



Mid-range pricing per hectare for viticulture properties

\$124K – \$279K

Mid-range land area for viticulture properties sold

9ha – 32ha

Total land area of viticulture properties sold

673ha

1 January 2022 – 31 December 2022

Source: Bayleys Insights & Data and CoreLogic

The viticulture property market in 60 seconds

Biggest trends



Sauvignon Blanc is the main cash cow

Market remains primarily focused on securing supply of Sauvignon Blanc grapes. Given global consumer demand has continued to outstrip supply, with this year's yield volume said to be "about average", quality is expected to provide for one of the best vintages in recent years. Production capacity remains a key driver of value.



Spread of offering remains attractive

Vineyards producing a range of quality varietals remain attractive. Being typically smaller, production is focused on quality. Specialist organic production or leveraging the established sustainability practices by the wine industry provide opportunity, particularly for high-end brands wanting to achieve a premium and/or differentiated product offering.



Vine replacement a focus

Many vineyards are now approaching 30 years. Where production is reducing or becoming uneconomic, redevelopment or 'refreshing the asset' with new plantings is occurring. CapEx and/or operational advantages are key considerations, particularly where vines have tighter spacing and able to drive productivity gains.

Outlook for the next 12 months



Focus on securing supply for growth export markets

Strong demand forecast in the US market in the medium term remains, and alongside constrained supply of land available in Marlborough, vineyard buyers will continue to focus on securing supply of Sauvignon Blanc. Expansion is expected into regions where scaled development opportunity exists for Sauvignon Blanc, Pinot Gris and Pinot Noir.



Hands off investment will remain attractive

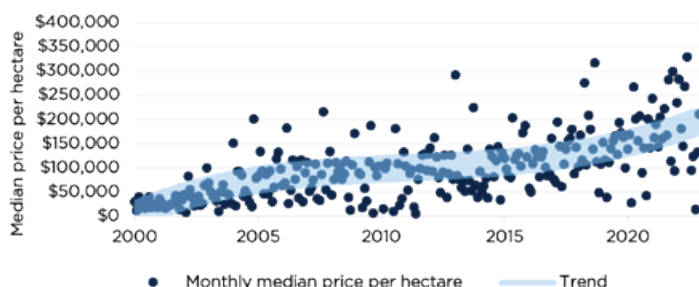
Given the relatively scalable and systemised nature of vineyards, it provides opportunity for a wider investor pool. Contract management remains competitive and provides opportunity for smaller through to corporate buyers, as they adjust to a higher cost of debt environment.



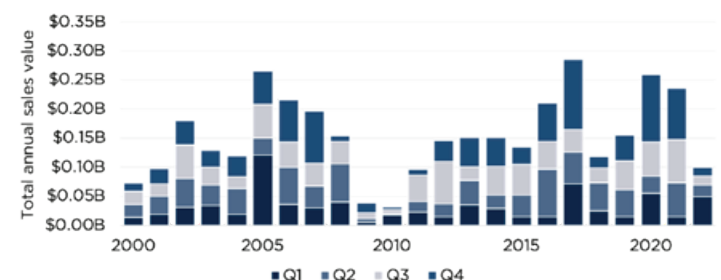
Lifestyle purchasers will remain persistent

Activity from lifestyle purchasers is expected to remain, particularly in the \$2.5M to \$5.0M price range. The opportunity to generate passive income alongside the lifestyle amongst the vines will continue to appeal to those searching for a home and supplementary income.

