prices. The base land value for timberland has shown some weakness leading to a slight price decline. Sellers continued to ask higher prices; however, there was some pullback in listing prices. However, list prices remained higher than the previous year's sales prices. Brokers reported a lack of higher quality, reasonably priced listings.

The lands placed on the market by International Paper and Louisiana-Pacific have been absorbed by the market. As in other areas, the original investors who purchased from the companies have sold to long-term holders. The exception comes from some of the investment buyers, who were offering some of their higher and better use lands for sale.

The demand for properties in the Piney Woods South continued to be primarily from Houston area buyers.

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Region 4 - North and Northeast Texas and Piney Woods North and South

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
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North Texas Transitional Land

Wise, Parker, Rockwall, Hood and Johnson Counties

These counties are located in the transitional areas around Ft. Worth and Dallas. The properties sell for development purposes and also for homesite and recreational uses. Prices are have increased substantially in the past few years and are currently in the \$15,000 to \$25,000 per acre range for 100 to 400 acre tracts.

North Texas

Montague, Cooke, Grayson, Fannin, Hunt, Palo Pinto, Somervell, Ellis, Kaufman, Van Zandt and Rains Counties

Dry Cropland >200 Acres	\$1,500	to	\$4,500	Stable/Increase	\$30	to	\$50	Stable/Stable
Improved Pasture >200 Acres	\$1,500	to	\$4,500	Stable Increase	\$15	to	\$30	Stable/Stable
Native Pasture >200 Acres	\$1,500	to	\$4,500	Stable/Increase	\$15	to	\$25	Stable/Stable
Hardwood Timber >200 Acres	\$1,200	to	\$2,500	Stable/Increase	\$6	to	\$12	Stable/Stable

These hardwood tracts reflect only fair timber quality and income is from hunting leases

Dallas, Tarrant, Collin and Denton Counties - Not included in development of value trends due to there being almost a total lack of rural lands within the counties

Northeast Texas

Lamar, Red River, Bowie, Delta, Hopkins, Franklin, Titus, Camp, Morris, Cass, Wood, Upshur and Marion Counties

Class II Dry Crop >400 Acres	\$1,100	to	\$1,450	Slower/Increase	\$45	to	\$75	Stable/Increase
Class III Dry Crop >300 Acres	\$900	to	\$1,100	Slower/Increase	\$25	to	\$40	Stable/Increase
Improved Pasture >300 Acres	\$1,400	to	\$2,000	Slower/Increase	\$15	to	\$25	Stable/Stable
Native Pasture >300 Acres	\$1,000	to	\$1,500	Slower/Increase	\$10	to	\$15	Stable/Stable
Hardwood Timber >300 Acres	\$1,000	to	\$1,500	Slower/Stable	\$2	to	\$8	Stable/Stable

These hardwood tracts reflect only fair timber quality and income is from hunting leases

Piney Woods North

Henderson, Smith, Gregg, Harrison, Henderson, Cherokee, Rusk, Panola, Houston Nacogdoches, and Shelby Counties

Improved Pasture >300 Acres	\$1,500	to	\$4,000	Stable/Increase	\$15	to	\$30	Stable/Stable
Native Pasture >300 Acres	\$1,500	to	\$3,500	Stable/Increase	\$10	to	\$20	Stable/Stable
Upland Pine Timber >300 Acres	\$1,100	to	\$2,200	Stable/Increase	\$5	to	\$15	Stable/Stable
Bottomland Hardwood Timber >300 Acres	\$700	to	\$1,200	Stable/Stable	\$8	to	\$12	Stable/Stable

These pine timberland tracts reflect cut-over base land prices - merchantable timber is not considered

These hardwood tracts reflect only fair timber quality and income is from hunting leases

Piney Woods South

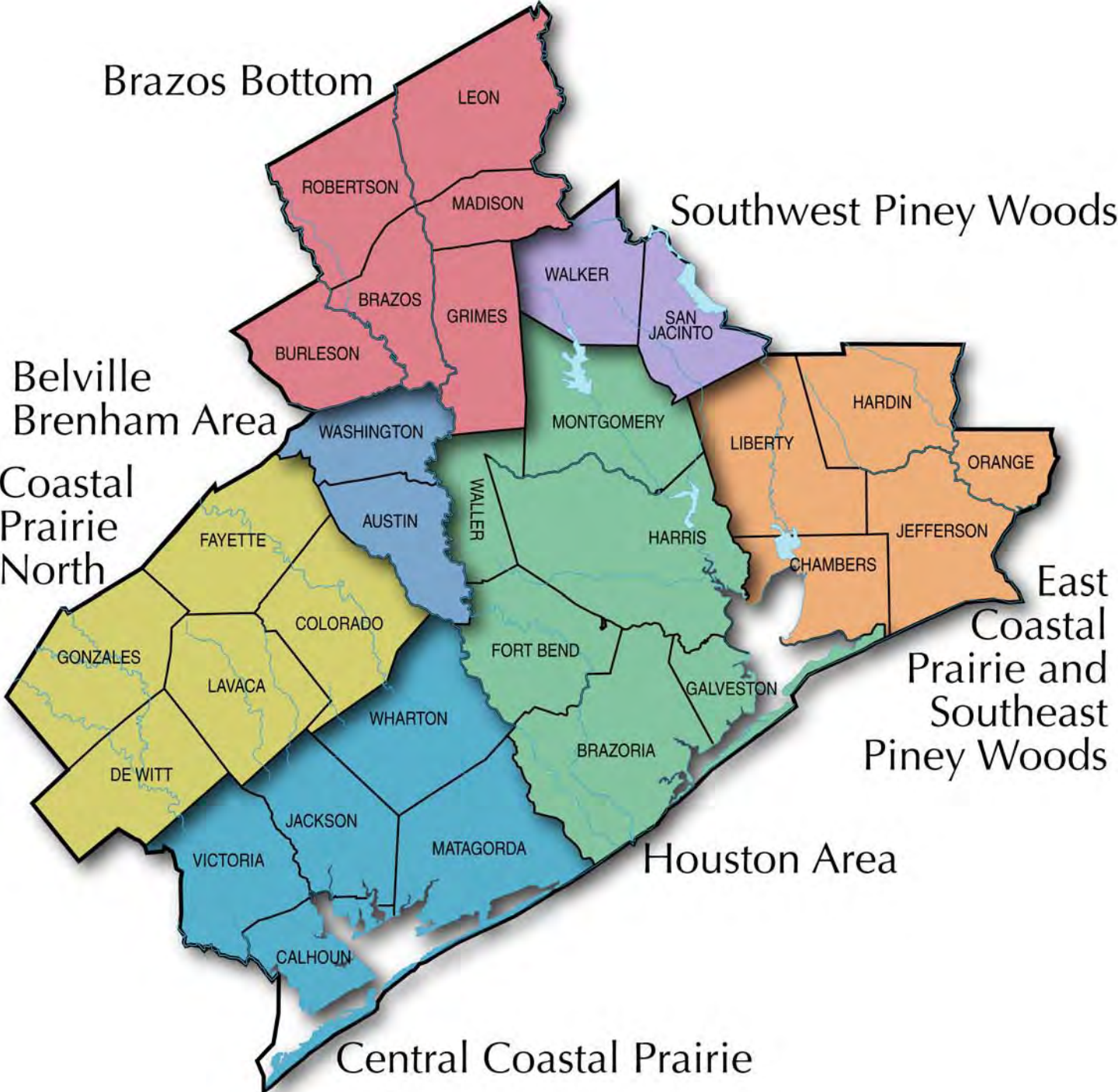
Trinity, Angelina, San Augustine, Sabine, Polk, Tyler, Jasper and Newton Counties

Improved Pasture >300 Acres	\$1,500	to	\$3,000	Stable/Increase	\$15	to	\$30	Stable/Stable
Native Pasture >300 Acres	\$1,300	to	\$2,000	Stable/Increase	\$10	to	\$20	Stable/Stable
Upland Pine Timber > 300 Acres	\$1,500	to	\$3,000	Stable/Increase	\$5	to	\$15	Stable/Stable
Bottomland Hardwood Timber >300 Acres	\$700	to	\$1,000	Stable/Increase	\$8	to	\$15	Stable/Stable

These pine timberland tracts reflect cut-over base land prices - merchantable timber is not considered

These hardwood tracts reflect only fair timber quality and income is from hunting leases

Region 5



**REGION FIVE – SOUTHERN PINEY WOODS,
COASTAL PRAIRIES AND BRAZOS BOTTOM
GENERAL MARKET CONDITIONS FOR 2008**

prepared by
Wayne T. Young, ARA – Region Five Team Captain

Region Five is one of two regions in the State of Texas that borders on the Gulf of Mexico. Houston, the largest city in Texas, is located within the region, in Harris County. The City of Houston, along with the Woodlands and Katy areas dominate the region.

