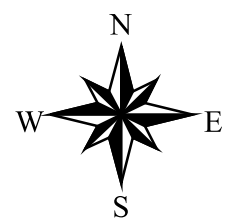
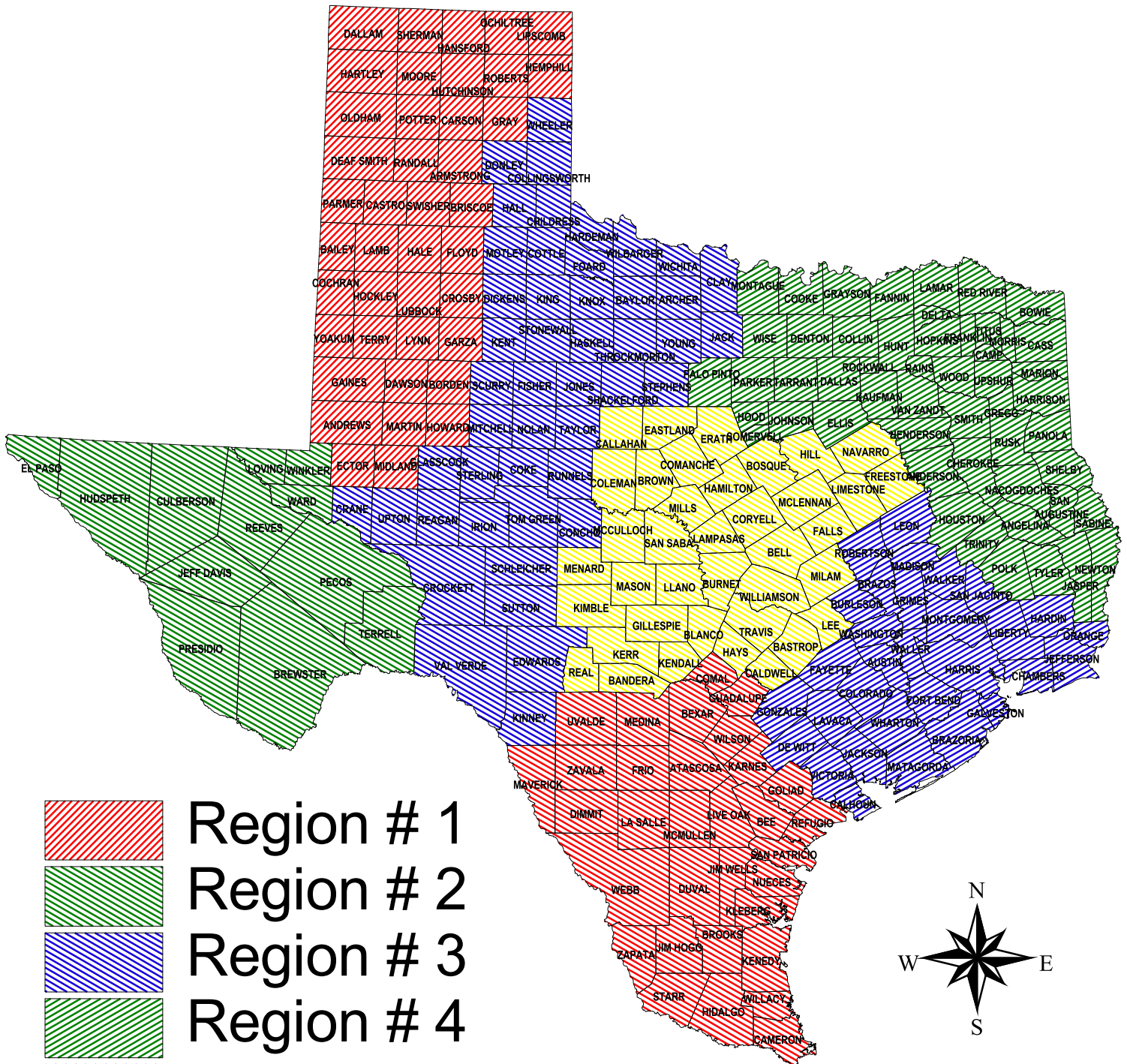




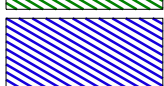
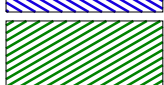
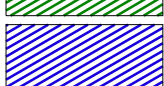
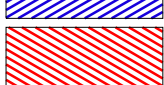
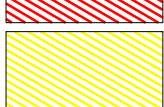


***TRENDS
IN
TEXAS
RURAL LAND
VALUES
FOR
THE YEAR 2006***

TEXAS CHAPTER ASFMRA
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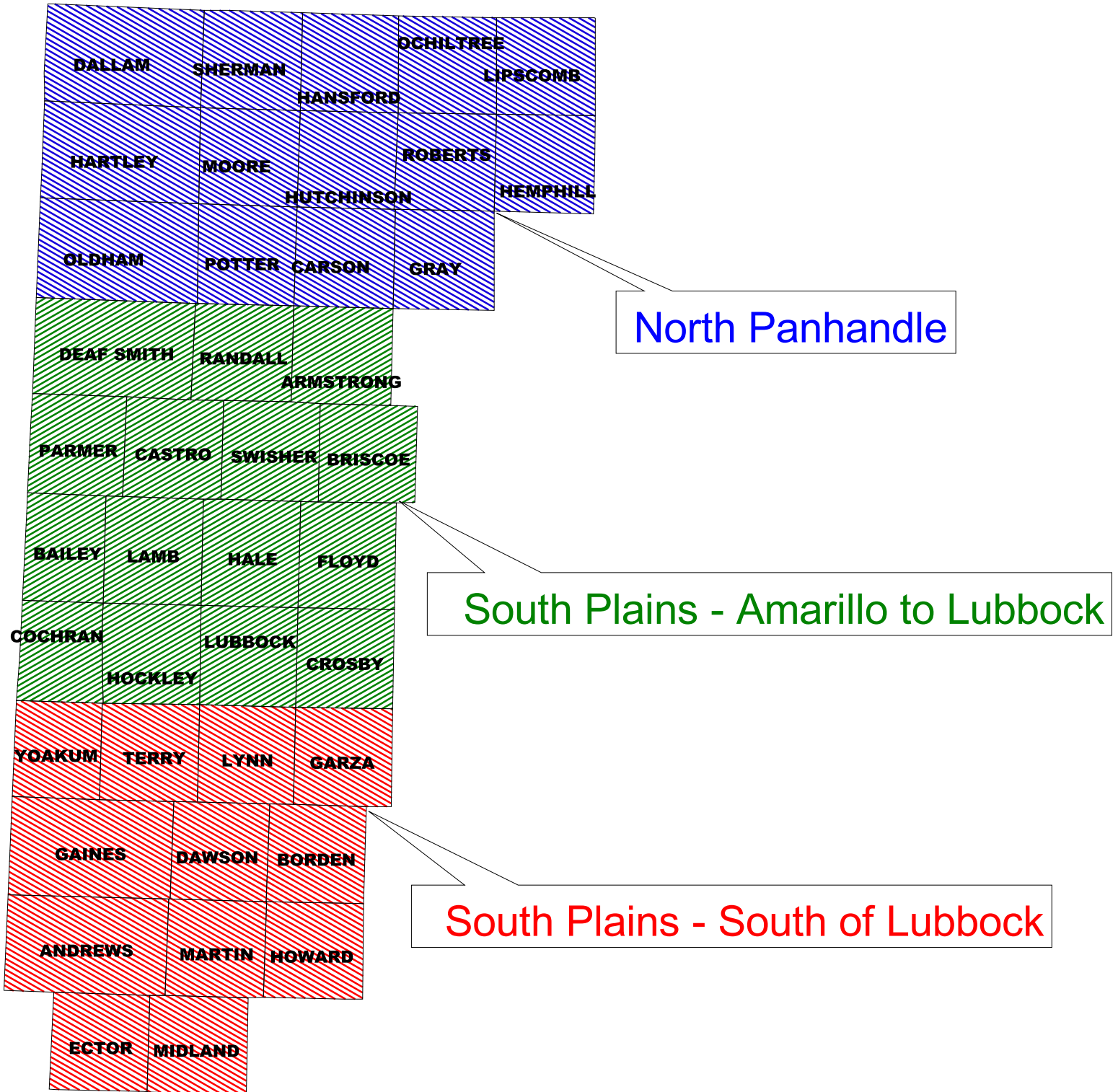
TEXAS CHAPTER ASFMRA LAND VALUE SURVEY REPORTING REGIONS



-  Region # 1
-  Region # 2
-  Region # 3
-  Region # 4
-  Region # 5
-  Region # 6
-  Region # 7

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Region #1



REGION ONE – PANHANDLE AND SOUTH PLAINS GENERAL MARKET CONDITIONS FOR 2006

Prepared By
B L Jones, III, 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 sub-regions.

- Demand remains strong for hunting and recreational properties. Ranch prices and hunting lease rates continue to increase.
- Crop producers continue to be hampered by high fuel and fertilizer costs. The inventory of good irrigated land, that is for sale, is still in a decline and prices are showing increases. Throughout the South Plains, irrigated land is still in demand. Values for farms with weak, or marginal, irrigation water have tended to remain stable.
- A major increase in cropland has been due to the demand for dairy sites. Dairies continue to move into the North Panhandle and South Plains; some of the existing dairies are purchasing additional land. The favorable ecological climate is one of the reasons that dairies are relocating to these areas. A new milk testing lab is in operation in Dimmitt.
- With higher production costs, demand for dryland farms remains stable, with some areas showing a slight increase. The dry cropland is nearly always leased on a crop share basis.
- Demand is very strong for large ranches, with a limited number of properties currently being offered for sale. Large tracts suitable for subdivision into smaller tracts are limited.

North Panhandle

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

Land sales in the North Panhandle are stable to increasing. Large dairy operators continue to move into the western area. Increased costs of production have continued to dampen demand, but land prices have increased. Dry cropland has stabilized. Area cotton production is still viable; milo production was good in 2006. Cash leases for irrigated cropland are common in the northwest quadrant of the Panhandle. Due to continued high fuel and fertilizer costs, cash lease rates are stable. A crop share lease is most prevalent in the eastern sector of the Panhandle where the rental market is more stable.

Cash lease rates for native rangeland continue to be stable, while hunting leases on rangeland have increased. Range conditions are fair due to the below average rainfall; however, the winter moisture helped. Large fires have taken a toll on rangeland in the North Plains. There is an active, steady demand for smaller ranches for recreational purposes. 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 were not as good in 2006 due to drought and hail. Lands south of Hale County suffered from hail loss. Irrigated cotton also suffered in lower yields and higher production costs. Irrigated land sales increased at the end of the year. There is still pressure on the market from dairy-related buyers in Bailey, Castro, Deaf Smith and Parmer counties. The demand for farms with weaker irrigation water has stabilized; farms, with wells pumping less than 200 GPM, typically sell for approximately the same price as dry cropland. The boll weevil eradication programs are still in place. The count is down and insects were not a big concern during 2006.

Native rangeland is in scattered areas along draws or a band of sandhills and runs southeast across the region; generally, these are smaller tracts utilized in conjunction with adjoining cropland. Range conditions were fair. A crop share lease is the predominate lease arrangement for both irrigated and dry cropland; rental rates and terms remain fairly stable. The trend of absentee landlords selling to tenants continues to increase.

Drip irrigation continues to be installed on a limited basis due to the high cost of installation. Hockley County leads the area for land being put into drip irrigation.

Prices for land enrolled in the Conservation Reserve Program (CRP) are stable; sales activity was light with investors being the main purchasers. Some CRP contracts have been extended.

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 that is utilized for cattle grazing. Quite a bit of the native range is leased for hunting. The grazing of sheep and goats is limited, in the South Plains, because of populations of coyotes. Most cultivated farming utilizes dryland cultural practices due to inadequate groundwater. Irrigation practices are predominantly sprinkler due to sandy soils.

As in 2005, sales of dry cropland remained stable, with values flat. The dryland farms generally had a poor year in 2006. 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 number of farmland buyers is typically composed of local farmers. Values for the better-irrigated farm properties have strengthened. In areas where there is peanut production, values have increased for irrigated properties; it is noted that the peanut crop was good. Underground drip irrigation acreage continues to increase.