Median price per hectare



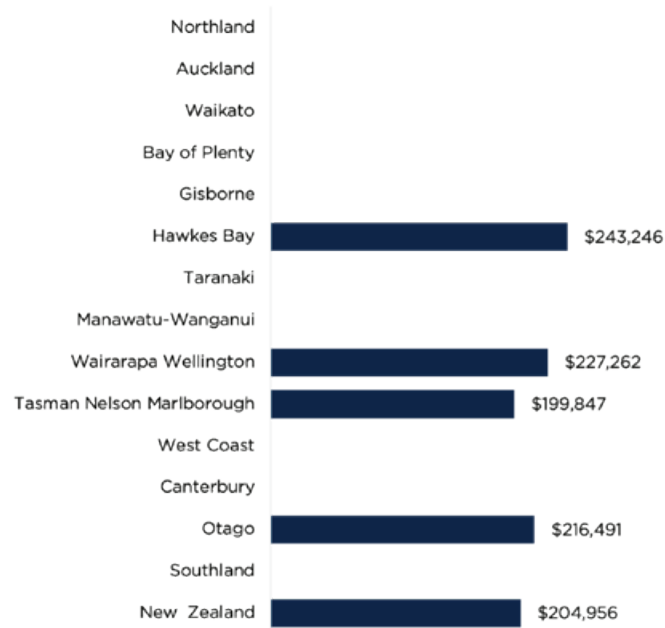
Annual value of sales



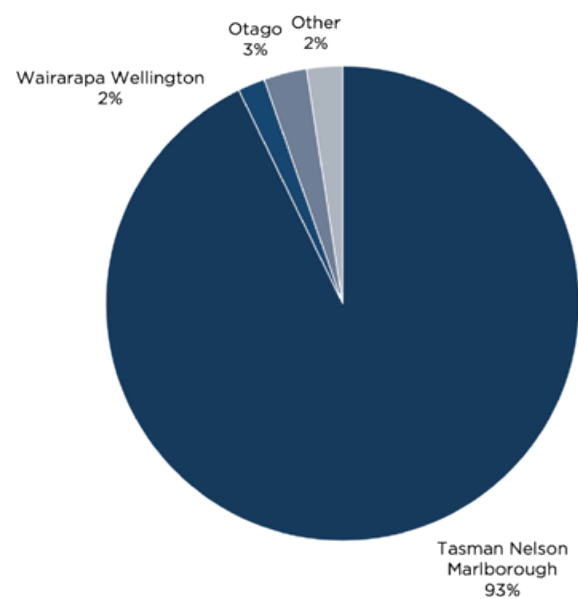
Data: CoreLogic. Vineyards. "Mid-range" levels based on lower and upper quartiles (middle 50% of the market). They do not represent the minimum or maximum rates in the market, and are based on total land area inclusive of any buildings, improvements and infrastructure.

Market indicators (2023)

Average price per hectare by region



Land area sold by region



Regional market indicators

Region	Mid-range price per hectare		Total land area sold (hectares)	
	2022	2023	2022	2023
Northland	\$175,590 - \$175,590	-	5	-
Auckland	\$331,271 - \$372,949	-	26	-
Waikato	-	-	-	-
Bay of Plenty	-	-	-	-
Gisborne	\$172,517 - \$247,553	-	26	-
Hawkes Bay	\$184,109 - \$197,088	\$243,246 - \$243,246	23	4
Taranaki	-	-	-	-
Manawatu-Whanganui	-	-	-	-
Wairarapa Wellington	\$141,868 - \$165,702	\$223,128 - \$231,397	44	13
Tasman Nelson Marlborough	\$150,108 - \$312,329	\$123,533 - \$282,868	2,087	636
West Coast	-	-	-	-
Canterbury	\$77,767 - \$145,037	-	139	-
Otago	\$108,207 - \$190,231	\$127,952 - \$288,600	146	20
Southland	-	-	-	-
New Zealand	\$113,959 - \$288,672	\$124,250 - \$278,521	2,495	673

Data: Corelogic. Vineyards. "Mid-range price" is based on lower and upper quartiles (middle 50% of the market). They do not represent the minimum or maximum rates in the market. Sales metrics for each year above are for the 12 months to 31 December.



Notable transactions



212 Selmes Road, Rapaura

Land area 8.25ha
Sale price \$2,250,000
Price per CaHa \$390,000
Contact Kurt Lindsay



Northbank Road, Kaituna

Land area 30.94ha
Sale price \$3,800,000
Price per CaHa \$213,000
Contact Kurt Lindsay



14 Lower Wairau Road, Grovetown

Land area 6.66ha
Sale price \$2,445,000
Price per CaHa \$458,000
Contact Mike Poff, Harrison Martin



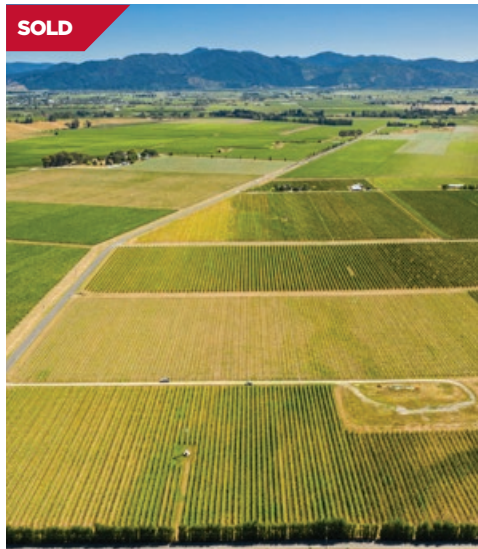
5 Brook Street North, Renwick

Land area 2.56ha
Sale price \$812,500
Price per CaHa \$381,000
Contact Kurt Lindsay