Highlights for the overall market for the counties in Region Five precede brief discussions related to the each of the subregions.

- As has been the case for many years, the City of Houston and nearby densely populated areas impact all properties within Region Five to a significant degree. The most probable use of land in the counties adjacent to Harris County is rural residential or holding for residential development. Traditional agricultural areas lie east and southwest from Houston, while the timber industry still dominates the northeast.

Due to the extremes found in land prices in both Harris and Galveston Counties, those counties have not been included in the value/trend grid. Sales activity of larger acreage tracts in these counties has been essentially nil over the last couple of years. The available large tracts were considered to be ripe for development with the next master planned community a few years ago. Most of these properties are currently for sale and have been for several years. Asking prices reflect 2006 price levels. A few transactions have occurred that suggest the market may be off about 50 percent from previous highs. However, few transactions have occurred at prices similar to previous highs. Analysis of the limited data available suggests demand still exists for an ideal tract in an ideal location.

As the demand for recreational property in outlying areas has increased, price differences associated with land types and uses, have narrowed. In most cases, native and improved pasture prices tend to overlap significantly. Recreational properties divide into poor, average and good quality market segments. Factors that impact a property's appeal change from area to area. This challenges appraisers to identify combinations of features creating the greatest value in the area. Those tracts with varied topography, water features, trees and good access establish the upper end of the market. Those tracts that are flat, open with poor access establish the lower end. In 2008, markets for marginal tracts had slowed more than better properties. That difference continued in 2010. In the following grid where the market trend is identified as "up" applies to ideal tracts. Buyers feel no urgency to act in today's market for an average property. The mind set is "there are plenty of average tracts available and prices aren't moving so I am in no rush to buy". Recently, however, there has been a slight uptick in "top shelf" tracts.

- Individuals in and around Houston have purchased farms and ranches in outlying counties for investment, recreation and weekend retreats. Use as a hunting venue is a major motivation in this region (whitetail deer, bobwhite quail and water fowl). However, “quality of life” issues have replaced hunting as the primary motivation for properties in the scenic counties in the region (Austin, Washington, Fayette, Lavaca, Gonzales and northern Colorado).
- Liquidation of large timber holdings over the last few years in East Texas has generated an increase in activity there. While it appears the liquidation has slowed, the new land “in play;” will continue to impact price trends in the area.

Pasture lease rates have remained essentially constant over the last several years and appear to be disconnected from land price trends. In some cases cropland leases have increased with higher commodity prices.

The sentiment among brokers seemed more favorable than in the last few years. The market is slow compared to the 2005–2007 era but has improved from 2008 and 2009 activity level. The balance of power seems to have shifted from the sellers to the buyers over the last couple of years. As mentioned above, there is no urgency to buy an average property at a typical price. A very aggressively priced tract or a top shelf property attracts attention creating a sense of urgency among prospective purchasers.

Eastern Coastal Prairie and Southeastern Piney Woods Chambers, Hardin, Jefferson, Liberty and Orange Counties

In 2006, the classification “Rural Residential/Agricultural” was added to the categories on the trend grid. This accounts for most of the tracts typically considered small-to-large hobby farms. This type of property has been gaining in popularity as the timber tracts and large farms break up. Drainage is often a critical factor in this category as much of the area is low lying.

Cropland sales were very limited and do not appear in the trend grid. Most of the tracts that were historically rice farms have been converted to pasture. There are a few transactions each year but not enough to establish a trend. When idle cropland sells, it is not used as cropland after purchase. Once again, there was essentially no expansion of active rice and row-crop farming operations. Rice farming is a small part of the area market.

As in the past, tracts near Houston and Beaumont have seen at least a slight uptick in demand due to urban sprawl. In 2010, it was most significant around Beaumont. There were a fair number of transactions of 50 to 100 acres with the intent to build a home.

The past few years many large timber holdings have been liquidated in East Texas. While few large holdings were sold in 2010, the sales from prior years continue to impact land sales in the area. As the tracts are divided and resold, this part of Texas will continue to gain in popularity. This is in part due to proximity of population centers. As Houstonians look west and north for land, they have begun to encounter competitors from San Antonio, Austin and the Dallas

metroplex. Growth will continue in this direction as there is still a considerable supply of “new land.”

Southwestern Piney Woods San Jacinto and Walker Counties

The difference in price between improved pasture and native range is shrinking. Very good improved pasture still commands a premium. There are very few large pasture tracts in either county. It is difficult to establish a trend in pasture prices and most pasture tracts fit in the rural residential/agricultural category. As in the past, the influence from the Woodlands greatly affects land values in this area.

Young timber (under five years old), is difficult to evaluate. It depends on a highest-and-best-use decision. If the area market supports timber production then young timber will contribute to value. But in areas that are becoming more recreational in nature, trees may be more of an aesthetic feature affecting land value. Some buyers show equal motivation for future appreciation and/or hunting as compared to timber prospects. Most tracts range from 150 to 600 acres. There is continued sentiment that timber is a “safe haven” for money.

The activity that Montgomery County has enjoyed from Houston pushed into Walker County. The growth of the Woodlands allows more individuals to live further north and still commute to work. Walker County continues to benefit more from its proximity to Houston than San Jacinto County.

Brazos Bottom Brazos, Burleson, Grimes, Leon, Madison and Robertson Counties

Dryland and irrigated cropland markets lie along the Brazos River or in the Brazos Bottom. Historically there has been very little activity in the bottom with land seldom changing hands. The cultivated land market has been reasonably stable, with the prices represented in the few arms-length transactions being fairly consistent. Rents are steady. A few rental agreements based on recent high commodity prices exceeded the norm. The improved pasture and native range markets have been stable to up depending on quality of land. There is demand for “good” tracts.

Brazos and Grimes Counties again account for most of the higher-priced land. Several larger tracts in Grimes County in the 300-acre range sold in 2010. As noted in previous years, Burleson, Grimes, and Madison Counties and the east sector of Robertson County are gaining in popularity as land for sale becomes harder to find.

Houston Area

Brazoria, Fort Bend, Galveston, Harris, Montgomery and Waller Counties

As stated, both Harris and Galveston Counties are not included in the trend grid as there is essentially no open land not impacted by development. Land in this area is essentially one land class. Price is more a factor of location than type and aesthetic appeal determines whether a tract sells high or low. However, during 2010, large acreage sales in the two counties were very limited.

There is essentially no cropland in the immediate vicinity of the Houston metropolitan area. Rural lands in this area tend to be classed as somewhat maintained land or native land. The more aesthetically appealing tracts that have been improved or well maintained continued to command a premium. All other types tend to fall into a different land class at a slightly lower price.

Fort Bend County continues to be the focus of new commercial development, along U.S. Highway 59 corridor, near Richmond and Rosenberg. The nearby communities of Needville, Beasley and Fulshear continued to see a demand for acreage homesites, although the market for tracts for single-family residential subdivisions slowed considerably.

Interest in rural properties within Brazoria County, especially the areas outside of the Damon, Rosharon, Angleton and Alvin markets, seemed to dwindle in 2009 but picked up somewhat during 2010. While definite price fluctuations were hard to pinpoint in the volatile period of late 2008 and early 2009, rural land prices appear to have rebounded and stabilized at pre-August 2008 levels.

The south portion of Brazoria County is typically low lying, with dense brush and is perceived to be somewhat remote. This portion of Region Five has received the least demand and has had relatively few sales with the exception of a few larger tracts being subdivided into multiple ranchette-style rural tracts.

Central Coastal Prairie

Calhoun, Jackson, Matagorda, Victoria and Wharton Counties

In 2009 and through 2010, the Central Coastal Prairie region again had a reduction in the number of sales of rural properties. This was particularly apparent in the latter part of the year. However, the reduced number of sales did not result in an "across the board" drop in value. Quality properties with strong aesthetics (good tree cover and/or live water sources), remained in high demand. Marginal properties with little in the way of mature tree cover or aesthetic appeal continued to be added to brokers listing sheets. Some areas, with high volumes of the marginal properties, stagnated. Tracts with good recreational whitetail deer potential are limited and still command some of the highest premiums.