Recreation and investment are the primary motivations for purchasers desiring ranches of all sizes.

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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	\$1,200	to	\$2,000	Active/Increase	\$70	to	\$135	Limited/Stable
Irrigated Cropland Fair Water	\$600	to	\$1,000	Active/Increase	\$40	to	\$70	Stable/Stable
Dry Cropland East	\$275	to	\$400	Limited/Stable	\$15	to	\$30	Limited/Lower
Dry Cropland West	\$275	to	\$400	Limited/Stable	\$15	to	\$30	Limited/Lower
Rangeland	\$300	to	\$1,250	Moderate/Higher	\$7	to	\$10	Stable/Stable
Conservation Reserve Program	\$275	to	\$500	Moderate/Stable	\$30	to	\$44	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	\$800	to	\$1,800	Active/Increase	\$70	to	\$135	Increase/Increase
Irrigated Cropland Fair Water	\$600	to	\$800	Active/Increase	\$40	to	\$70	Increase/Increase
Drip Irrigation	\$1,200	to	\$2,200	Moderate/Increase	\$70	to	\$135	Increase/Increase
Dry Cropland Wheat	\$250	to	\$350	Limited/Stable	\$15	to	\$30	Increase/Increase
Dry Cropland Cotton	\$300	to	\$450	Limited/Stable	\$15	to	\$30	Increase/Increase
Rangeland	\$250	to	\$800	Moderate/Stable	\$7	to	\$10	Increase/Increase
Conservation Reserve Program	\$300	to	\$375	Moderate/Stable	\$30	to	\$45	Moderate/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

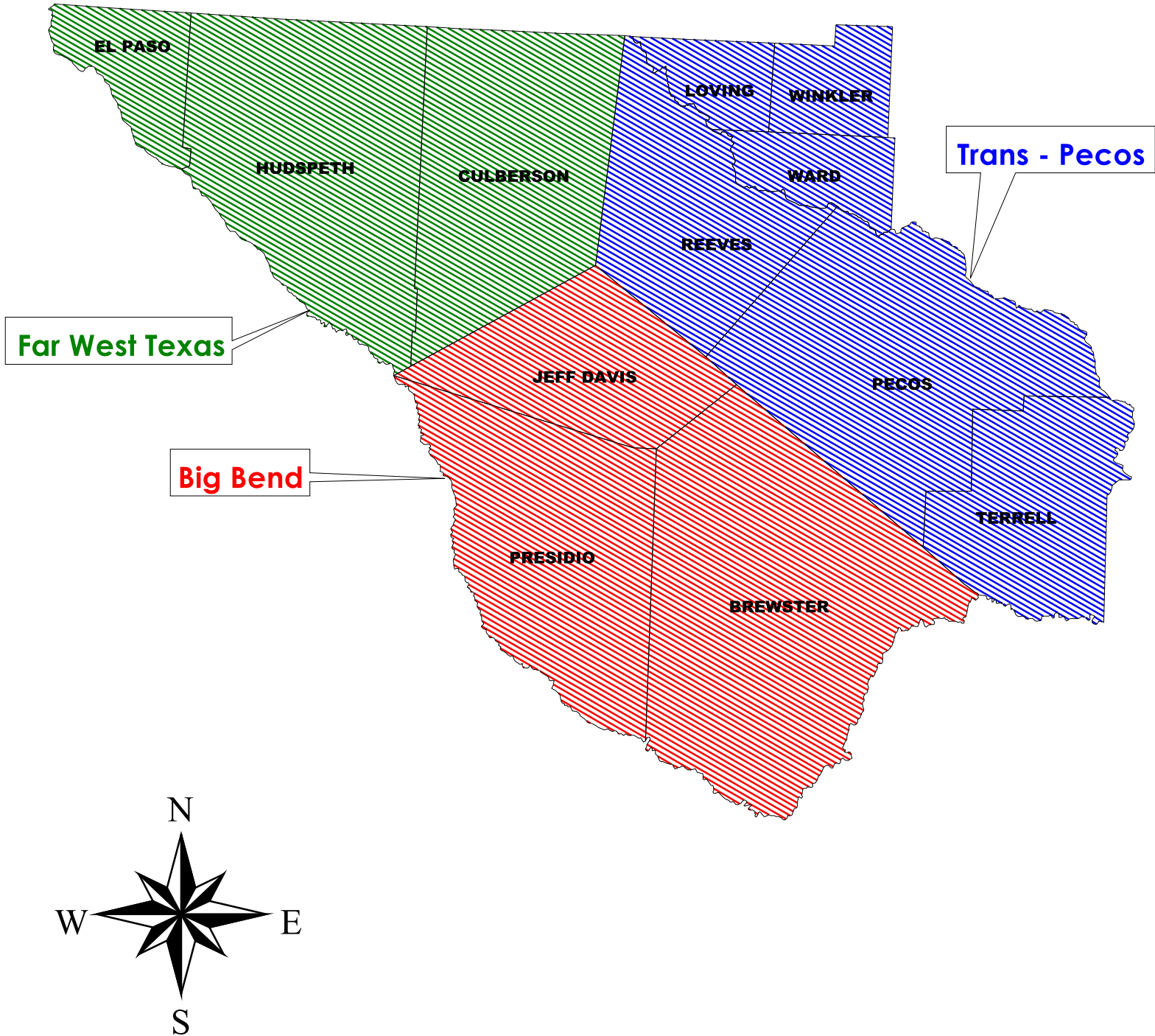
Yoakum, Terry, Lynn, Garza, Gaines, Dawson, Borden, Andrews, Martin, Howard, Ector and Midland Counties

Irrigated Cropland Better Water (Peanuts)	\$1,000	to	\$2,000	Active/Increase	\$70	to	\$125	Stable/Stable
Irrigated Cropland Fair Water	\$600	to	\$1,000	Active/Increase	\$40	to	\$60	Stable/Stable
Dry Cropland Cotton	\$300	to	\$550	Active/Increase	\$15	to	\$30	Stable/Stable
Rangeland	\$200	to	\$900	Active/Increase	\$3	to	\$7	Increase/Increase
Conservation Reserve Program	\$300	to	\$500	Limited/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 2006

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. Guadalupe Peak, at 8,749 feet, is the highest point in Texas and is 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, is also in Region Two.

Highlights of the overall West Texas market precede brief discussions related to each sub-region.

- The region is composed of a diverse land use mix. The topography is characterized as mountainous with broad valleys and flood plains.
- Most of the land is native range that is utilized for cattle grazing. The grazing of sheep and goats is inhibited by populations of coyotes, mountain lions and eagles.
- Native rangeland is typically held by established ranching families. However, over the last twenty years, low income levels, from cattle operations, plus pressure from individuals (and entities) with increasing disposable income from non-agricultural sources, have caused property ownerships in several cattle ranches to change. Another development is the creation of “ranchettes”. Continued market pressure is expected.
- Irrigation is predominantly by flooding due to the high clay content of the soils and the abundant water volumes. Center pivot sprinkler systems are becoming more common as a result of increasing water pumping costs.
- Supply and demand are generally stable and are dominated by both investors and recreationalists, with the cultivated land market being dominated by producers.
- It is noted that drought, which is common, is a limiting factor.

Far West Texas Culberson, El Paso and Hudseph Counties

The area covers approximately 8,765 square miles. A significant area, located 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 furnish water based on adjudicated water rights.

In the El Paso Upper Valley, the market is generally driven by the investor, with strong urban pressures being 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

is increasing and is typically producer-oriented. Water volumes in these areas are considered to be an attractive factor and are stimulated by water rights speculation for municipal uses.

Big Bend

Brewster, Jeff Davis and Presidio Counties

The area covers some 12,284 square miles and topographically is characterized as mountainous with broad upland areas and canyon bottoms. The geology is considered unique; annually, the area regularly attracts more than 350,000 visitors. Some lands, in the valley along the Rio Grande, are cultivated and are irrigated utilizing adjudicated water rights from the river. Typical cash crops include alfalfa, onions, carrots and melons. The farmland market is limited, with the major adverse factors being increasing operating costs, decreasing commodity prices, and travel distances to market centers.

In the area associated with the Davis Mountains, demand for properties is strong, but only a few properties are available. The market is 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 supply of properties is stable to increasing, with the market 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 as having rolling plains, broad valleys and flood plains. Prior to the 1970's, significant amounts of land in the Pecos River Valley were cultivated and irrigated. The area possesses abundant supplies of poor quality, groundwater and alkaline soils. Agricultural orientation is a 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	\$185	to	\$300	Increase/Increase	\$0.65	to	\$0.85	Stable/Stable
Dell City Irrigated Cropland	\$600	to	\$800	Stable/Increase	\$85	to	\$125	Stable/Stable
El Paso Upper Valley Irrigated	\$8,000	to	\$12,000	Stable/Stable	\$100	to	\$125	Stable/Increase
El Paso Lower Valley Irrigated	\$3,000	to	\$5,200	Increase/Increase	\$65	to	\$85	Stable/Stable
Van Horn Irrigated Cropland	\$300	to	\$500	Stable/Stable	\$25	to	\$50	Stable/Stable

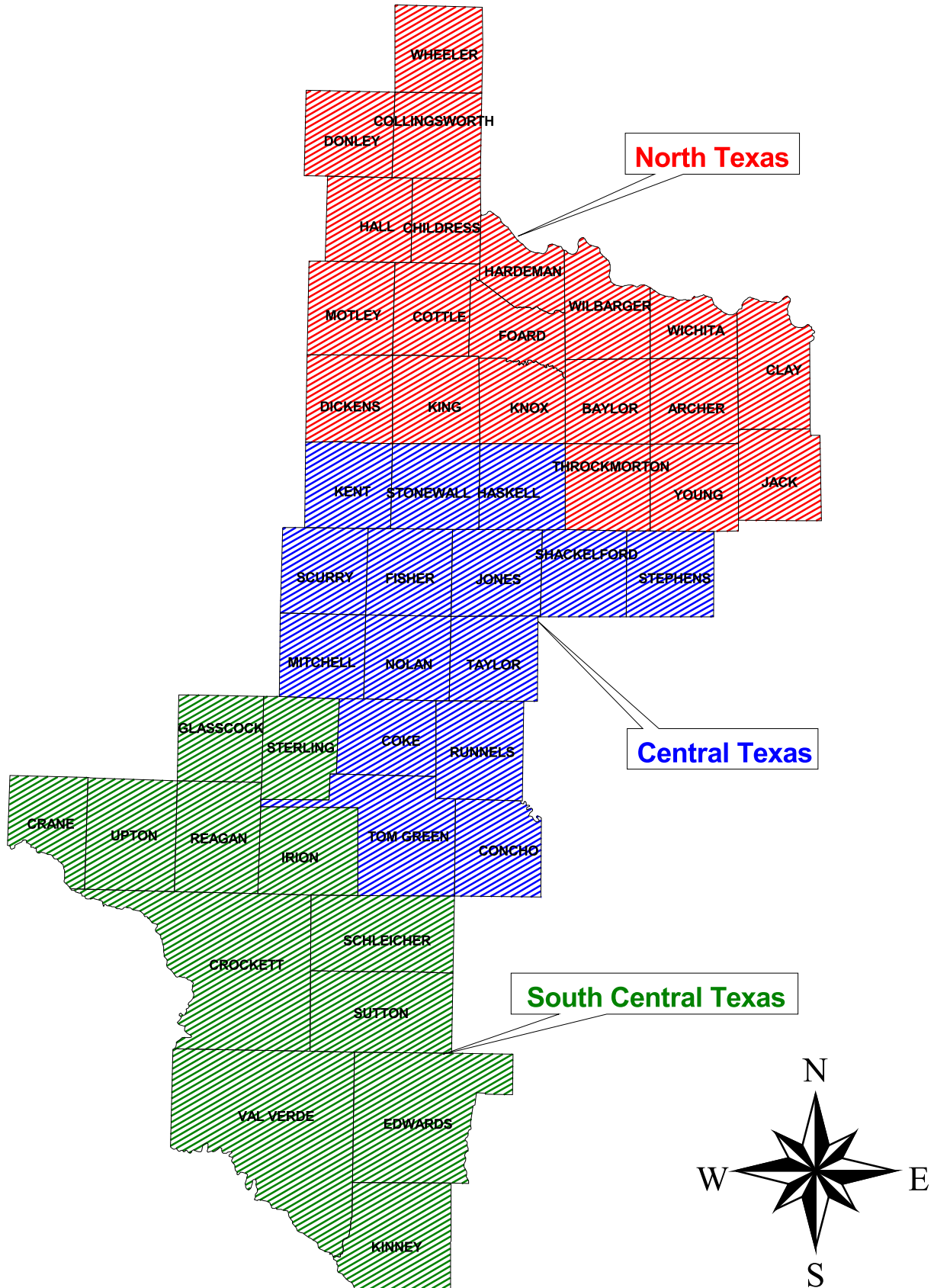
Big Bend Jeff Davis, Presidio and Brewster Counties