2486 State Highway 63, Wairau Valley

Land area 16.19ha
Sale price \$4,422,250
Price per CaHa \$295,000
Contact Kurt Lindsay



287 Brancott Road, Fairhall

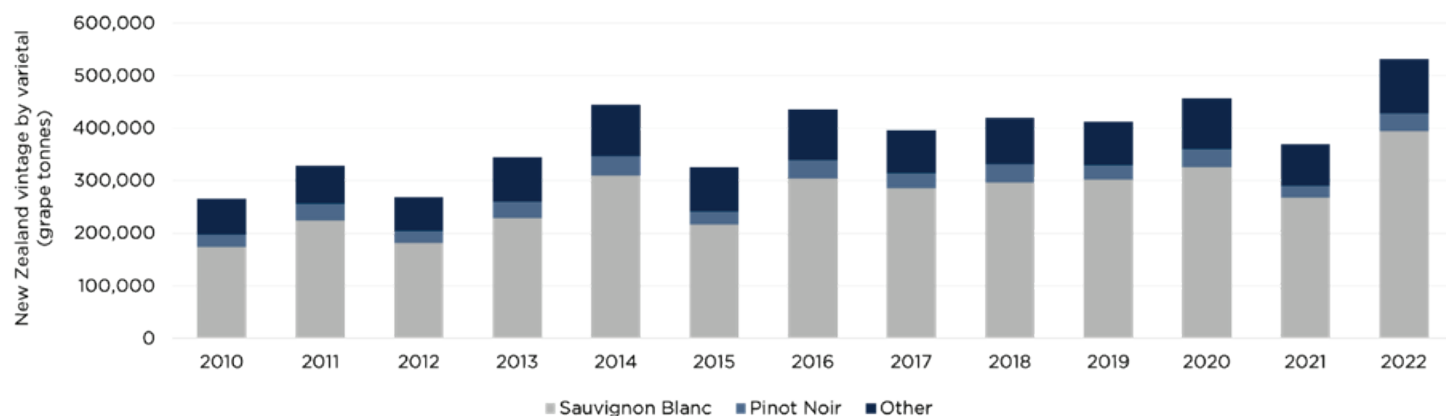
Land area 8.00ha
Sale price \$3,100,000
Price per CaHa \$457,000
Contact Kurt Lindsay

Note: "Price per CaHa" reflects Bayleys' assessment of the value divided by the Canopy Hectare (CaHa) area.

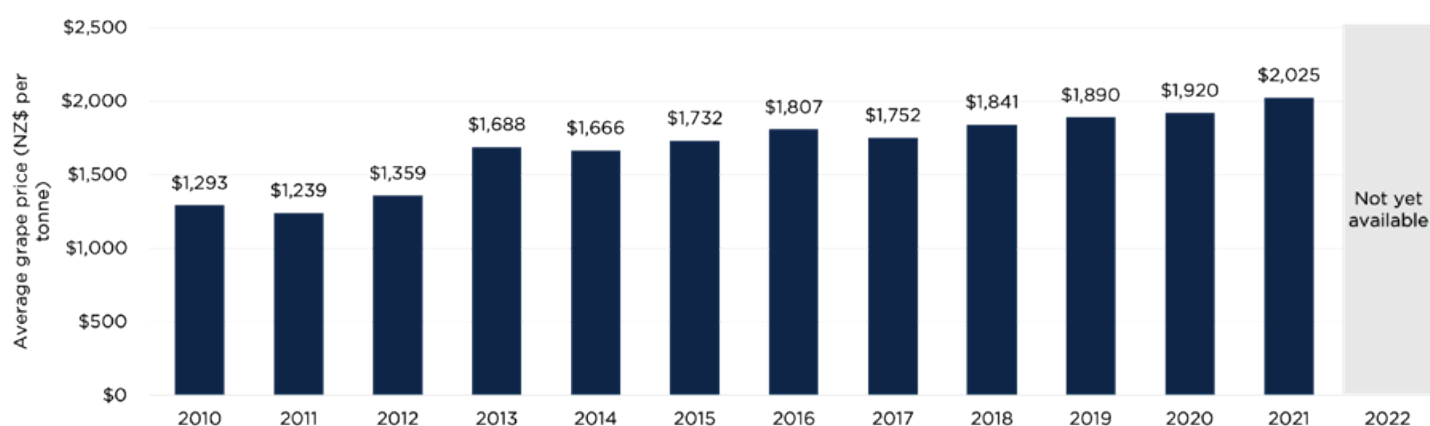


Market indicators

New Zealand vintage by varietal (grape tonnes)



Average grape price (NZ\$ per tonne)



Benchmark interest rates



Data: Stats NZ, GitHub, RBNZ.

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