Continuing the trend from previous years, acreage planted in rice continued to decline. An increase in the buyers looking for land with irrigation potential was noted, with primary interests being the development of waterfowl hunting and recreational landscaping. As in the previous

year, rural residential tracts continued to be in high demand. Larger tracts purchased in 2005 through 2007 have been subdivided and sold off as ranchettes. Rural residential properties continued to be in limited supply.

Following a trend from previous years, Houston had a relatively significant influence on north and east Wharton County, most notably in the Hungerford area. While Houston's presence is felt, it is not as dramatic as it is in adjoining Fort Bend, Waller and Austin Counties.

The improved and native range category is again combined. Many brokers from surrounding areas, where property available for sale is limited, continued to come into this area.

North Coastal Prairie

Colorado, DeWitt, Fayette, Gonzales and Lavaca Counties

There is limited cropland in the North Coastal Prairie region, with most concentrated in Colorado County. The few sales suggest there is still some increased interest in cultivated tracts, and prices have gradually increased throughout the year. Improved pasture and native range sales were less active but were still changing hands, and prices were mostly stable. Quality recreational tracts in the 50-acre category continued to be in demand, although activity slowed. North Colorado County continued to benefit with buyers spilling over from Austin County due to a lack of properties. The upper end of the prices shown for native range and recreational land comes from the north part of Colorado County.

Bellville and Brenham Area

Austin and Washington Counties

There is very little cropland in these two counties. No price difference is apparent between native and improved tracts; the two categories have been combined for several years. Activity across the board slowed substantially in 2009 and the trend continued through 2010. Nevertheless, prime recreational tracts continued to command a premium.

Driving forces creating value are trees, hills and views. After pairing area sales, a desirable recreational tract can sell for twice as much as an adjoining property due to aesthetics. The Region Five grid has a scenic category that combines some or all of the aesthetic characteristics.

The area around Sealy is predominantly flat, with less tree cover; this area sells for significantly less than the lands to the north. Marginal tracts around Sealy began to show some weakness toward the end of 2008; this carried into 2009 and 2010.

The recreational appeal of the rolling hills to the Houston buyer has resulted in a very strong demand on the part of purchasers for "weekend" ranchettes in the 50- to 100-acre size. Activity has increased slightly, and very nice tracts continue to sell for a premium.

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Region 5 - Southern Piney Woods, Coastal Prairies and Brazos Bottom

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
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Eastern Coastal Prairie and Southeastern Piney Woods Liberty, Hardin, Chambers, Jefferson and Orange Counties

Rural Residential/Ag 50-150	\$1,300 to \$5,000	Active / Up	\$10 to \$15	Stable / Stable
Improved and Native Pasture	\$1,200 to \$2,500	Stable / Up	\$8 to \$15	Stable / Stable
Bottom Timber	\$700 to \$1,000	Active / Up	\$5	Stable / Stable
Upland Timber	\$1,100 to \$1,800	Active / Up	\$5	Stable / Stable
Marsh				

Southwestern Piney Woods Walker and San Jacinto Counties

Rural Residential/Ag 50-100	\$2,500 to \$7,000	Active / Stable		
Improved and Native Pasture	\$1,900 to \$3,700	Active / Stable	\$10 to \$15	Stable / Stable
Bottom Timber	\$1,200 to \$1,500	Stable / Stable	\$5 to \$10	Stable / Stable
Upland Timber	\$1,700 to \$2,750	Active / Up	\$5 to \$10	Stable / Stable

Brazos Bottom

Brazos, Robertson, Bureson, Leon, Madison and Grimes Counties

Irrigated Cropland	\$2,500 to \$3,200	Slow / Stable	\$60 to \$100	Stable / Up
Dry Cropland	\$1,700 to \$2,000	Slow / Stable	\$40 to \$50	Stable / Stable
Improved and Native Pasture	\$1,700 to \$5,000	Active / Up	\$12 to \$20	Stable / Stable
Rural Residential/Ag 50-100	\$2,700 to \$10,000	Active / Up		

Houston Area

Waller, Montgomery, Fort Bend and Brazoria Counties

Improved and Native Pasture	\$2,000 to \$7,500	Active/Up	\$10 to \$15	Stable/Stable
Rural Residential/Ag 50-100	\$2,500 to \$15,000	Active/Up		

Harris and Galveston Counties - Removed from grid as there is essentially no open land not impacted by development

Central Coastal Prairie

Victoria, Jackson, Wharton, Calhoun and Matagorda Counties

Irrigated Cropland	\$1,400 to \$2,200	Active/Up	\$40 to \$80	Stable/Up
Dry Cropland	\$1,200 to \$2,500	Active/Up	\$30 to \$55	Stable/Up
Improved and Native Pasture	\$1,200 to \$4,000	Active/Up	\$10 to \$15	Stable/Stable
Rural Residential/Ag 50-100	\$2,000 to \$6,000	Active/Up		

Coastal Prairie - North

Gonzales, Fayette, DeWitt, Lavaca and Colorado Counties

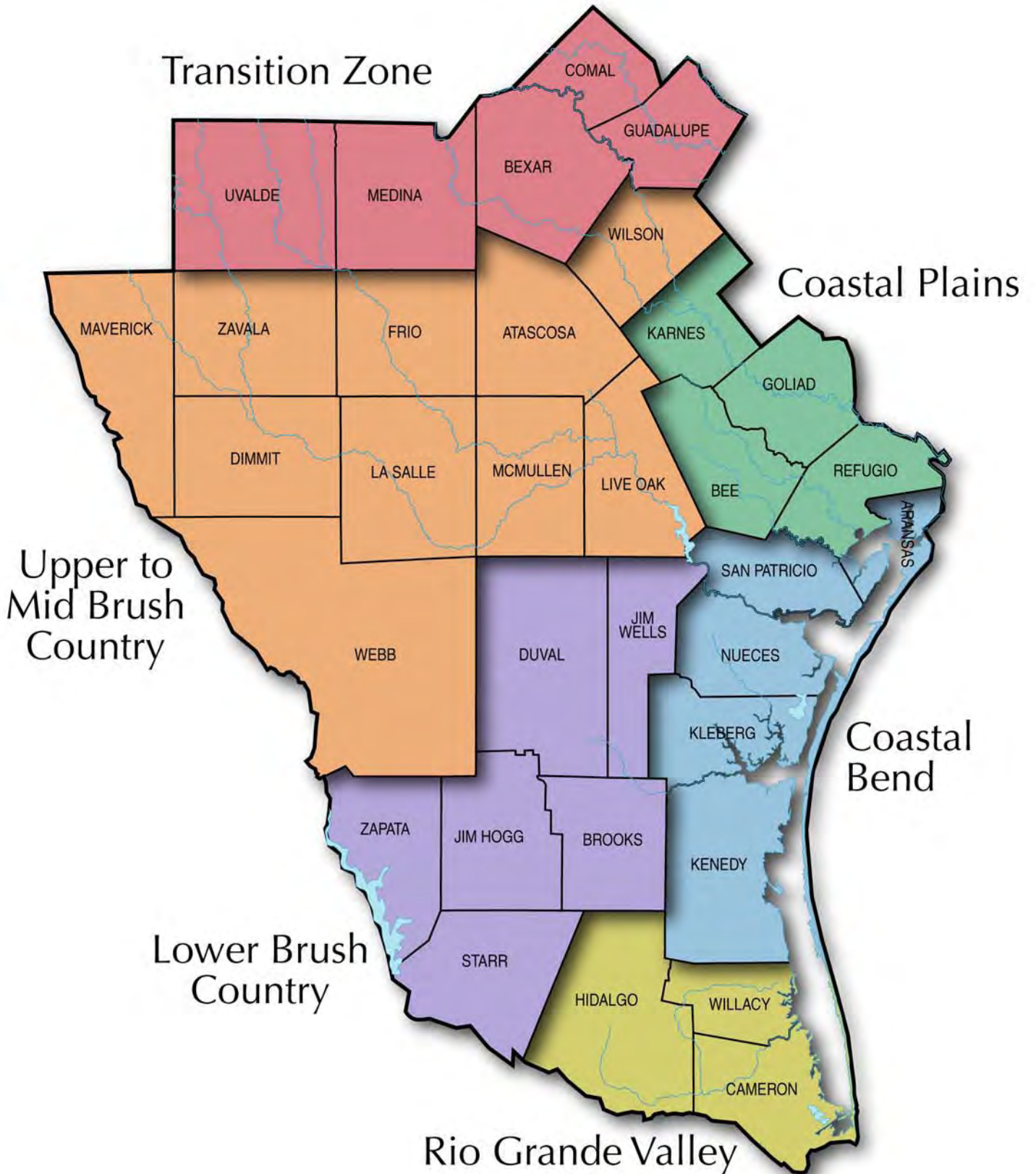
Irrigated Cropland	\$1,400 to \$1,600	Slow/Stable	\$20 to \$60	Stable/Stable
Dry Cropland	\$1,400 to \$1,800	Slow/Stable	\$20 to \$30	Stable/Stable
Improved and Native Pasture	\$2,500 to \$4,500	Active/Up	\$12 to \$15	Stable/Stable
Rural Residential/Ag 50-100	\$4,000 to \$10,000	Active/Up		