Davis Mountains Rangeland	\$375	to	\$430	Stable/Stable	\$3.25	to	\$5.00	Stable/Stable
Highlands Rangeland	\$275	to	\$425	Stable/Increase	\$2.50	to	\$2.75	Stable/Stable
Desert Mountains Rangeland	\$125	to	\$250	Increase/Increase	\$1.25	to	\$1.50	Stable/Stable

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

Rangeland	\$125	to	\$250	Increase/Increase	\$0.50	to	\$2.25	Increase/Increase
Irrigated Cropland	\$325	to	\$500	Stable/Stable	\$125			Stable/Stable

Region #3



REGION THREE - NORTH, CENTRAL AND SOUTH CENTRAL TEXAS GENERAL MARKET CONDITIONS DURING 2006

Prepared By
Victor Probandt, ARA – Region Three Team Captain

Region Three 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. As with the other areas, Region Three is quite diverse and has been divided into sub-regions.

General highlights of the overall regional market precede brief discussions related to the area's three sub-regions.

- The regional market for rangeland properties has been active. As a result, the market has shown an increase in value.
- The largest jump in prices has been at the lower end of the value range rather than at the top. This trend indicates that less desirable property is finding more demand because of a lower per acre cost.
- Regional farmland prices have increased somewhat. Additionally, activity and demand in the farmland sector have also increased. As with the value trend for pastureland, the lower end of the value range for farmland has indicated a larger rise than what is indicative of the higher end.
- A factor that has come into play is the increase in the number of “surface only” sales in Region Three. Due to the increase in oil and gas prices, the minerals associated with properties have been withheld; it is noted that this action does not seem to have an effect on property values.
- Another market factor that has come into play has to do with the reservation of wind rights. Large numbers of wind turbines that have been placed in the West Texas area. The placement of the wind turbines has had an effect on ranch offerings. Typically, any property, which has characteristics conducive to wind turbines, has seen a reservation of some or all of the wind rights.

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 ranch properties continue to increase as did prices paid for farmland. The price increase in rangeland fell in line with rates experienced in Central and South-Central Texas as the North Texas area had lagged below what was seen in the other two areas.

Central Texas

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

The market for pastureland was extremely active, especially in those areas lying east of U.S. Highway 277 as this area has more small tracts and also has a better cover of brush for wildlife. However, it is noted that all of these counties have seen an increase in prices and have strong demand. The limiting factor appears to be the number of properties available for sale.

Farmland has seen a large price increase. This increase has continued even though the past year was a poor year for cotton production due to the drought.

South Central Texas

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

As with the central region, prices have continued to increase, with prices for all land classes going up. Many of the South Central counties are located on what is considered to be in the less desirable areas of Region Three. In this area, the brush is minimal and oilfield activity increases significantly. Again, it should be noted that many of the area ranches are selling more on a "surface only" basis due to the large increase in oil prices and the increased drilling activity that has been experienced throughout the region.

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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	\$600	to	\$1,000	Increase	\$40	\$50	Increase
Class II & III Dry Crop	\$400	to	\$650	Stable/Stable	\$30	\$40	Increase
Class IV & V Dry Crop	\$400	to	\$600	Increase	\$15	\$30	Stable/Stable
Rangeland >2,000 Acres	\$550	to	\$1,200	Active/Increase	\$8	\$12	Stable/Increase
Rangeland <2,000 Acres	\$650	to	\$1,500	Active/Increase	\$8	\$12	Stable/Increase
Hunting Lease Rangeland					\$3	\$12	Stable/Stable

Rangeland lease rates per animal unit year long range from \$150 to \$180

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	\$2,000	Active/Increase	\$50	\$100	Stable/Stable
Class II & III Dry Crop	\$500	to	\$1,200	Active/Increase	\$35	\$50	Stable/Stable
Class IV & V Dry Crop	\$450	to	\$700	Active/Increase	\$25	\$40	Stable/Stable
Rangeland >2,000 Acres	\$500	to	\$1,500	Active/Increase	\$5	\$13	Stable/Stable
Rangeland <2,000 Acres	\$650	to	\$1,500	Active/Increase	\$5	\$13	Stable/Stable
Hunting Lease Rangeland					\$5	\$15	Stable/Stable

Rangeland lease rates per animal unit year long range from \$150 to \$180

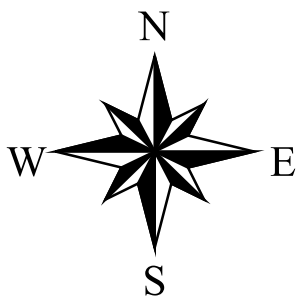
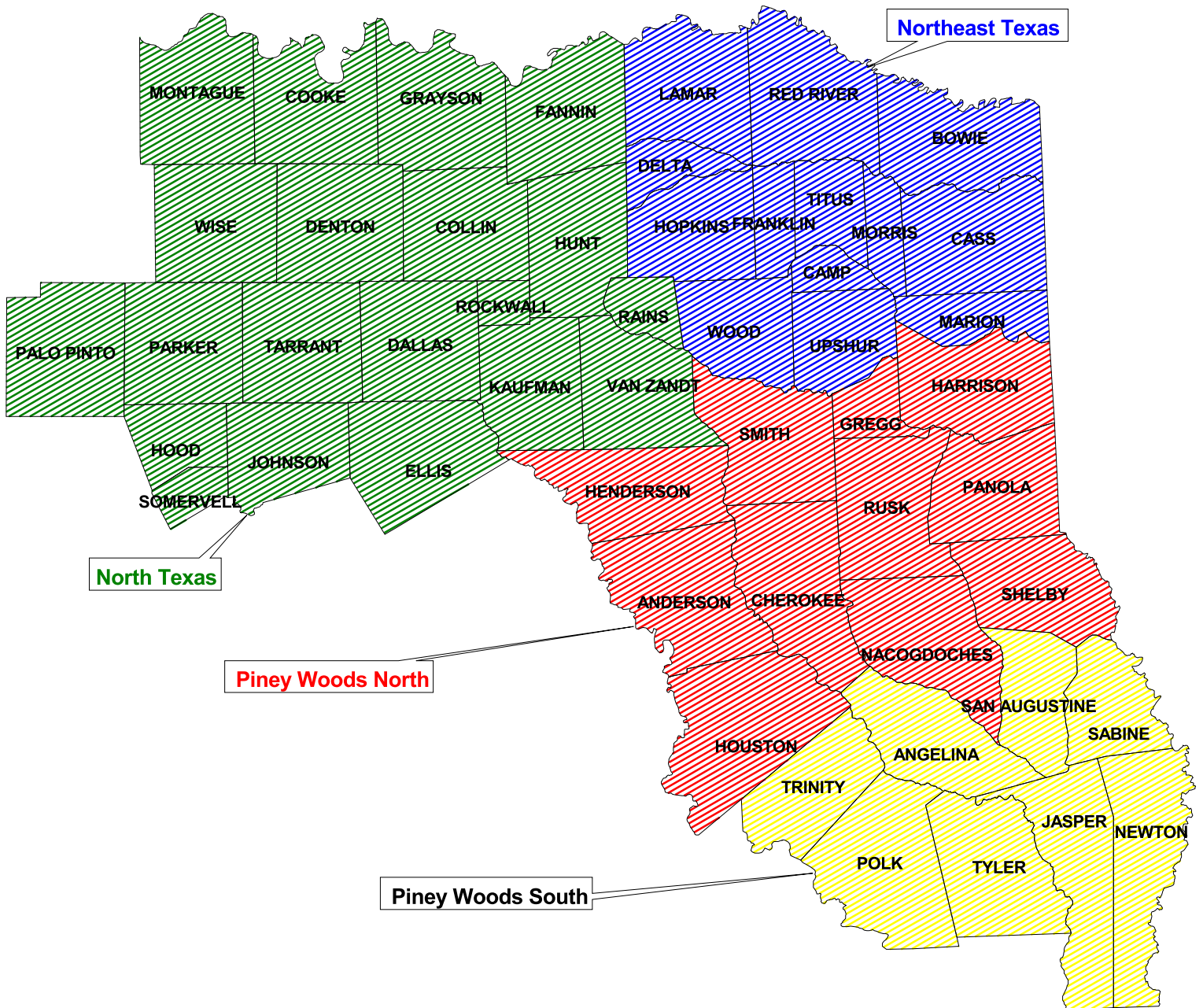
South Central Texas

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

Irrigated Cropland	\$600	to	\$800	Stable/Stable	\$50	\$75	Stable/Stable
Dry Cropland	\$350	to	\$500	Stable/Increase	\$25	\$55	Stable/Stable
Rangeland >2,000 Acres	\$250	to	\$1,000	Active/Increase	\$4	\$10	Stable/Stable
Rangeland <2,000 Acres	\$350	to	\$1,800	Active/Increase	\$4	\$10	Stable/Stable
Hunting Lease (Rangeland)					\$2	\$15	Stable/Stable

Rangeland lease rates per animal unit year long range from \$125 to \$150

Region #4



REGION FOUR – NORTH TEXAS, NORTHEAST TEXAS AND PINEY WOODS GENERAL MARKET CONDITIONS FOR 2006

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 eighty 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 sub-region.

- In most counties, price increases have been difficult to quantify. Real estate brokers report very few listings and a very short sale time for reasonably priced, good quality property. Many report that seller expectation of price exceeds buyer willingness to pay. Demand remains strong, with the demand of properly priced tracts continuing to outstrip the supply. Almost any tract, that is properly priced, will sell.
- Rental demand for pasture and recreational leases exceeds the supply.
- In many counties, the continuing subdivision of wooded and pasture tracts, into rural residential or recreational tracts, has almost eliminated sales larger than 300 acres.
- Wooded tracts, with good recreational qualities, will consistently command prices on par with good pasture.
- In the North and North Texas areas, most buyers are from the Dallas-Fort Worth metroplex; however, its noted that the larger sales are heavily influenced by out-of-state buyers. The cropland sales are influenced by mid-west buyers, while the pasture tracts are being purchased by West Texas and New Mexico buyers. Buyers from Florida have become increasingly important in the eastern counties. In almost all cases, this interest from the large buyers is fueled by 1031 tax exchanges or by speculators.
- In the Piney Woods, the influence of the International Paper and Louisiana Pacific large sell-off has now moved to long term or final users. Some of these final users have now re-sold their tracts at higher prices. The largest increase in prices occurred in late 2005 and early 2006, with little change noted since then.

North Texas

Cooke, Ellis, Fannin, Grayson, Hood, Hunt, Johnson,
Kaufman, Montague, Palo Pinto, Parker, Rains, Rockwall,
Somervell, Van Zandt and Wise Counties

In that there is almost a total lack of rural lands in Dallas, Tarrant, Collin and Denton counties, these counties are not being considered in the development of the sub-region’s 2006 value trends. Except

for the fringe counties, this area is becoming an extension of the Dallas-Fort Worth metroplex. Land is higher in all classes, with the median size continuing to decline. The Barnett shale natural gas formation continues to influence the land market, to the northwest and southwest of Fort Worth. On the fringes of the Barnett shale formation, the lack of minerals will kill a sale. Speculators, who are buying land, are typically betting on the continued record setting population growth around the actual metroplex, especially to the north of both Dallas and Fort Worth.

Northeast Texas

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

This area has been suffering through the second year of drought; however, it is noted that the drought has had no measurable effect on real estate values.

The Dallas metroplex is still the prime source of buyers, but larger ranches also interest purchasers from other parts of Texas as well as New Mexico. The Dallas buyers have shown an increased willingness to drive further for less expensive land.

Interest in cropland was stable until fall when corn took a big price jump, i.e., demand from ethanol plants. The corn price increase also pulled the wheat and grain sorghum prices upward. Those commodity price increases resulted in a much higher demand for cropland over the last five months of 2006. The result of this activity was that it also dried up the supply, as the potential sellers now want to continue farming. Only the high cost of fertilizer is holding the cropland prices in check.

The demand for all land types continues to be strong, but the numbers of sales are retarded by the extremely high asking prices. Reasonable listings, of tracts above 1,000 acres, are almost nonexistent and most sales occur when brokers actual survey the land owners, in a particular area, as to their willingness to sell.

Piney Woods North

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

The Piney Woods North land market remained active through most of 2006, with prices showing some stability. Again, brokers report a lack of listings of good properties and that sellers have high price expectations with buyers showing some reluctance to pay higher prices.

There is not enough cropland in this region to have a separate classification.

Demand for pasture tracts is primarily from Dallas-area investors that is coupled with some local market participants. The areas closer to the Dallas-Fort Worth metroplex are experiencing the higher prices and also higher demand.

Hunting and recreation dominate this region's rural land market. Purchasers are seeking 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, has caused hunting lease rates to generally increase.

Piney Woods South

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

The Piney Woods South continues to be active, with stable prices. This market saw tremendous price increases in late 2005, with little change during 2006. Sellers continue to ask higher prices; this action may be contributing to the stability. Brokers report a lack of quality, reasonably priced listings. The land placed on the market by International Paper and Louisiana-Pacific has been absorbed by the market. As in other areas, the original investors, who purchased from the companies, have sold to long term holders, with only a few of the long terms holders having sold their property. The demand for properties in the Piney Woods South is primarily from the Houston-area buyer.

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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

Montague, Cooke, Grayson, Fannin, Wise, Hunt, Palo Pinto, Parker, Rockwall, Hood, Somervell, Johnson, Ellis, Kaufman, Van Zandt and Rains Counties

Dry Cropland >200 Acres	\$1,200	to	\$3,500	Stable/Increase	\$30	to	\$50	Stable/Stable
Improved Pasture >200 Acres	\$1,250	to	\$3,500	Stable/Increase	\$15	to	\$30	Stable/Stable
Native Pasture >200 Acres	\$1,200	to	\$3,000	Active/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	\$900	to	\$1,100	Stable/Increase	\$30	to	\$50	Stable/Stable
Class III Dry Crop >300 Acres	\$750	to	\$900	Stable/Increase	\$15	to	\$30	Stable/Stable
Improved Pasture >300 Acres	\$1,200	to	\$1,800	Stable/Increase	\$15	to	\$25	Stable/Stable
Native Pasture >300 Acres	\$1,000	to	\$1,350	Stable/Increase	\$10	to	\$15	Stable/Stable
Hardwood Timber >300 Acres	\$900	to	\$1,500	Stable/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	\$1,200	to	\$3,000	Active/Increase	\$15	to	\$30	Stable/Stable
Native Pasture >300 Acres	\$1,200	to	\$2,500	Active/Increase	\$10	to	\$20	Stable/Stable
Upland Pine Timber >300 Acres	\$1,000	to	\$1,800	Stable/Increase	\$5	to	\$15	Active/Increase
Bottomland Hardwood Timber >300 Acres	\$600	to	\$1,200	Stable/Stable	\$8	to	\$12	Active/Increase

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

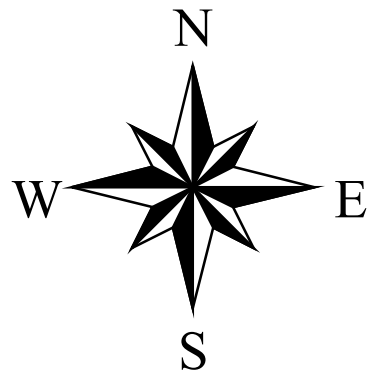
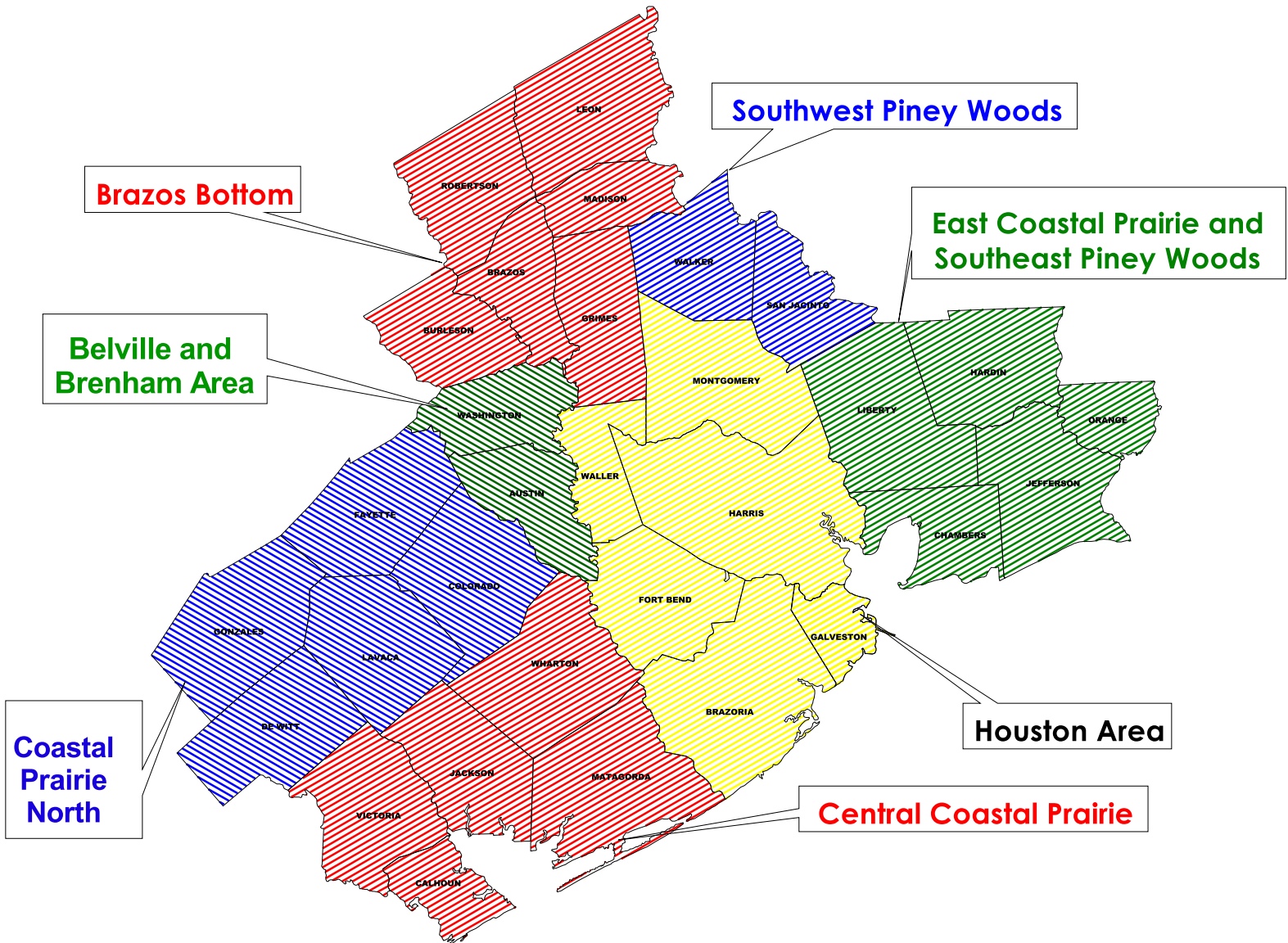
Trinity, Angelina, San Augustine, Sabine, Polk, Tyler, Jasper and Newton Counties

Improved Pasture >300 Acres	\$1,200	to	\$2,000	Active/Increase	\$15	to	\$30	Stable/Stable
Native Pasture >300 Acres	\$1,200	to	\$1,800	Active/Increase	\$10	to	\$20	Stable/Stable
Upland Pine Timber > 300 Acres	\$1,000	to	\$1,500	Stable/Increase	\$5	to	\$15	Active/Increase
Bottomland Hardwood Timber >300 Acres	\$600	to	\$1,000	Stable/Stable	\$8	to	\$15	Active/Increase

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 2006**

Prepared By
Wayne T. Young, ARA – Region Five Team Captain

Region Five is one of two regions in the State of Texas that fronts the Gulf of Mexico. Houston, the largest city in Texas, is located within the region in Harris County and, as in the past, remains the primary focal point for the entire region.

Highlights for the overall market for the counties in Region Five precede brief discussions related to the each of the seven sub-regions.

- The City of Houston impacts all properties within Region Five to a significant degree. The most probable use of land, in the counties adjacent to Harris County, has become end-user rural residential, large scale residential development, or holding for residential development. The land uses, or classes, have overlapped into one class that is best described as land in Houston's growth path. Please be advised that due to the extremes found in land prices in both Harris and Galveston counties, they have not been included in the value/trend grid. The extreme prices are showing up in greater frequency in those adjacent counties to the south, west and north. A somewhat subjective attempt has been made to exclude those sales.
- As the demand for recreational property in out-lying areas has increased, the differences associated with land types and uses, i.e., quality of pasture, etc., are having less impact on price. In most cases, native and improved pasture prices are tending to overlap significantly. The range from the low to the high prices paid for the same type of land has also increased. This tendency has been recognized for several years and is still very much the case. The land value grid has been modified somewhat to reflect this consideration.
- A continuing theme over the last few years has been an increase in demand for very large tracts, with a significant amount of this increased demand coming from out-of-state. The demand for large tracts has lessened the impact size has on per unit values. Historically, a tract sells for less per acre as the size increases. As stated, this has decreased substantially and, in some markets, over wide size ranges is essentially non-existent. Not only is size impacting price less than in the past, in some cases, an argument can be made that a premium is being paid for larger tracts.
- The following trend has remained unchanged for the last several years. Individuals in and around Houston have purchased farms and ranches in out-lying counties for investment, recreation and use as weekend retreats. A major motivation for the purchase is hunting, i.e., whitetail deer, bobwhite quail and water fowl, all of which are plentiful. It is noted, however, that "quality of life" issues appear to have replaced hunting as the primary motivation for purchasing properties in the more scenic counties in the region, i.e., Austin, Washington, Fayette, Lavaca, Gonzales and northern Colorado.
- Several large timber companies have continued liquidating property to the north and east of Houston. As the property in these areas becomes more costly, the land east and northeast of Houston is becoming more attractive to the recreational buyer. Historically, if a buyer left

Houston going northeast into the Piney Woods, they found poor (and limited) roads, often poor communities due to a limited tax base, and huge tracts of land owned by either timber companies or as a part of the national forest system. As the timber company lands have been made available, they have generally sold and subdivided; it is noted that, in some cases, several times. In most cases, the final buyers, of the larger of the subdivided blocks, are recreational users that may not maintain a timber enterprise.

- Lease rates have remained essentially constant over the last several years and appear to be disconnected from price.
- As indicated, most of Region Five is dominated by Houston, Woodland and Katy buyers; the northern portion of the region is impacted to a lesser extent. Essentially, all land purchased in the area is a combination rural residential/recreational or investment property. Brokers throughout the region are desperate to find more listings. This in part is fueling the push into what a few years ago was “too far from town or not pretty enough”. The range in sales prices has increased. Individuals told they may be paying above market often say “I’m just tired of looking” or “there’s nothing else available.” There is essentially no apprehension on the part of buyers when it comes to values continuing to increase. An influx of new brokers and agents has contributed to the wide range in values.