Bellville and Brenham Areas

Washington and Austin Counties

Scenic Recreational Land	\$8,000 to \$15,000	Active/Up		
Rural Residential/Ag 50-100	\$4,500 to \$12,500	Active/Up		
Improved and Native Pasture	\$4,000 to \$6,500	Active/Up		
Sealy Area	\$4,000 to \$6,500	Active/Up		

Region 6



**REGION SIX – HILL COUNTRY, SOUTH TEXAS, COASTAL PLAINS,
COASTAL BEND AND RIO GRANDE VALLEY
GENERAL MARKET CONDITIONS FOR 2010**

prepared by
Merrill E. Swanson, ARA – Region Six Team Captain

Region Six comprises the southern portion of Texas including the southern fringe of the Edwards Plateau, portions of the Coastal Plains and Coastal Bend, the South Texas Brush Country and the Rio Grande Valley. Counties in this region are those between Comal and Cameron, on a north/south basis, and between Refugio and Maverick, on an east/west basis. The region is bounded by the Gulf of Mexico on the east and the Republic of Mexico on the west.

Following is a thumbnail sketch detailing various aspects of the South Texas market.

- Market Activity – 2010 picked up toward the end of the year for most land brokers with some renewed interest in farms and ranches with sales taking place. Sales volume and related market activity were still off from pre-2008 levels.
- Better consumer confidence, the continuance of current capital gains tax levels for 2011, the result of the fall 2010 Congressional elections leading to a more balanced Congress and the positive impact of the Eagle Ford Shale exploration in South Texas have led to better demand for rural land. A certain segment of the buyer market who were “on hold” have come back to the land market.
- Weather Conditions – The severe drought in 2008–2009 was followed by a favorable rainfall year. What started as one of the best crop years for a while turned out poorly because of harvest time rains and flooding due to tropical depressions from the Gulf of Mexico. The rains stopped suddenly in the fall with limited rainfall reported since then.
- Land Values/Land Pricing – Farm and ranch asking prices posted on electronic advertising mediums have typically been reduced on a regular basis since mid- to late-2008. Many of these ranch offerings were aggressively priced and later repriced in closer alignment with the perceived level of market value. Typical marketing periods for most types of rural land has increased.

There appears to be some movement in pricing between buyers and sellers. Properties with reduced pricing at least had better activity and in some cases sold. After the vertical drop in pricing of late 2008/early 2009, land prices for the most part have held steady. Consummated sale prices continue to reflect the reduction in most areas in the range of

10 percent to 25 percent from 2007–2008 levels. To sell land in current market conditions, asking prices must be fairly aligned with value.

The Region 6 Team is aware of several foreclosed and distressed properties; however, the level of these properties is not as abundant as one might think. Land values range from holding fairly steady to decreasing somewhat from 2007–2008 levels.

- Sellers – Continue to be the same as noted last year including (1) long-term land owners (some absentee) wanting to take advantage of higher land prices; (2) owners who may have full equity in their properties outright but require a cash infusion for their business that may have slowed due to the recession; (3) owners of distressed properties.

Sellers are presently relieved over the extension of current capital gains rates and passing of the \$5,000,000 per spouse exemption for estate tax purposes. Certain land owners who were contemplating a sale are motivated to take equity out of their farms and ranches prior to a forecasted increase in the above tax rates. A number of sellers paid the capital gains tax rather than execute a tax-free exchange because they believe capital gains rates will rise. A number of estates benefitted from the no estate tax for 2010.

1031 Tax Deferred Exchanges continue to be fairly popular; however, certain sellers paid the capital gains tax.

- Buyers – End users were the most prevalent land buyers in 2009–2010. A number of end-user buyers may have sold a ranch and were looking for a replacement property. Certain “ag” landowners in transition areas sold high-priced land and then reinvested in replacement land in lower-priced areas. Most buyers are viewing land as a “safe haven” to place their capital as opposed to other investments.

The Eagle Ford Shale boom in portions of South Texas has led to newfound wealth among oil and gas operating companies and related service company owners and the mineral owners in the benefitted areas. Mineral owners and oil and gas company owners are traditional buyers of rural land. While the production is in its initial stages, the lease bonuses alone have led to some land purchases by mineral owners. Most buyers want some minerals; most sellers do not want to give any if there is any potential for a lease.

A few ranch investor buyers are back in the market offering cash and a quick close, but expecting a deep discount related to price. Some of these transactions have taken place, but not many.

Institutional investors/agricultural REITs requiring a return have shown significantly increased interest in farm land. The positive investment return provided by cropland along with tax benefits related to depreciation has positively impacted marketability and farmland pricing. Buyers of farmland continued to be farmers, absentee investors and for the larger properties in the market, the institutional investor is on the hunt.

- Demand for Ranches – Recreational demand to end users accounted for most of the activity. Demand for good recreational ranches within moderate driving distance of South Texas cities remains better than the more remote ranches. Demand for standard ranches was moderate at best, with demand for “finished/turn-key” ranches being slightly better as long as the price was perceived as reasonable. Demand for ranches with some or all of the mineral estate is good.

Hunting ranches, with improvements and established game management present, continued to command premiums; many buyers wanted “ready to go” properties. As such, top end ranches with all of the amenities may have sold while other more standard ranches are still for sale. Standard ranches acquired for land infrastructure enhancement and later resale require longer marketing times. The margin for resale with this type ranches is fairly thin.

Active ranch brokers report a few more active qualified buyers than in 2009. There appears to have been an increase in the number of farms and ranches advertised on the various online and printed advertising mediums. Marketing periods for most land has increased. The market continues to be a “buyer’s market.”

- Demand for Farmland – Farmland buyers continued to be active with investors looking for a positive return. Positive returns from commodity prices encouraged farmland producers and investors. Farmers and/or investors bought good farmland for a steady return, along with farm program benefits and appreciation potential. Demand for farmland moved from stable to increasing.

If the crops could be harvested and were not damaged by too much rainfall, the yields were good and benefitted from good commodity prices. Irrigated farmland sold at fairly good levels with most farmers making a crop. However, input levels were high due to the irrigation requirements considering the drought, high fuel and other input costs.

Water rights speculation has inflated irrigated farmland prices in the farming areas near San Antonio. A very defined water rights market is present in the Edwards Aquifer area, with transferrable rights selling separately from the land and the base water rights. Markets for water from the Carrizo Wilcox and Gulf Coast aquifers are also developing.

- Demand for Subdivision Development Land – This market segment is very slow at best. Most national home builders have slowed new development. Credit tightening and sub-prime lending problems negatively impacted the residential real estate markets.
- Financing – Available credit to land buyers has tightened, with underwriting criteria becoming more intense. A number of existing ranch owners who have debt refinanced loans. It is understood that the required equity portion of a financed transaction has risen for most ag lenders. Interest rates have remained fairly reasonable.
- Minerals – Historically, most South Texas properties are offered with limited minerals or as surface estate only. The recent Eagle Ford Shale formation discovery and perfected extraction techniques is positively influencing the South Texas economy. In South Texas, the Eagle Ford Shale formation generally extends northeast from northern Webb and southern Dimmit Counties through portions of LaSalle, Frio, McMullen, Live Oak, and Karnes Counties.