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

The classification “Rural Residential/Agricultural” has been added to the categories. This accounts for most of the tracts typically considered a small-to-large hobby farm. This type of property has been gaining in popularity as the timber tracts and large farms break up. As with other areas, proximity to Houston and access to major thoroughfares are significant factors with regard to price.

Cropland sales were very limited and have been removed from the grid. Most of the tracts that were historically rice farms have been converted to pasture. It is noted there are a few transactions each year, but not enough to establish a trend and when idle cropland sells, it is not utilized as cropland after purchase. Prices seem to remain within the trading range reported last year; however, it is observed more tracts trade at the upper end. Again, there was essentially no expansion of active rice and rowcrop farming operations. Rice tracts are not trading as often as in 2005; however, the base acres associated with these tracts remains a critical factor.

Both native range and improved pasture sales are up; these classifications have been combined as one category. The prices are not significantly above the high prices noted a year ago, but it is observed that more tracts are trading at the upper end of the price range. In the western part, near Harris County, it is not uncommon to see tracts trading for \$2,300, or more, per acre.

As stated, large timber companies are selling and have sold much of their property in East Texas. This action, in the Big Thicket, has been especially active, with the result being that there has been considerable subdivision taking place. Many of the tracts have either no timber or young timber. The prices paid tend to suggest that the underlying land value is increasing in relation to the timber contribution. It is once again noted that numerous properties were purchased for hunting. Timber tracts are up from a year ago and the price increase has patterned fairly well with land west and north of Houston, with regard to the rate of increase. This was not the case in the past. This trend tends to suggest East Texas may continue to gain in popularity as a source of recreational land.

Southwestern Piney Woods San Jacinto and Walker Counties

The difference in price between improved pasture and native range is shrinking, though very good improved pasture still commands a premium. When available, native tracts have moved well. Tracts identified as “Rural Residential/Agriculture” properties have continued to increase in price. Land in the south part of Walker County, closer to the Woodlands, has seen an especially strong increase. Pasture tracts tend to blend with “Rural Residential/Agriculture” as they are typically being purchased as some sort of a rural residential/ag/recreational property. Prices have increased, with demand from the Houston and Woodlands buyers having most influence.

As in other sub-regions, the timber companies continue to sell timber tracts. The tracts have been well received; there has been significant activity. Young timber, say less than five years, has little, if any, contributory value. A number of buyers show equal motivation for future appreciation and/or hunting as compared to timber prospects. Most of these 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, pushes 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 that enjoyed by San Jacinto County.

Brazos Bottom

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

Both the dryland and irrigated cropland markets are situated predominantly along the Brazos River. The cultivated market has been reasonably stable, with prices fairly consistent with last year. Rents are at the same general levels due to marginal profitability from crop production. The improved pasture and native range markets have been active, with prices moving upward. As with other sub-regions, these two land classes have been combined.

Unimproved wooded tracts, of all sizes, were in strong demand. In south Burleson County, there has been a rather dramatic upward movement in price. Traditionally, Yequa Creek was somewhat of a natural barrier that seems to have been overcome. Just as in 2005, Brazos County, along with the south and central Grimes County, has been very active and is responsible for the considerable increase in the upper end of reported values. It is noted that Burleson County, the northern end of Grimes County, Madison County and the east sector of Robertson County are gaining in popularity as land for sale becomes harder to find. It is further noted that smaller rural homesites and recreational tracts are becoming hard to find, at any price.

Houston Area

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

There is essentially no cropland in the immediate vicinity of the Houston metropolitan area because investors and developers have continued to purchase these properties. Rural lands in this area tends to be grouped more by land that has been somewhat maintained and native land. The more aesthetically appealing tracts that have been either maintained or somewhat “fixed up” to command a premium. All other types of land tend to fall into a different land class that is at a slightly lower price. It is noted that land prices are reported to be moving upward at a strong rate, for all types of rural land. As previously stated, both Harris and Galveston counties have been removed from the

grid as there is essentially no land open land not impacted by development. Land in this area is essentially one land class. Price is more a factor of location than type. Aesthetic appeal determines whether a tract sells high or low. The south part of Brazoria County is fairly low-lying and is typified by brushy remote tracts; this area is in least demand.

Central Coastal Prairie

Calhoun, Jackson, Matagorda, Victoria and Wharton Counties

Following the 2005 trend, dry rowcrop acreage continued to be slow; interest in irrigated cropland, used for rice production and with good rice base acres, slowed somewhat. Some investors are voicing concerns as to what direction the upcoming farm bill will take with regard to payments. Cropland sales have gained a little. In some cases, these counties are the first counties out from Houston where large acreage tracts are fairly common. Some rice tracts have been purchased for water fowl hunting. It is observed that acreage, planted to rice, continues to decrease.

The improved pasture and native rangeland markets were reported as being active, with prices increasing due to the impact of the recreational buyer; however, the reported prices for these two classes have not increased as much as the previous statement would suggest. Last year, prices were fairly well spread out within the trading range. This year, however, while sales are found at the lower end of the range, the majority of the activity would fall in the upper half.

Following a trend from previous years, it is noted that Houston is having 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 the adjoining Fort Bend, Waller and Austin counties. The improved and native range category has again been combined. This area has probably experienced more "new" demand for smaller rural tracts. Many brokers from surrounding areas, where property available for sale is limited, have moved into this area.

North Coastal Prairie

Colorado, DeWitt, Fayette, Gonzales and Lavaca Counties

Both irrigated and dry cropland prices, in Colorado County, have been fairly stable, with little activity. There is minimal cropland in the other counties of the region.

Improved pasture and native range sales were active, with prices trending upward. Recreational tracts, in the 50-acre category, are very active and showed strong price increases. North Colorado County saw a continued increase in demand, with buyers spilling over from Austin County due to a lack of properties. It is, however, noted that this area of Colorado County is now in a similar situation with a limited number of tracts for sale. The upper end of the prices shown for native range, improved range and recreational land comes from the north part of Colorado County.

As alluded to last year, Lavaca and Gonzales counties are benefitting from the lack of available recreational tracts in the adjoining counties. That was and is still the case, with the number of transactions increasing significantly.

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. The demand for

improved pasture and native rangeland has been and continues to be very strong. This was a strong market early in this cycle and many properties sold and have not been available. This did not limit price increase, but it did limit activity. Some tracts are coming back on the market and availability, while still less than most brokers would like, is fairly stable. It was reported that sales activity decreased last year due to the lack of supply. It is noted that the activity has picked up this year, possibly due to the number of tracts reselling from several years earlier.

Driving forces that create value are trees, hills and views. After pairing area sales, desirable recreational tracts will sell for twice as much as adjoining property due to aesthetic features. The Region Five grid has a scenic category that combines some or all of the characteristics. The area around Sealy is predominantly flat, with less tree cover; this area sells for significantly less than the lands to the north; however, it is up substantially due to limited supply and strong demand.

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 100 to 200-acre size. Prices for this type property have risen dramatically over the last several years; the demand for these tracts continues to be strong.

Rural development and rural homesite tracts, where available, have been in strong demand with increasing prices.

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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	\$1,000	to	\$3,200	Active/Up	\$10	to	\$15	Stable/Stable
Improved and Native Pasture	\$800	to	\$2,000	Stable/Up	\$8	to	\$15	Stable/Stable
Bottom Timber	\$500	to	\$800	Active/Up	\$5			Stable/Stable
Upland Timber	\$750	to	\$1,500	Active/Up	\$5			Stable/Stable
Marsh	\$350	to	\$400	Slow/Stable	\$3			Stable/Stable

Southwestern Piney Woods Walker and San Jacinto Counties

Rural Residential/Ag 50-100	\$2,500		\$4,500	Active/Up				
Improved and Native Pasture	\$1,500	to	\$2,500	Active/Up	\$10	to	\$15	Stable/Stable
Bottom Timber	\$800	to	\$1,200	Stable/Stable	\$6	to	\$10	Stable/Stable
Upland Timber	\$1,000	to	\$1,750	Active/Up	\$6	to	\$10	Stable/Stable

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

Irrigated Cropland	\$1,350	to	\$1,600	Slow/Stable	\$60	to	\$80	Stable/Stable
Dry Cropland	\$1,250	to	\$1,400	Slow/Stable	\$40	to	\$50	Stable/Stable
Improved and Native Pasture	\$1,250	to	\$5,000	Active/Up	\$15	to	\$20	Stable/Stable
Rural Residential/Ag 50-100	\$2,000	to	\$10,000	Active/Up				

Houston Area Waller, Montgomery, Fort Bend and Brazoria Counties

Improved and Native Pasture	\$2,500	to	\$5,000	Active/Up	\$10	to	\$15	Stable/Stable
Rural Residential/Ag 50-100	\$5,000	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	\$1,000	to	\$2,000	Active/Up	\$40	to	\$80	Stable/Stable
Dry Cropland	\$1,000	to	\$1,800	Active/Up	\$25	to	\$45	Stable/Stable
Improved and Native Pasture	\$900	to	\$3,500	Active/Up	\$10	to	\$15	Stable/Stable
Rural Residential/Ag 50-100	\$1,200	to	\$4,000	Active/Up				

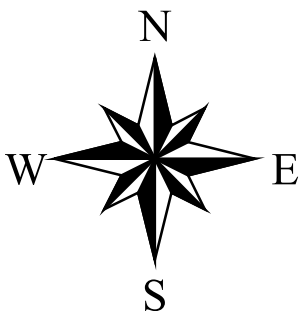
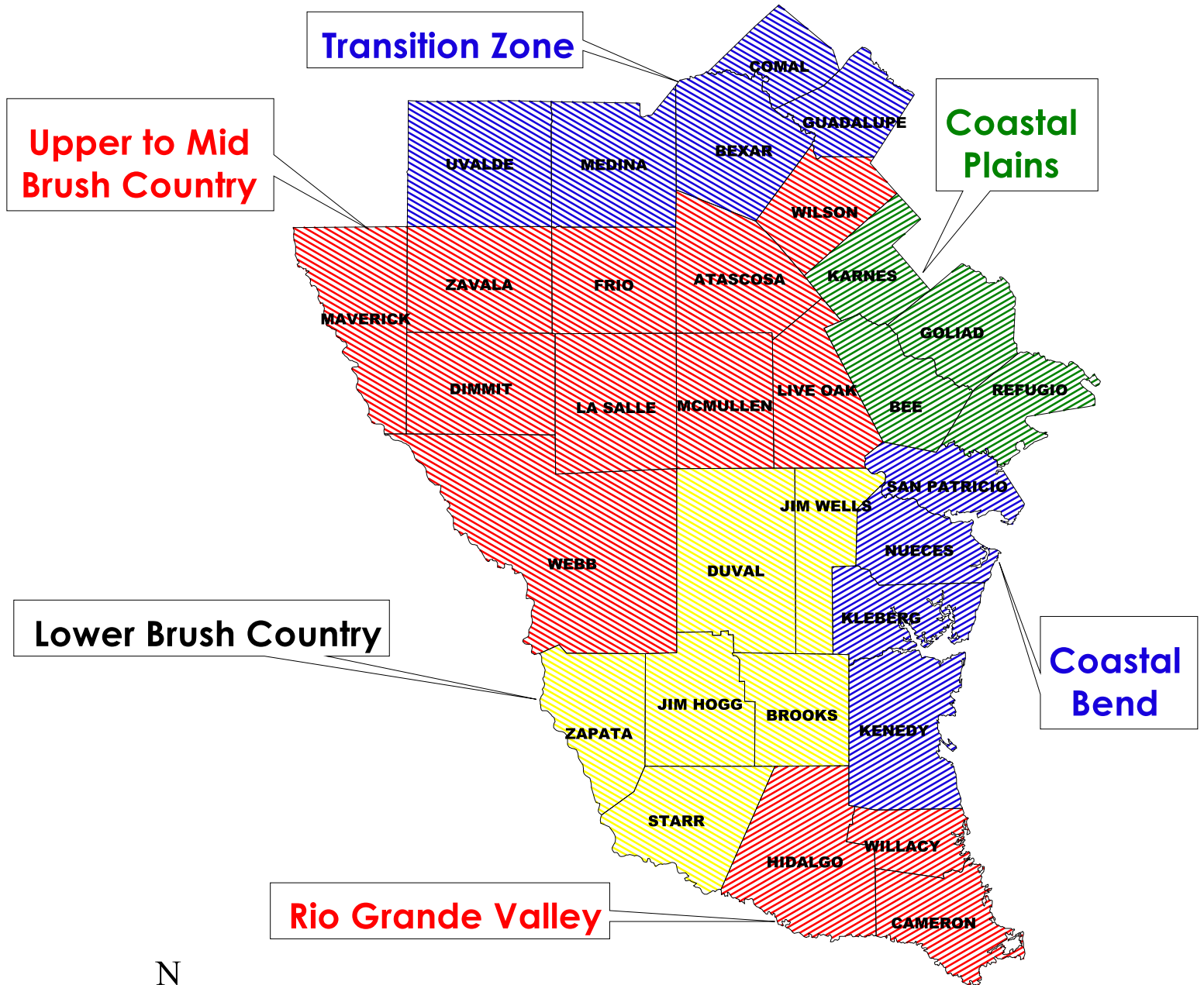
Coastal Prairie - North Gonzales, Fayette, DeWitt, Lavaca and Colorado Counties