Leasing, seismic, and drilling activity are on the increase in these counties. According to the San Antonio Express News, there were 33 drilling permits issued by the Texas Rail Road Commission in 2008; in 2010, 1,229 permits were issued. Much of the initial leasing was by major publicly owned oil companies like EOG, ConocoPhillips, Chesapeake Energy, Anadarko Petroleum Corporation, Swift Energy Company, Petrohawk Energy, and British Petroleum (BP) along with privately owned firms like Lewis Petroleum and Dan A. Hughes Company. There have been some joint ventures between private and publicly owned companies as well as sellout to outside companies. With the new discovery of the Eagle Ford Shale, most sellers will convey limited if any minerals.

Transition Zone between the Texas Hill Country and the Upper Brush Country

Atascosa, Bexar, Comal, Guadalupe, Medina, Wilson and Uvalde Counties

Historically, the primary investment motive for large tracts in adjoining counties to Bexar County and the City of San Antonio is for residential subdivision development. Uvalde County is less influenced by subdivision pressure due to its location being over one hour west of San Antonio and typically out of commuting range. Overall development activity throughout this area continues to be flat in 2010. National residential development companies continue to have extensive unsold lot inventories.

South San Antonio and South Bexar County have some positive economic factors that are influenced by the resurgence of interest in the south and west sectors of Bexar County. The new Texas A&M University campus being developed on the south side of San Antonio will positively affect South Bexar County and the northern sectors of Atascosa and Wilson Counties. The

Toyota Tundra truck plant is in operation in South Bexar County. Land near Toyota has stabilized in value.

Demand for recreational land was moderate in the outlying areas. Weekend recreational ranches are common in the Transition Zone due to the short driving distance to San Antonio. Live water features are a driving force for these properties located along the edge of the Texas Hill Country.

Demand for farmland in Bexar, Comal and Guadalupe Counties continues to be stable. Open farmland in the San Antonio area may be “prime” for high-density residential development as long as public utilities are nearby. However, few developers are presently buying land to hold. Overall, western Medina County and Uvalde County generally have less intense land uses and good recreational appeal.

Water rights speculation continues to positively impact farmland pricing in Bexar, Medina and Uvalde counties. Irrigated farms with good Edwards water rights are in demand. Irrigated farms with Carrizo irrigation water continue to be in demand.

The market for Edwards water rights in Bexar, Atascosa, Medina and Uvalde Counties was extremely active in 2008 and 2009. In 2010 the Edwards Aquifer Authority reported a record total of 14,600 acre feet of water transactions an average price of about \$5,400 per acre foot and a total of 40,000 acre feet of leases averaging \$137 per acre foot per annum. In July 2010, San Antonio Water System (SAWS) secured a 30-year agreement with permits to produce and transport up to 11,687 acre feet of water per year from the Gonzales County Underground Water Conservation District. The cost of the project is anticipated to be \$131,000,000 with the first water to be piped to San Antonio in late 2013. The water agreement is estimated to supply 40,000 homes per year. Up to 5,500 acre feet of additional water could be added by SAWS purchasing excess water from neighboring communities. Renewal of the permits is required every five years.

Upper South Texas (Upper to Mid Brush Country)

Dimmit, Frio, La Salle, Live Oak, Maverick,
McMullen, Webb and Zavala Counties

Recreational hunting is the primary source of demand for land; this area has an excellent reputation for good trophy deer and upland bird hunting. For a number of years now, land stewardship practices have been more focused on the balance of livestock, wildlife and oil and gas production. However, in some instances, new ranch owners are abandoning traditional grazing of livestock and concentrating strictly on wildlife.

A number of ranches are high-fenced and game managed. Deer breeding programs, along with trap and transport programs, are popular. Many ranches have MLD permits (Managed Lands

Deer Permits) which allow for extended hunting seasons and give land owners time to achieve wildlife management goals. The deer operations are used to enhance trophy buck genetics.

2010 was a fairly good rainfall year with rains ending in the fall. Ranches became dry again in late 2010.

Hunting lease prices remained level, especially for ranches with good game management. It is understood that some high-priced leases were “dropped” by tenants due to the national recession.

There were a few more sales in this area than in 2009. Frio County is one of the areas where there was a slight uptick in sales activity.

The primary economic generator in South Texas and in particular to this subregion is speculation related oil and gas exploration of the Eagle Ford Shale formation. Leasing activity leveled off in the summer of 2010. Many oil and gas leases were negotiated with large operating companies. Some of the first directional wells in the Eagle Ford Shale have been drilled in Webb, Dimmit, Frio, LaSalle, McMullen and Live Oak Counties. The water requirement to complete these wells is very extensive which may have a negative impact on ground water levels. The production infrastructure (pipelines, etc.) is not in place in most areas, which may delay production. The countryside in the most affected areas is changing — there are a number of drilling rigs on the horizon, gas wells being flared which are most visible at night, heavy oil and gas traffic, construction of new tank batteries, pipelines and oilfield yards, and so on. A number of landowners with property along the major thoroughfares near the small communities with the most activity are leasing land on a monthly basis to the oilfield service companies rather than an outright sale. Cafes in all of the small towns in the Eagle Ford are packed. New living quarters are being constructed for housing of oilfield personnel in the some of the towns.

Subdivision development in the area has leveled out. Farmland pricing has stabilized. Upward commodity prices should have a positive impact on farmland demand and values.

Lower South Texas (Lower Brush Country)

Brooks, Duval, Jim Hogg, Jim Wells, Starr and Zapata Counties

Lower South Texas has a similar level of demand for land as Upper South Texas. This is one of the most popular hunting areas in South Texas. Land prices have stabilized. Ranch investors are willing to drive further to these good hunting areas, with hopes of finding lower land pricing and large blocks of native land. Several ranch sales were reported in this area. Duval County is one of the more active South Texas counties.

Farmland pricing is considered to have remained fairly stable. Farms adjoining low fenced brush properties offer certain recreational appeal.

This area is south of the Eagle Ford Shale formation. However, drilling activity continues in other formations in this historic oil and gas producing area.

Coastal Plains

Aransas, Bee, Goliad, Karnes and Refugio Counties

This area has a long history of being popular with Houston and Corpus Christi investors, with recreational lands being the most active category. Many Houston investors look closely at this area because of a shorter drive compared to the balance of South Texas. The blend of live oaks and South Texas brush found in this area is very appealing to a large market segment.

Bee and Goliad are the most active counties in this market. Karnes County typically relates more to San Antonio investors. It appears that land pricing has generally become consistent for the live oak covered portions of the area, from Bee and San Patricio counties up to Jackson and Lavaca counties (just north/northeast of Victoria).

The market for land along the coast has slowed. Upscale development projects from Port Aransas to Rockport/Fulton that were “hot” several years ago are slow.

Karnes County and the northern fringe of Bee County are in the Eagle Ford Shale formation. EOG Resources, ConocoPhillips and Plains Resources are the primary oil and gas companies with several discovery wells. Karnes City and Kenedy are flourishing with all of the oil and gas activity. There are a number of drilling rigs on the horizon and the flaring of gas to be seen at night. There have been a number of wells drilled in the Karnes City and Kenedy area, west of Campbellton as well as between Gillett and Yorktown in adjoining DeWitt County. For decades, Karnes County has not seen significant oil and gas production. The Eagle Ford Shale will positively change the overall economic outlook for Karnes County.

Coastal Bend

Kenedy, Kleberg, Nueces and San Patricio Counties

The primary demand for rural land is for recreation. Limited land sells in the lower portion of this area due to large ownerships.

2010 was a better crop year for area dryland farmers due to better rainfall. Demand for farmland continued to be stable. Investors typically are producers or agricultural investment groups. The best land rarely becomes available because most of the farmland ownership is by long-term tenure. Demand for large blocks of farmland is good, but there is a limited supply of “top shelf” quality farmland, especially in large tracts. With continued distrust in securities by some

investors, farmland is viewed as a long-term investment alternative that has a return and some appreciation potential.

Demand for coastal developments along Mustang Island and other nearby properties continues to be slow.

Wind farms have been developed in Kenedy County and in San Patricio County. The Kenedy County wind project is known as the Penascal Wind Farm and is situated south of Kingsville on the Kenedy Ranch between U.S. Highway 77 and the Laguna Madre. Oregon based PPM Energy is the developer and installed 84 turbines; Australia-based Babcock and Brown Ltd. is to construct 118 turbines. The San Patricio County wind farm is known as the Papalote Creek Wind Farm located between Nueces Bay and Taft. EON Climate & Renewables developed 109 turbines just to the north of the bluff of Nueces Bay.

Rio Grande Valley

Cameron, Hidalgo and Willacy Counties

The rural portions of this three-county area are largely production agriculture driven, with the demand for the best classes of cropland demonstrating increased demand. The farmland is generally purchased by producers or large corporate land trusts; demand for the best irrigated land is typically equal to demand for the best dry cropland.

Various Rio Grande Valley Realtors continue to report active interest in larger dryland tracts, in the Harlingen/Raymondville area, with both prices and rents moving up. The better quality drycrop land is often closely held and only a few transactions of any size have occurred. The unusually good market conditions for Valley citrus products are as a result of relatively recent Florida and California disasters. This situation has spurred new plantings, along with renovation of older plantings. Expectations for continued good citrus market conditions through 2010 are likely to encourage additional investments in Valley citrus properties.

Flood conditions due to tropical storms during the summer of 2010 caused crop disasters along the Rio Grande River for farms below the Military Road. A number of farms along the river flooded and lost crops, irrigation equipment and suffered severe erosion due to flood waters. The IBWC floodway system was used for the first time in years and successfully diverted most of the excess flood water from the summer floods into the Laguna Madre. However, the diversion resulted in the loss of all the crops which were located in the floodway.

The market for Rio Grande water rights continues to be active; several recent sales of "river farms" have occurred in which the water rights were reserved by the seller and leased back to the purchaser for an initial term of five years, without options to extend the leases. The holders of these rights report that they anticipate significant appreciation in the value of the rights due to

development pressures. When land is taken out of agricultural production and developed, the developer must give the municipality a specified amount of water rights. In many cases, the developer must buy water rights on the open market to fulfill this need. Rio Grande water leasing in 2008 was active, with over 16,000 acre feet reported at prices ranging from \$50 to \$100 per acre foot for irrigation water and \$200 to \$600 per acre foot for municipal and/or industrial uses. The demand for drilling and hydraulic fracturing water has caused the price of these smaller amounts of one-time lease water to skyrocket in 2010 with 22 leases reported to be at prices of \$500 to \$1000 per acre foot for the small amounts. Most of this unusual leasing activity had water from the Valley being diverted south of Eagle Pass for use in the Eagle Ford Shale program. Water rights sales generally ranged around \$2,500 per acre for Class A rights, with Class B rights in the \$2,250 range.

In the recent past, a significant trend is for agricultural lands close to Edinburg, McAllen and Mission to be converted into residential developments. However, much subdivision is on hold due to subprime lending problems in the Rio Grande Valley. Demand for subdivision land is generally flat. Subdivision development is less prevalent in Willacy County.

Recreational ranches still have excellent demand. There are few available ranches for sale in the Valley due to the large, long-held ownerships in the northern reaches of the area. Many of the Rio Grande Valley land investors are local buyers.

The construction of the "Border Fence" is underway in the McAllen area and is beginning in the Brownsville area. This development is a source of significant controversy since the fence is located north of the IBWC Levee and is limiting access to significant portions of the river farms below the levee. The impact of this development is not yet evident on land values, along the river, but will likely become clear as the fence is completed.

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**Region 6 - Hill Country, South Texas, Coastal Plains
Coastal Bend and Rio Grande Valley**

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
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Transition Zone

Atascosa, Bexar, Comal, Guadalupe, Medina, Uvalde and Wilson Counties

Class I Irrigated Crop*	\$2,000 to \$3,000	Stable/Stable	\$50 to \$150	Stable/Stable
Class II Dry Crop	\$1,100 to \$2,200	Stable/Stable	\$20 to \$50	Stable/Stable
Permanent Pasture	\$1,500 to \$2,500	Stable/Stable	150/AU	Stable/Stable
Rangeland <2,000 Acres	\$1,200 to \$6,000	Stable/Stable	150/AU	Stable/Stable
Rangeland >2,000 Acres	\$1,000 to \$3,500	Stable/Stable	150/AU	Stable/Stable
Development Land**	\$3,000 to \$20,000	Slow/Decreasing	N/A	N/A
Transferable Edwards***				
Aquifer Water Rights	\$5,000 to \$5,500	Stable/Stable	\$99 to \$150	
Hunting Lease			\$6 to \$20	Stable/Stable

Value ranges are generally reflective of partial mineral transactions

*Speculation on water rights in Bexar, Medina and Uvalde Counties; small lots of water rights are selling to various users for \$10,000 to \$12,500 per acre foot.

Live water features or subdivision development potential increases the achievable pricing throughout regio

**A number of Bexar County area farms are being acquired for subdivision development

Upper South Texas - Upper to Mid Brush Country

Dimmit, Frio, La Salle, Live Oak, Maverick, McMullen, Webb & Zavala Counties

Class I Irrigated Crop	\$2,000 to \$2,300	Active/Stable	\$50 to \$150	Stable/Stable
Class II Irrigated Crop	\$1,650 to \$1,900	Active/Stable	\$50 to \$125	Stable/Stable
Class II & III Dry Crop	\$1,000 to \$1,500	Stable/Stable	\$20 to \$40	Stable/Stable
Permanent Pasture/Improved Pasture	\$1,400 to \$2,200	Moderate/Stable	150/AU	Stable/Stable
Rangeland <2,000 Acres	\$1,175 to \$2,750	Moderate/Stable	150/AU	Stable/Stable
Rangeland >2,000 Acres	\$1,000 to \$2,750	Moderate/Stable	150/AU	Stable/Stable
Hunting Lease (Rangeland)			\$8 to \$20	Stable/Stable

Value ranges are generally reflective of partial mineral or surface only transactions; few tracts sell with significant minerals in this market

Lower South Texas - Lower Brush Country

Brooks, Duval, Jim Hogg, Jim Wells, Starr & Zapata Counties

Dry Cropland	\$800 to \$1,600	Moderate/Stable	\$20 to \$30	Stable/Stable
Rangeland <2,000 Acres	\$1,100 to \$2,450	Moderate/Stable	150/AU	Stable/Stable
Rangeland >2,000 Acres	\$1,100 to \$2,450	Moderate/Stable	150/AU	Stable/Stable
Hunting Lease (Rangeland)			\$8 to \$20	Stable/Stable

Value ranges are generally reflective of surface only transactions; few tracts sell with significant minerals in this market

Coastal Plains

Aransas, Bee, Karnes, Goliad & Refugio Counties

Class II & III Dry Crop	\$1,000 to \$1,500	Moderate/Stable	\$25 to \$45	Stable/Stable
Permanent Pasture & Improved Pasture	\$1,300 to \$2,350	Moderate/Stable	150/AU	Stable/Stable
Rangeland <2,000 Acres	\$1,700 to \$2,750	Moderate/Stable	150/AU	Stable/Stable
Rangeland >2,000 Acres	\$1,500 to \$2,500	Moderate/Stable	150/AU	Stable/Stable
Hunting Lease (Rangeland)			\$8 to \$15	Stable/Stable

Value ranges are generally reflective of partial mineral or surface only transactions; few tracts sell with significant minerals in this market

Coastal Bend

Kenedy, Kleberg, Nueces & San Patricio Counties

Class I Dry Crop	\$1,650 to \$2,500	Stable/Stable	\$60 to \$150	Stable/Stable
Class II Dry Crop	\$1,200 to \$1,800	Stable/Stable	\$25 to \$50	Stable/Stable
Rangeland	\$1,700 to \$2,500	Moderate/Stable	150/AU	Stable/Stable
Hunting Lease (Rangeland)			\$8 to \$20	Stable/Stable

Value ranges are generally reflective of surface only transactions; few tracts sell with significant minerals in this market