Irrigated Cropland	\$1,000	to	\$1,400	Slow/Up	\$20		\$60	Stable/Stable
Dry Cropland	\$1,000	to	\$1,350	Stable/Stable	\$20		\$30	Stable/Stable
Improved and Native Pasture	\$2,000	to	\$3,500	Active/Up	\$12		\$15	Stable/Stable
Rural Residential/Ag 50-100	\$3,500	to	\$10,000	Active/Up				

Bellville and Brenham Areas Washington and Austin Counties

scenic recreational land	\$7,500	to	\$15,000	Active/Up				
Rural Residential/Ag 50-100	\$3,500	to	\$7,500	Active/Up				
Improved and Native Pasture	\$2,500	to	\$4,000	Active/Up				
Sealy Area	\$2,000	to	\$5,500	Active/Up				

Region #6



**REGION SIX – HILL COUNTRY, SOUTH TEXAS,
COASTAL BEND AND RIO GRANDE VALLEY
GENERAL MARKET CONDITIONS FOR 2006**

Prepared By
Merrill E. Swanson, ARA – Region Six Team Captain

Region Six includes 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 bound by the Gulf of Mexico, on the east, and the Republic of Mexico, on the west.

The South Texas Region continues to be one of the most dynamic land markets in Texas. Overall market highlights precede individual discussions of the various sub-regions.

- 2006 was another banner year for the regional land market with a good level of demand and higher land prices. Again, land pricing escalated sharply. Ranch buyers remain in two categories – investors and end users. Recreation and investment continue to be the main sources of demand. Purchasers include successful businessmen, oil and gas people, “ag” landowners from transitional areas who sold high-priced land and are re-investing in other land, the Texas Public School Fund, along with dissatisfied security investors diversifying into rural land and real estate investment trusts specializing in agricultural land.
- Recreational demand lead the way in the most notable hunting areas and spread into more traditional agricultural/ranching areas having native game and/or other recreational opportunities. Non-hunting recreational users are becoming more common, particularly along the Coast.
- Interest rates continue to be low and there are a good number of competitive sources for rural property loans.
- 1031 Tax Deferred Exchanges continue to be popular. There is concern that capital gains may increase with political changes in the Congress, which along with the historically high land prices, may encourage certain long term land owners to sell ranches in the near term.
- Demand for large ranches continues to be good and demand for “finished” ranches also continues to be good. Active ranch brokers report a good number of qualified buyers and a shortage of listings; competition for the properties among buyers is significant. Marketing periods for most land has decreased. Quality ranches and good farms that are reasonably priced typically do not last long in the current seller’s market.
- High land prices are putting pressure on land rich/cash poor owners for estate tax purposes. There continue to be estates that have to sell land to pay estate taxes.
- Hunting ranches, with established game management present, continue to command premiums. The deer breeding programs are becoming more and more popular on South Texas ranches. These investors want “ready to go” properties. Water availability, i.e., both underground and surface, is an investment criteria for these buyers.

- Demand for farmland remains stable to increasing, with the land typically being purchased by farmers. The current farm economy is stable. Some investors are buying good farmland for a steady return as well as for farm program benefits. In South Texas, properties with Conservation Reserve Program (CRP) payments are in demand. Bio-diesel and ethanol prospects have increased corn pricing along with corresponding farmland pricing and rents in the midwestern United States. As a result, there may be some increase in the best farmland areas of South Texas.
- Water rights speculation has inflated irrigated farmland prices in the farming areas near San Antonio. High fuel and input costs have added uncertainty to the farmland market, but no negative change in pricing has been observed to date. However, concern relative to the future direction of the USDA commodity program after 2007, does have farmland investors and operators alike expressing some reservations about investment decisions.
- Demand for residential subdivision development land, near cities, continues to be good. All large South Texas cities are experiencing growth. The most active markets are San Antonio, Laredo, Corpus Christi, Eagle Pass, McAllen and Harlingen. Heavy growth areas also include west Bexar County, Laredo and the Rio Grande.
- Most South Texas properties are offered with limited minerals or as surface estate only. Oil and gas drilling continues to be very active. Leasing and seismic activity are also active.

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

Bexar, Comal, Guadalupe, Medina and Uvalde Counties

The primary investment motive for large tracts, in counties adjoining Bexar County and the City of San Antonio, is for residential subdivision development. It is noted Uvalde County is less influenced by residential subdivision pressure. West Bexar County continued to be aggressively developed with most national residential development companies building subdivisions; this was after the announcement of the future development plans to construct 60,000 homes in the area. East Medina County is also experiencing development pressure and growth. The announcement of the new Texas A&M campus, on the south side of San Antonio, will have a positive effect on South Bexar County and north sectors of both Atascosa and Wilson counties. The new Toyota truck plant, now in operation in South Bexar County, has also had a positive influence on south side land values.

Demand for recreational land is good in all of the counties. Live water features are a driving force for properties located along the edge of the Texas Hill Country. Weekend recreational ranches are common in the Transition Zone due to the short driving distance to San Antonio.

Demand for farmland in Bexar, Comal and Guadalupe counties is stable, but not nearly as great as for recreational or investment lands. It is noted that open farmland, in the San Antonio area, is “prime” for dense residential development as long as public utilities are in nearby proximity. Many open tracts of farm and pasture lands are purchased for development. Overall, the western portion of Medina County and Uvalde County generally have less intense land uses; these areas have good recreational appeal.

Water rights speculation has positively impacted farmland pricing in Bexar, Medina and Uvalde counties. Irrigated farms, with good Edwards water rights, are in high demand. Irrigated farms, with Carrizo irrigation water, are more in demand today than they were last year.

Upper to Mid Brush Country

Atascosa, Dimmit, Frio, La Salle, Live Oak, Maverick, McMullen,
Webb, Wilson 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. Active land trading is prevalent. Large ranch acquisitions occurred last year in Maverick, Webb and Zavala counties. Overall, demand for all size ranches continues to be very good.

Trends show that land pricing for properties, which are located within 100 miles of San Antonio, has sharply escalated. Atascosa and Wilson counties are positively influenced by the resurgence of interest in the south and west sectors of Bexar County.

Subdivision development potential for ranches, that are situated along the IH-35 corridor north of Laredo, is very good. There is apparently a strong demand for small tracts of land, which are within 45 minutes of Laredo. It is noted that several ranches, in this immediate area, were acquired and resold into tracts.

Land stewardship practices have changed and are more focused on balancing the blend of livestock and native game; in some instances, new ranch owners are abandoning the grazing of livestock. With 2006 drought conditions, a number of South Texas operators sold or reduced their cattle numbers. Demand for “turn-key” game-managed ranches (any size) continues to be strong. The trend toward high-fenced ranches continues as more and more ranches are high-fenced. Deer breeding programs, along with trap and transport programs, are popular. The deer operations are used to enhance the trophy buck genetics. Hunting lease prices are very strong, i.e., especially for ranches with good game management. As a result of increasing hunting lease rates, along with the “hassle factor” of being a tenant on a highly regulated property, a number of upper-end hunting lessees have decided to buy their own ranches.

Farmland pricing remains stable to increasing and is mostly affected by water depth and quality. Farmland in the Carrizo Aquifer has notably increased. Sellers reserving a portion of the water rights, in non-Edwards water areas, are on the increase; however, no apparent impact on land value has been noted to date as a result of these reservations.

Lower Brush Country

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

The lower portion of South Texas – the Lower Brush Country – has a similar level of demand for land to that found in the Upper Brush Country. Land prices have escalated, particularly in the fringe areas, as long as the recreational appeal is good. Popularity for properties in Duval and Zapata counties has escalated, with both counties taking a “jump” in pricing. The sandy areas, with particularly good bobwhite quail hunting, i.e., Jim Hogg and Brooks counties, are in high demand. Prices for properties in Jim Wells and Starr counties have also increased. Ranch investors are willing to drive further to these good hunting areas, with hopes of finding lower land pricing and large native blocks of land. It is also noted that the lower-priced areas have also increased in pricing as land pricing in the closer-in areas has sky-rocketed.

Farmland pricing is considered to remain stable. Starr County farms, in the more remote areas, offer certain recreational appeal, if they adjoin low fenced brush properties.

Coastal Plains

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, when compared to the balance of South Texas. It is, however, noted that Karnes County typically relates more to the San Antonio investor. It appears that land pricing has generally become consistent for the live oak portions of the area from the Bee and San Patricio counties area up to Jackson County (just north of Victoria).

One factor is that most of the land, situated south of U.S. Highway 59, in Goliad and Refugio counties, is controlled by a few long-term old ranching families and the lands rarely become available. Subdivision of smaller ranches, near Victoria, is taking place due to the relatively short driving distance to regional employment centers.

There have been some recent uranium mining prospects; this factor is hotly debated in Goliad County, with strong opposition, from area residents, due to the fear of groundwater contamination.

Coastal Bend

Kenedy, Kleberg, Nueces and San Patricio Counties

The primary demand is for recreational properties with deer and bird hunting amenities. Land rarely sells in the lower portion of this area due to being large ranches. Land pricing, of ranches in San Patricio County, parallels land pricing in the adjoining Bee County and nearby Goliad County.

2006 was a mostly poor year for some area dryland farmers due to drought conditions and lack of planting moisture. Rowcrop farmers with irrigation made a crop. Demand for farmland continues to be stable, with investors typically being producers; however, 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 low stock market returns, farmland is viewed as a long-term investment alternative that has a return. It must be noted that high input costs are lessening profitability for farmers. Another trend is that lower lying pasture lands continue to be acquired for preservation uses.

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 typically purchased by producers or large corporate land trusts; demand for the best irrigated land is typically equal to demand for the best dry cropland. The unusually good market conditions for Rio Grande 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 2009, are likely to encourage additional investments in Valley citrus properties.

A water market has developed for water rights along the Rio Grande; this is to quench the demand on water for development. 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.

With regard to areas close to Edinburg, McAllen, Mission, etc., a significant trend is for agricultural lands to be converted into residential developments. The transition from productive land into development acreage is absorbing existing farmland acreage, along with Rio Grande Valley citrus groves, near the population centers, i.e., especially in Hidalgo and Cameron counties; subdivision development is less prevalent in Willacy County.

Recreational ranches 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. In summary, the Valley is booming.