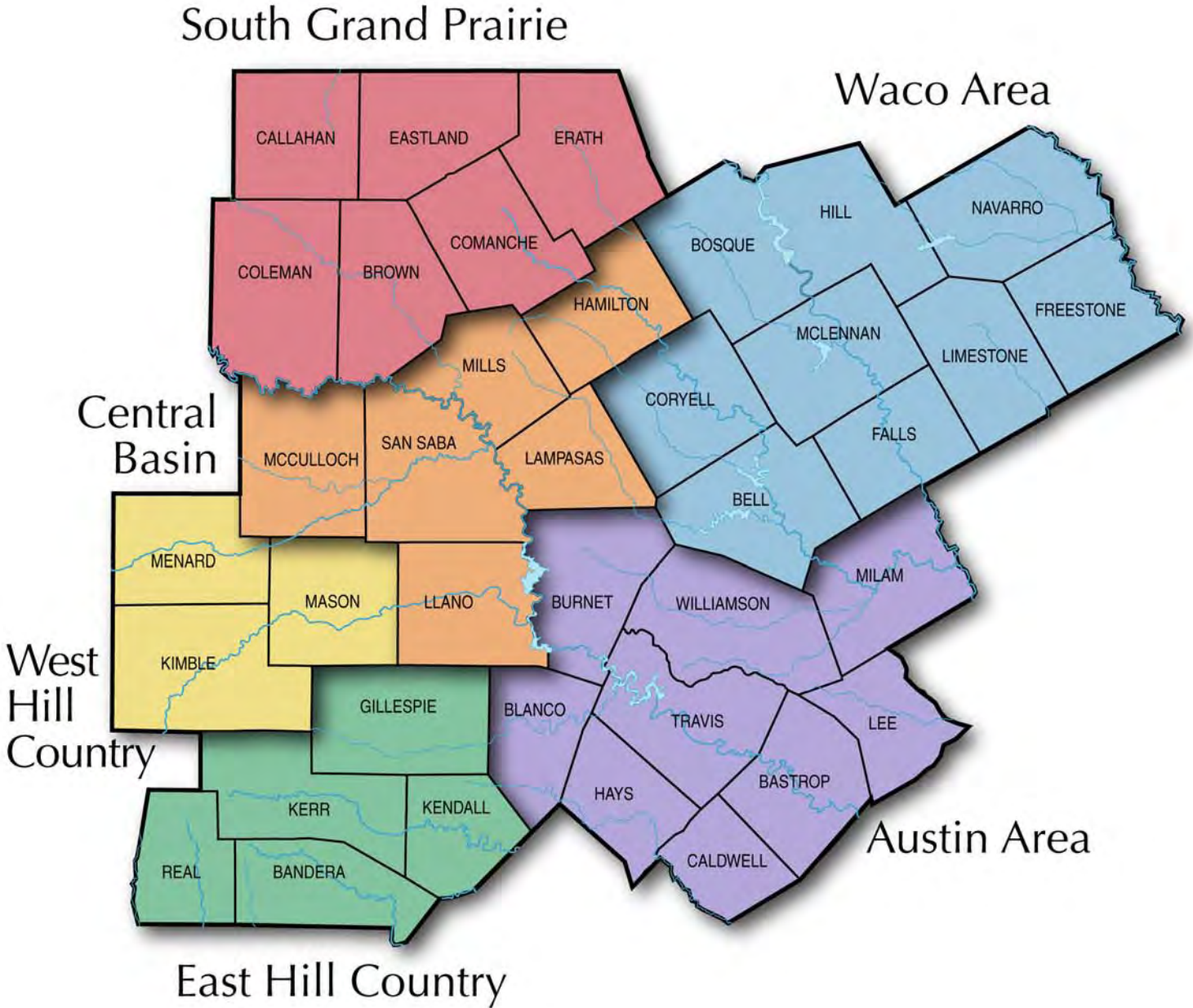
Rio Grande Valley

Willacy, Cameron and Hidalgo Counties

Class I Irrigated Crop	\$3,500 to \$4,100	Stable/Up	\$90 to \$135	Stable/Up
Class II Irrigated Crop	\$2,000 to \$3,400	Stable/Up	\$50 to \$100	Stable/Up
Class I Dry Crop	\$1,600 to \$2,300	Stable/Up	\$65 to \$90	Stable/Up
Class II Dry Crop	\$1,200 to \$1,500	Stable/Up	\$35 to \$65	Stable/Up
Permanent Pasture	\$1,500 to \$2,250	Moderate/Stable	\$150/AU	Stable/Stable
Rangeland	\$1,750 to \$4,000	Moderate/Stable	\$150/AU	Stable/Stable
Hunting Lease (Rangeland)			\$10 to \$20	Stable/Stable

Value ranges are generally reflective of surface only transactions; few tracts sell with significant minerals in this market

Region 7



**REGION SEVEN - GRAND PRAIRIE, CENTRAL BASIN, BLACKLANDS,
POST OAK BELTS, EDWARDS PLATEAU AND HILL COUNTRY
GENERAL MARKET CONDITIONS FOR 2010**

prepared by
Wendell Wood, ARA – Region Seven Team Captain

Region Seven forms the central core of the State of Texas. The geographic center of the state is in this region, at a point approximately 15 miles northeast of Brady, the county seat of McCulloch County.

Highlights for the overall market for the counties in Region Seven precede a brief discussion related to each of the sub-regions.

- Sales volume improved in 2010 from 2009 but remained sharply lower compared to 2007 and early 2008. The demand for smaller acreage properties was stronger than for the large-acreage properties.
- Sales prices in 2010 were generally stable to weaker for most land classes throughout the region. Sales prices for cultivated acreage indicated stable-to-higher prices.
- Productivity characteristics come into play in the market for cultivated lands. Demand for average and good quality cultivated acreage has been positively impacted by the higher commodity prices observed over the past year and the anticipation by producers and investors for continued strength in commodity price levels.
- Recreational uses of land, primarily hunting, continue to be a primary influence in the mind of buyers. Investment demand was lower than observed in the years prior to 2009.
- Sales activity appears to be focused on higher quality properties with those having less market appeal (aesthetic characteristics of the land, including views and live water) continues to be weak.
- Buyer motivation to purchase and retain rural land seems to be reinforced by investment diversification. Market participants noted some buyers were motivated by concerns over the potential for long-term inflation.

Southern Grand Prairie

Callahan, Eastland, Erath, Coleman, Brown and Comanche Counties

The Southern Grand Prairie experienced a generally stable market in 2010 with sale volumes declining from 2009. Price levels remain stable with some downward bias. Sales activity through the western areas of the Southern Grand Prairie was slow with sales prices reported as being stable. Similar trends were noted in the eastern portions of the region. Value trends remained stable in each of the land classes surveyed. The buyers are predominately motivated by recreational activities with less demand noted for investment properties. In general, land values tend to increase as one moves from west to east, with the higher values being associated with

properties in counties nearer to the Dallas-Fort Worth metroplex. Erath County reaps the benefits of its proximity to Fort Worth but also has support provided by buyers within the Stephenville area seeking recreational home sites.

Central Basin

McCulloch, San Saba, Mills, Hamilton, Lampasas and Llano Counties

Land sales activity improved during 2010 compared to 2009 but remained well below 2007 and 2008 levels. Recreational uses along with investment continued to be the primary motivating factor behind most land purchases in the Central Basin with outdoor recreation including hunting and general enjoyment of the outdoors. Land values tend to increase as one moves from west to east. The Central Basin includes Llano County in which recreational buyers have historically sought properties for deer hunting. The Highland Lakes influence sales prices with lake proximity impacting buyer's purchase decisions. The higher values in Llano County continue to support land values in the northern portions of the Central Basin.

Value trends in the central basin during 2010 continue to indicate stable-to-weaker sales prices as compared to late 2007 and 2008. Stable trends are noted relative to 2009. The properties with the strongest aesthetic qualities have remained in the greatest demand and indicate mostly stable price trends while the lower quality properties appear to indicate weaker demand and lower prices.

Central Blacklands, Grand Prairie and Post Oaks within a 50-Mile Radius of Waco

Bosque, Hill, Navarro, Coryell, McLennan,
Limestone, Freestone, Bell and Falls Counties

This area is influenced by the population centers of Dallas, Fort Worth and Austin in addition to residents in Waco, Temple and Killeen. The northern portion of the region represents the area with the strongest demand due to its location with respect to Dallas-Fort Worth buyers seeking recreational land and retirement properties. The southeastern areas of this sub-region tend to provide the lower range of values due to their more remote locations with respect to the major metro centers.

Sales activity continued to be slow during 2010, similar to the level of activity in 2009. In general, land values within this subregion tend to be higher along and near the IH-35 corridor and the neighborhood's population centers. The Central Blacklands and Grand Prairie areas are noted as containing significant areas of cultivated acreage. Cropland is noted as showing strong demand with few average-to-above-average quality farms being offered for sale. Those properties with strong production characteristics have exhibited moderate upward value trends, although the level of increase has not been significant. Cash lease rates for cultivated acreage increased as producers sought additional acreage during the current period of high commodity prices. Following historic trends, the amount of cultivated acreage placed on the market for sale remained low. Throughout 2010, the demand for recreational properties remained weak with survey participants indicating stable sales prices. Sellers appear to be more willing to negotiate with some reduced asking prices. The impact of mineral interests continued to be a factor in localized areas within the region. Area respondents indicate that sellers are hesitant to convey any minerals as part of the sale, while buyers are reluctant to buy properties where control of the surface estate is limited.