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

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
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**Transition Zone
Uvalde, Medina, Bexar, Comal and Guadalupe Counties**

Class I Irrigated Crop*	\$2,200 to \$2,500	Active/Up	\$75 to \$100	Active/Up
Class II Dry Crop	\$1,650 to \$2,250	Active/Up	\$150/AU	Active/Up
Permanent Pasture	\$1,800 to \$2,500	Active/Up	\$150/AU	Active/Up
Rangeland <2,000 Acres	\$2,000 to \$5,000	Very Active/Up/Up	\$150/AU	Active/Up
Rangeland >2,000 Acres	\$1,500 to \$3,500	Very Active/Up/Up	\$150/AU	Active/Up
Development Land**	\$5,500 to \$30,000	Very Active/Up/Up	\$150/AU	Active/Up
Hunting Lease			\$10 to \$20	Very Active/Up/Up

Value ranges are generally reflective of partial mineral transactions

*Speculation on water rights in Bexar, Medina and Uvalde counties

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

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

Upper to Mid Brush Country

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

Class I Irrigated Crop	\$1,800 to \$2,500	Active/Up	\$75 to \$150	Active/Up
Class II Irrigated Crop	\$1,400 to \$1,800	Active/Up	\$60 to \$120	Active/Up
Class II & III Dry Crop	\$1,100 to \$1,500	Active/Up	\$15 to \$20	Active/Up
Permanent Pasture/Improved Pasture	\$1,300 to \$1,750	Active/Up	\$150/AU	Active/Up
Rangeland <2,000 Acres	\$1,200 to \$2,600	Very Active/Up/Up	\$150/AU	Active/Up
Rangeland >2,000 Acres	\$1,100 to \$1,900	Very Active/Up/Up	\$150/AU	Active/Up
Hunting Lease (Rangeland)			\$8 to \$20	Very Active/Up/Up

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

Lower Brush Country

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

Dry Cropland	\$800 to \$1,200	Stable/Stable	\$15 to \$30	Active/Up
Rangeland <2,000 Acres	\$1,000 to \$3,900	Very Active/Up/Up	\$150/AU	Active/Up
Rangeland >2,000 Acres	\$900 to \$1,400	Very Active/Up/Up	\$150/AU	Active/Up
Hunting Lease (Rangeland)			\$8 to \$20	Very Active/Up/Up

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

Coastal Plains

Goliad, Refugio, Karnes and Bee Counties

Class II & III Dry Crop	\$900 to \$1,400	Active/Up	\$25 to \$45	Active/Up
Permanent Pasture	\$1,100 to \$2,000	Active/Up	\$150/AU	Active/Up
Improved Pasture	\$1,100 to \$1,500	Active/Up	\$150/AU	Active/Up
Rangeland <2,000 Acres	\$1,450 to \$2,250	Very Active/Up/Up	\$150/AU	Active/Up
Rangeland >2,000 Acres	\$1,800 to \$2,000	Very Active/Up/Up	\$150/AU	Active/Up
Hunting Lease (Rangeland)			\$8 to \$15	Very Active/Up/Up

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

Coastal Bend

San Patricio, Nueces, Kenedy and Kleberg Counties

Class I Dry Crop	\$1,500 to \$2,000	Active/Up	\$60 to \$85	Active/Up
Class II Dry Crop	\$1,200 to \$1,600	Active/Up	\$20 to \$35	Active/Up
Rangeland	\$1,500 to \$2,500	Very Active/Up/Up	\$150/AU	Active/Up
Hunting Lease (Rangeland)			\$8 to \$20	Very Active/Up/Up

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

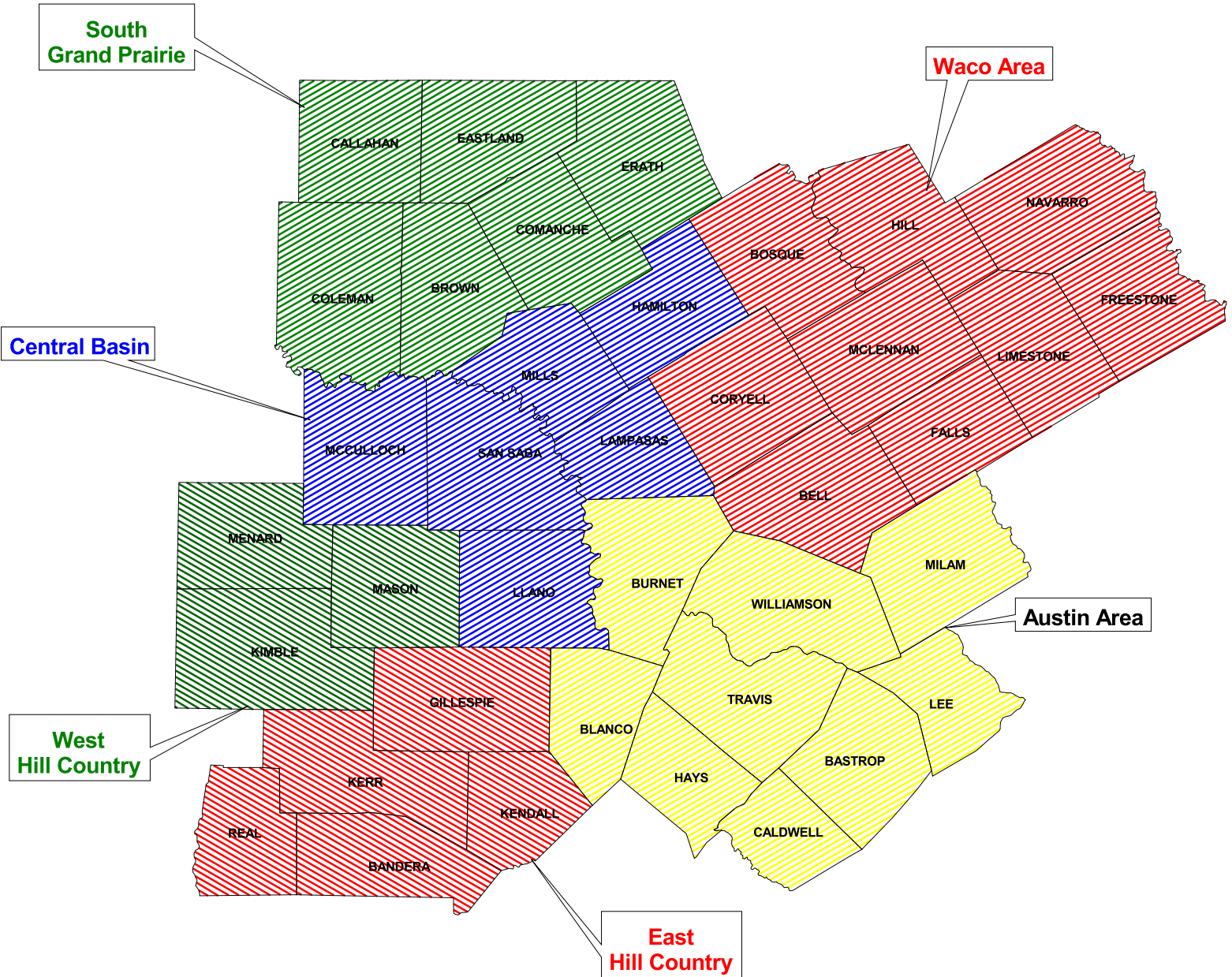
Rio Grande Valley

Willacy, Cameron and Hidalgo Counties

Class I Irrigated Crop	\$1,600 to \$2,200	Active/Up	\$90 to \$135	Active/Up
Class II Irrigated Crop	\$1,200 to \$1,600	Active/Up	\$50 to \$75	Active/Up
Class I Dry Crop	\$1,450 to \$1,800	Active/Up	\$65 to \$90	Active/Up
Class II Dry Crop	\$1,200 to \$1,400	Active/Up	\$36 to \$65	Active/Up
Permanent Pasture	\$1,500 to \$2,000	Very Active/Up/Up	\$150/AU	Active/Up
Rangeland	\$1,500 to \$3,900	Very Active/Up/Up	\$150/AU	Active/Up
Hunting Lease (Rangeland)			\$8 to \$20	Very Active/Up/Up

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 2006**

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 fifteen 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.

- Value trends throughout the region indicate a rapid increase in sales prices, with the north and west portions providing the greatest percentage increases.
- Recreational uses of land, related primarily to hunting, continue to be a primary influence in the mind's of purchasers with others also motivated by investment potential as a significant factor in the market.
- Buyers from throughout Texas were active in the region's land market. Buyers from outside Texas were notably active in the market, especially in the larger properties.
- The aesthetic characteristics of the land, which consider views and live water, continue to be primary factors in the formation of land values.
- Buyer motivation to purchase and retain rural land seems to be reinforced by diversification of investments and continued confidence that land is a safe investment with long-term appreciation potential.
- Annual cash returns on investments in most central Texas rural land have become more nominal as land prices move upward. Thus expectations toward continued appreciation motivates most land investments. Erosion of land market confidence could result in fast downward price adjustments.

Southern Grand Prairie

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

After several years of lagging behind the trends of the remainder of Region Seven, the Southern Grand Prairie area has experienced rapid price appreciation over the past year as prices to the south have pushed buyers further north. All forms of rural acreage have shown upward price trends. The demand for native pasture and recreational properties has been very active. The buyers are being motivated by recreational activities along with investment. In general, land values tend to increase as one moves from west to east, with the higher values being associated with properties in Erath County.

Central Basin

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

Land values are reported to show continued upward price trends. Area investors are active along with recreationally motivated buyers seeking places for hunting and general enjoyment of the outdoors. Land values tend to increase as one moves from north to south and from west to east. The Central Basin includes Llano County in which recreational buyers have historically sought properties for deer hunting. It is noted that of recent the higher values, in the Llano County area, have pushed buyers, seeking more affordable properties, to the north. Hamilton County, on the northeast side of the sub-region, has also been very active, i.e., with many buyers from the Dallas-Fort Worth metroplex being observed.

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 locals from Waco, Temple and Killeen. The northern portion of the region represents the area with the strongest demand, which is generated by its location relative to Dallas-Fort Worth buyers seeking recreational land and retirement properties. The southeastern areas tend to provide the lower range of values due to more remote locations with respect to the major metro centers.

Land values showed marked increases during 2006, as compared to the preceding two years. Limestone, Bell and Falls counties each showed a step upward in price levels. The impact of mineral interests has become more well defined, within the northern portion of this sub-region. Area respondents indicate that sellers are increasingly hesitant to convey any minerals as part of the sale, while buyers are reluctant to buy properties in which their control of the surface estate has been diminished due to the lack of control over the mineral estate. As a result of this stalemate between sellers and buyers, the level of sales activity in counties such as Hill County has been slow. Strong demand for properties continues to be present, with sales activity in the non-mineral producing areas being active. Properties having recreational appeal, including wooded pasture, properties with small lakes and river front properties, continue to be in the greatest demand.

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, is a primary factor impacting land values in this area. Generally, as one moves further from Austin, land values decline, with land values to the west being stronger than land values to the east. This tendency continued to be exhibited in 2006. Higher land prices, combined with a limited inventory of properties being offered for sale, has resulted in active buyer interest and positive value trends in the counties in close proximity to Austin. Interest in regional land from investors, many of whom are from outside the area and state, has precipitated a notable

increase in regional sales prices. Much of the rural acreage, within this sub-region, has recreational qualities, which support demand. The level of demand for properties, with above average aesthetic qualities, continued to be strong with these properties being purchased for recreational uses, weekend homes and outdoor retreats.

The Blackland farming area experienced higher land price trends during 2006. Buyers from the urban sector kept prices moving upward. Poor crops, during 2006, along with increasing land values appears to have contributed to a lower level of producer interest in buying neighborhood properties. Some producers selling higher value land, near the urban areas, have been buyers in the more distant portions of the region. Values in the cultivated areas continue to be significantly lower than those of native pasture land, in the western portion. The number of properties offered for sale in the farming areas, east of IH-35, has been stable as has the number of sales, even though the prices were higher.

East Hill Country

Gillespie, Kerr, Kendall, Real and Bandera Counties

During 2006, the East Hill Country continued to be the highest priced area within Region Seven. Price levels continue to appreciate. The demand for recreational properties and weekend/vacation homes continues to support upward land price trends. Properties with live water features continue to be in the greatest demand. Buyers, from the metropolitan areas of the state, represent the bulk of land buyers, with many seeking to retire to the area. These urban buyers continue to seek properties with strong aesthetic qualities and prefer locations within a short drive of the primary cities. The greatest increases in values, over the past year, have been observed in the more western areas of the region as buyers seek more affordable per acre prices.

West Hill Country

Menard, Mason and Kimble Counties

Sales activity continues to be strong in the West Hill Country, with sales and asking prices increasing. Mason and Kimble counties have experienced good levels of demand despite dry weather conditions, which diminished the eye appeal of the area. Area buyers are typical of the buyers throughout the Hill Country in that they seek properties with strong aesthetic and recreational features. Investors seeking land for gains from price appreciation as well as division and resale are evident in the area.

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**Region 7 - Grand Prairie, Central Basin, Blacklands,
Post Oak Belts, Edwards Plateau and Hill Country - 2006**

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	\$1,400	Active/Increase	\$10	\$25	Moderate/Stable
Improved Pasture	\$1,000	to	\$1,500	Active/Increase	\$10	\$20	Moderate/Stable
Native Pasture - Open	\$800	to	\$1,350	Active/Increase	\$4	\$10	Moderate/Stable
Native Pasture - Wooded	\$1,000	to	\$2,000	Active/Increase	\$4	\$12	Moderate/Stable
Live Water - Recreational	\$1,500	to	\$2,200	Active/Increase	\$5	\$15	Moderate/Stable
Pecan Groves - Improved	\$1,400	to	\$3,000	Moderate/Stable			
Hunting Leases					\$5	\$15	Moderate/Stable

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

Dry Cropland	\$750	to	\$1,600	Active/Increase	\$7	\$22	Moderate/Stable
Improved Pasture	\$750	to	\$2,100	Active/Increase	\$7	\$20	Moderate/Stable
Native Pasture - Open	\$1,000	to	\$2,100	Active/Increase	\$3	\$7	Moderate/Stable
Native Pasture - Wooded	\$900	to	\$3,500	Active/Increase	\$3	\$7	Moderate/Stable
Pecan Groves - Improved	\$1,500	to	\$3,000	Active/Increase			Owner or shares
Live Water - Recreation	\$2,000	to	\$5,000	Active/Increase	\$10	\$20	Owner dominated
Transitional <50 Acres	\$3,000	to	\$10,000	Active/Increase			
Hunting Leases - Rangeland					\$10	\$25	Active/Increase

**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	\$1,200	to	\$2,500	Active/Increase	\$25	\$55	High Demand
Dry Cropland - Marginal	\$1,200	to	\$2,000	Active/Increase	\$20	\$30	Moderate Demand
Improved Pasture	\$1,400	to	\$2,700	Active/Increase	\$15	\$25	Good Demand
Native Pasture - Open	\$1,200	to	\$2,000	Active/Increase	\$8	\$15	Good Demand
Native Pasture - Wooded	\$1,200	to	\$4,000	Active/Increase	\$8	\$15	Moderate Demand
River Properties	\$2,000	to	\$7,500	Active/Increase	15	30	Moderate Demand

**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	\$1,500	to	\$3,000	Active/Increase	\$30	\$55	Moderate/Stable
Dry Cropland - Marginal	\$1,300	to	\$2,500	Active/Increase	\$15	\$30	Moderate/Stable
Improved Pasture	\$1,500	to	\$3,500	Active/Increase	\$15	\$25	Moderate/Stable
Native Pasture - Wooded	\$2,000	to	\$6,000	Active/Increase	\$10	\$20	Moderate/Stable
Single Family - Utilities	\$15,000	to	\$25,000	Active/Increase			
Urban Fringe - No Utilities	\$6,000	to	\$18,000	Active/Increase			
Ranchette <50 Acres	\$3,000	to	\$10,000	Active/Increase			

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

Recreational w/ Live Water	\$4,000	to	\$15,000	Stable/Increase			
Recreational w/o Live Water	\$2,000	to	\$3,000	Stable/Increase			
Rangeland	\$3,000	to	\$3,000	Stable/Increase	\$4	\$10	Moderate/Stable
Hunting Leases-Rangeland					\$10	\$25	Active/Increase

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

Native Rangeland >500 <1,500 Acres	\$1,500	to	\$3,000	Active/Increase	\$2	\$5	Moderate/Stable
Native Rangeland >1,500 Acres	\$1,250	to	\$2,000	Active/Increase	\$2	\$5	Moderate/Stable
Native Rangeland - Live Water >1,000 Acres.	\$2,500	to	\$5,000	Active/Increase	\$2	\$6	Moderate/Stable
Native Rangeland-Live Water +/- 500 Acres	\$5,000	to	\$7,500	Active/Increase	\$2	\$6	Moderate/Stable
Hunting Leases					\$10	\$20	Active/Increase

ABOUT THE AMERICAN SOCIETY OF FARM MANAGERS AND RURAL APPRAISERS

The American Society of Farm Managers was founded in 1929 by a core of dedicated farm managers from Illinois, Iowa and Missouri who felt that farm management was critical to the future of farming. In 1936, the organization expanded to include appraisers specializing in the valuation of farms and other rural properties and the name changed to the American Society of Farm Managers and Rural Appraisers. Today, members belong to chapters located throughout the United States and Canada.

The basic objective of ASFMRA is to create and maintain a professionally trained group of accredited farm managers, rural appraisers, consultants and review appraisers capable of providing expert guidance and assistance to those who own or have responsibilities associated with farms, ranches and other rural or agri-business properties.

- Farm managers are essential for obtaining, and expanding, returns anticipated and/or expected from the ownership of land. Farm management professionals are available to help owners find land to buy and to manage the day-to-day operations in order to maximize good returns.
- Rural appraiser serve property owners and lenders by providing valuations upon which informed decisions are made. Appraisals may be used for sale or purchase, estate or financial planning, loan collateral, lease and rental provisions, or tax considerations.
- Consultants advise clients on business decisions about the current operation of and future opportunities for their specific enterprise. They may focus on business structure, human relations and personnel management, financial matters, business succession planning, or operations issues.
- Real property review appraisers prepare an in-depth professional review that gives added support to the strength of an appraisal or that identifies any weaknesses and corrections necessary to make the appraisal acceptable.

The American Society includes distinct levels of membership, each with educational standards, ethical requirements, field experience, testing and continuing education. Accredited members are at the top and are highly experienced and educated experts who have earned the designations Accredited Farm Manager (AFM), Accredited Rural Appraiser (ARA), Accredited Agricultural Consultant (AAC) and Real Property Review Appraiser (RPRA).

In addition to the AFMs, ARAs, AACs and RPRAs, there are Professional, Candidate and Student members along with Academic, Affiliate and Retired members in the American Society.

***ASFMRA Members Find Answers Today
for Tomorrow's Challenges in Agriculture***



THE VALUE OF THE ASFMRA

Agricultural production requires an intimate understanding of the land, the single most valuable component of most agricultural enterprises. Understanding the interaction of the land and the forces that influence its markets and products is a job for specialists. This includes specialists who are “finding answers today for tomorrow’s challenges in agriculture”. Meeting these challenges are members of ASFMRA, an international organization of agricultural professionals who provide services worldwide.

Benefits of Working with an ASFMRA Member

- Service provided is of the highest quality
- Assured of working with a professional who is highly educated and is focused on agriculture
- Adheres to high standards of performance, professional conduct and ethics
- Works in the client’s interest

Advantages of Being an ASFMRA Member

- Work product standardization that provides a competitive advantage
- Professional dedication and competency
- Professional continuing education
- Networking opportunities with peers
- Business development tools and training

Premiums for Employers of an ASFMRA Member

- An employee that is current with the latest professional development
- Confidence in a high standard of conduct and ethics for participating employees
- Cost-effective method of providing superior training for new employees
- Expenses incurred by the company are returned directly by improved proficiency

ASFMRA ONLINE

For the latest information from the ASFMRA, visit the Internet web site. In addition to finding out about meetings, courses and seminars, individual seeking the services of a professional agricultural consultant, farm manager, rural appraiser or review appraiser can conduct a search online.

<http://www.asfmra.org>

or for additional information

950 South Cherry Street, Suite 508
Denver, Colorado 80246-2664
303-758-3513; fax 303-758-0190
e-mail asfmra@agri-associations.org



ASFMRA MEMBERSHIP CLASSIFICATIONS

ACCREDITED MEMBERS

AACs, AFMs, ARAs, and RPRAs have met high field experience, education, and ethics standards. They have taken courses, submitted a passing a demonstration report or farm management plan, have a college degree or its equivalent, and have passed a comprehensive examination.

PROFESSIONAL MEMBERS

Professionals are those who manage, appraise and/or consult rural property belonging to others for a fee or salary, have completed specific education and field experience, have a college degree or its equivalent, and have submitted a passing farm management or appraisal report.

CANDIDATE MEMBERS

Candidate members provide farm management, appraisal and/or consulting services for a fee, or salary. A Candidate, if he or she has met the requirements, may apply for accreditation without first advancing to the Professional classification.

STUDENT/AFFILIATE MEMBERS

Full-time students in accredited high schools, colleges or universities may join as Student members so long as they are not providing farm management, rural appraisal, consulting or review appraisal services; they may remain in this classification for one year after graduation.

ACADEMIC MEMBERS

Academics are those whose work is primarily educational and who devote a major portion of their time working at the college/university level in farm and ranch management, consulting, rural appraisal or appraisal review as instructors, researchers, etc. and have held the position for two or more years.

AFFILIATE MEMBERS

Individuals not meeting the requirement of any other membership classification may join as Affiliate members so long as they do not provide consulting, farm management, rural appraisal or review appraisal services.

RETIRED MEMBERS

An Accredited, Professional or Academic member is one who has been a member for ten or more years and who no longer provides consulting, farm management and/or appraisal services to any significant degree.

HONORARY MEMBERS

This membership classification requires the approval of the ASFMRA Council.

INACTIVE MEMBERS

Individuals that are Accredited, Professional, Candidate or Associate members who are no longer providing services for a fee or salary may apply to the ASFMRA Executive Council for the Inactive membership status. The Executive Council may grant or deny the request with or without cause or reasons.



ABOUT THE ACCREDITED MEMBERS

AFM - Accredited Farm Manager

The AFM is trained to provide professional assistance to:

- owners of properties held as investments
- banks, trustees, attorneys, etc. responsible for rural property belonging to others
- prospective buyers needing professional help in selecting and acquiring farms, ranches and other agri-business properties
- owners needing consultation or special services on problems
- owners desiring accounting assistance

ARA - Accredited Rural Appraiser

The ARA is an expert in developing rural property values for:

- buyers or sellers needing an estimate of current market value
- mortgage loan purposes
- banks and other trustees handling rural real estate belonging to others
- attorneys with cases involving rural and agri-business properties
- owners of rural land involved in an eminent domain taking; inheritance, estate, gift or real estate questions; partition or division of land ownership; litigation concerning land valuation; or the process of incorporating holdings
- anyone needing an accurate measurement of the value of rural real estate

AAC - Accredited Agricultural Consultant

The AAC provides:

- consulting services to financial institutions, agricultural producers, attorneys, CPAs and individuals
- furnishes advice and counsels clients on their financial status and the reasons for it
- advises clients on business decisions about current operations and future opportunities

RPRA - Real Property Review Appraiser

The RPRA is qualified in accordance with Standard 3 of the Uniform Standards of Professional Appraisal Practice to perform technical reviews for:

- banking institutions in federally-related transactions
- governmental agencies
- individuals as well as attorneys, accountants, and other clients



ASFMRA INFORMATION

For information, contact the national office at:

950 South Cherry Street, Suite 508

Denver, Colorado 80222

303-758-3513; fax 303-758-0190

e-mail asfmra@agri-associations.org URL <http://www.asfmra.org>

Information that is available includes:

- Accreditation Packet
 - AFM
 - ARA
 - AAC
 - RPRA
- Education Catalog
- Education Schedule Update
- FMRA News Newsletter
- Membership Directory
- Membership Packet and Application

Please complete the following:

Name
Company/Firm
Address
City, State and Zip Code
Telephone Number
Facsimile Number
E-Mail Address
Social Security Number

Thank you for your interest in ASFMRA!