East Edwards Plateau, Central Blackland and South Post Oaks – Austin Area

Burnet, Blanco, Hays, Travis, Williamson,
Milam, Caldwell, Bastrop and Lee Counties

This sub-region includes the Austin MSA and, as a result, significant urban influence is present in Travis, Williamson and Hays Counties with the adjacent counties being influenced by trends in the development market of Austin and adjacent cities.

Location, with respect to Austin and the primary cities in the region, is a primary factor impacting land values in this area. Generally, as one travels farther from Austin, land values decline, with land values to the west being stronger than land values to the east. The Austin MSA has not been immune to the general economic trends impacting the nation and has resulted in lower sales volumes for most land classes. The market for urban fringe properties continues to be weak with a number of foreclosures noted in properties previously purchased for suburban development. In general, land sales activity in the Austin area was higher than 2009 but remained well below the levels previously observed. Activity in the small acreage tract market of up to 50 acres improved with prices remaining stable under an ample supply of properties offered for sale. Properties with below average aesthetic qualities continued to be weak.

The Blackland farming area experienced stable to higher land price trends during 2010 with slow sales volume resulting from a limited number of quality farms being offered for sale. Cash lease rates were generally stronger with producers competing for any properties offered for lease.

East Hill Country

Gillespie, Kerr, Kendall, Real and Bandera Counties

Buyers from the metropolitan areas of the state represent the bulk of land buyers in the area with many of these buyers seeking to retire to the area. Buyers continue to seek properties with strong aesthetic qualities and prefer locations within a short drive of the primary cities. Overall sales volumes are indicated to be moderate and improved over 2009. The average size of properties sold in the region continues to be small as the market is influenced by home site demand.

The East Hill Country continues to be the highest priced area within Region Seven. During 2010, price levels were overall stable to weaker with moderate sales activity. Survey participants indicate recreational based properties with live water features and superior aesthetic qualities showed moderate sales activity and static prices. Properties with live water features continue to be in the greatest demand and command the highest prices.

Recreational properties without unique water features or above average aesthetics showed weaker demand with stable to weaker price trends during the year. The number of properties offered for sale during 2010 continued to be high with some sellers being more willing to negotiate the asking price.

West Hill Country
Menard, Mason and Kimble Counties

Sales activity remained low compared to 2007 and 2008 but higher than was observed in 2009. Properties with strong water features continued to be in the greatest demand with general price trends throughout the western Hill Country being stable. The general trends has been toward stable prices with some declines in asking prices. Area buyers are typical of the Hill Country in that they seek properties with strong aesthetic and recreational features. Investors seeking land for recreational uses and long-term store of wealth were evident in the area. The number of purchases made for speculation and/or subdivision remained low.

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**Region 7 - Grand Prairie, Central Basin, Blacklands,
Post Oak Belts, Edwards Plateau and Hill Country - 2010**

Land Use or Class	Value Range	Activity/Trend	Rental Range	Activity/Trend
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**Southern Grand Prairie
Callahan, Eastland, Erath, Coleman, Brown and Comanche Counties**

Dry Cropland	\$800	to	\$1,600	Slow/Stable	\$10	to	\$25	Moderate/Stable
Improved Pasture	\$1,100	to	\$2,500	Slow/Stable	\$10	to	\$20	Moderate/Stable
Native Pasture - Open	\$1,200	to	\$2,500	Slow/Stable	\$4	to	\$10	Moderate/Stable
Native Pasture - Wooded	\$1,500	to	\$3,000	Slow/Stable	\$4	to	\$12	Moderate/Stable
Live Water - Recreational	\$2,500	to	\$4,000	Slow/Stable	\$5	to	\$15	Moderate/Stable
Pecan Groves - Improved	\$1,500	to	\$3,000	Slow/Stable				
Hunting Leases					\$10	to	\$20	Moderate/Stable

**Central Basin
McCulloch, San Saba, Mills, Hamilton, Lampasas and Llano Counties**

Dry Cropland	\$1,000	to	\$1,600	Slow/Stable	\$15	to	\$25	Moderate/Stable
Improved Pasture	\$950	to	\$1,800	Slow/Stable	\$10	to	\$22	Moderate/Stable
Native Pasture - Open	\$1,250	to	\$2,200	Slow/Weaker	\$7	to	\$10	Moderate/Stable
Native Pasture - Wooded	\$1,600	to	\$4,000	Slow/Weaker	\$7	to	\$12	Moderate/Stable
Pecan Groves - Improved	\$2,000	to	\$3,000	Slow/Stable				Owner or Shares
Live Water - Recreation	\$2,500	to	\$7,000	Slow/Stronger	\$10	to	\$20	Owner Dominated
Transitional <50 Acres	\$3,000	to	\$10,000	Slow/Stable				
Hunting Leases - Rangeland					\$10	to	\$25	Moderate/Stable

**Central Blacklands, Grand Prairie and North Central Post Oaks (±50 Mile Radius of Waco)
Bosque, Hill, Navarro, Coryell, McLennan, Limestone, Freestone, Bell and Falls Counties**

Dry Cropland - Good	\$1,800	to	\$2,900	Strong/Higher	\$30	to	\$70	High Demand
Dry Cropland - Marginal	\$1,400	to	\$2,500	Strong/Higher	\$25	to	\$45	Active/Higher
Improved Pasture	\$1,500	to	\$2,700	Moderate/Stable	\$15	to	\$25	Moderate/Stable
Native Pasture - Open	\$1,200	to	\$2,300	Moderate/Stable	\$8	to	\$15	Moderate/Stable
Native Pasture - Wooded	\$1,300	to	\$4,500	Moderate/Stable	\$8	to	\$15	Moderate/Stable
River Properties	\$2,500	to	\$7,000	Moderate/Stable	15	to	30	Moderate/Stable

**Eastern Edwards Plateau, Central Blacklands, and Southern Post Oaks (Austin Area)
Burnet, Blanco, Hays, Travis, Williamson, Milam, Caldwell, Bastrop and Lee Counties**

Dry Cropland - Good	\$1,800	to	\$3,200	Strong/Higher	\$30	to	\$70	High Demand
Dry Cropland - Marginal	\$1,400	to	\$2,700	Moderate/Higher	\$25	to	\$45	Active/Higher
Improved Pasture	\$2,500	to	\$3,500	Slow/Stable	\$15	to	\$25	Moderate/Stable
Native Pasture - Wooded	\$2,200	to	\$8,000	Slow/Stable	\$10	to	\$20	Moderate/Stable
Single Family - Utilities	\$15,000	to	\$30,000	Slow/Down				
Urban Fringe - No Utilities	\$5,000	to	\$20,000	Slow/Down				
Ranchette <50 Acres	\$3,200	to	\$10,000	Moderate/Stable				

**Eastern Hill Country
Gillespie, Kerr, Kendall, Real and Bandera Counties**

Recreational w/ Live Water	\$5,000	to	\$12,000	Moderate/Stable				
Recreational w/o Live Water	\$1,650	to	\$5,000	Moderate/Lower				
Rangeland	\$1,650	to	\$4,000	Moderate/Lower	\$4	to	\$10	Active/Higher
Hunting Leases-Rangeland					\$5	to	\$25	Active/Higher

**Western Hill Country
Menard, Mason and Kimble Counties**

Native Rangeland >500 <1,500 Acres	\$1,600	to	\$3,000	Slow/Stable	\$2	to	\$5	Moderate/Stable
Native Rangeland >1,500 Acres	\$1,500	to	\$2,000	Slow/Stable	\$2	to	\$5	Moderate/Stable
Native Rangeland - Live Water >1,000 Acres.	\$2,500	to	\$8,000	Slow/Stable	\$2	to	\$6	Moderate/Stable
Native Rangeland-Live Water +/- 500 Acres	\$5,000	to	\$8,000	Slow/Stable	\$2	to	\$6	Moderate/Stable
Hunting Leases					\$10	to	\$20	Moderate/Stable