



**Mid-range pricing per hectare for dairy properties**  
**\$28K – \$50K**

**Mid-range land area for dairy properties sold**  
**79ha – 188ha**

**Total land area of dairy properties sold**  
**20,652ha**

1 January 2023 – 31 December 2023

Source: Bayleys Insights & Data and REINZ

## Dairy property market in 60 seconds

### Biggest trends



**Tight margins remain**

The lift in mid-point farm gate milk price has been positive, however higher than expected inflation has continued to squeeze margins. This has influenced the level of activity in the market.



**Environmental due diligence now normal**

Buyers and lenders continue to require detailed environmental information to verify current and future production profiles and/or any CapEx required to achieve future production expectations.



**Restricted land use drives scarcity**

Change in land use to dairy continues to be largely restricted. This is expected to drive scarcity of dairy land given the national total productive platform is arguably at a maximum.

### Outlook for the next 12 months



**Flight to quality expected to continue**

High stock volumes are expected to continue, providing a range of options for buyers who are now more selective. Location and quality will remain important considerations for buyers and will be primary drivers of value.



**Long term strategies will fuel activity**

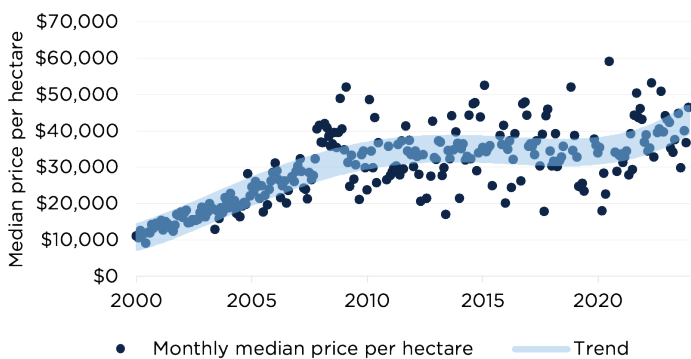
Longer term investment strategies are likely to be the primary driver of buyer activity, and in the absence of strong motivating factors (such as age, energy, debt, up/downsize), vendors are likely to remain resilient to any price gap generated by buyers. Given support land is expected to remain in high demand, decommissioning of smaller dairy farms is likely to continue.



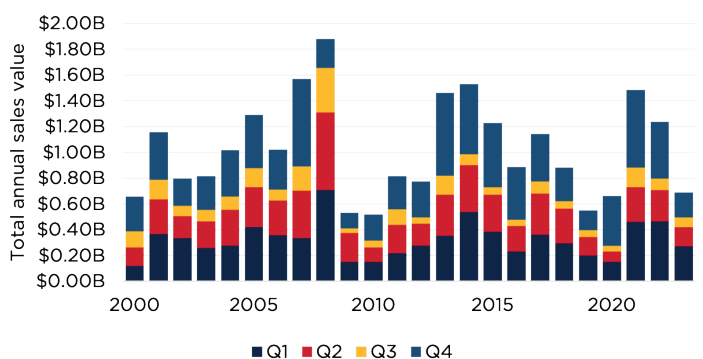
**Cost of debt will influence market liquidity**

While well capitalised operators are expected to be able to continue to access debt capital, the current relatively high cost of debt is expected to reduce the level of overall capital circulating in the market.

### Median price per hectare



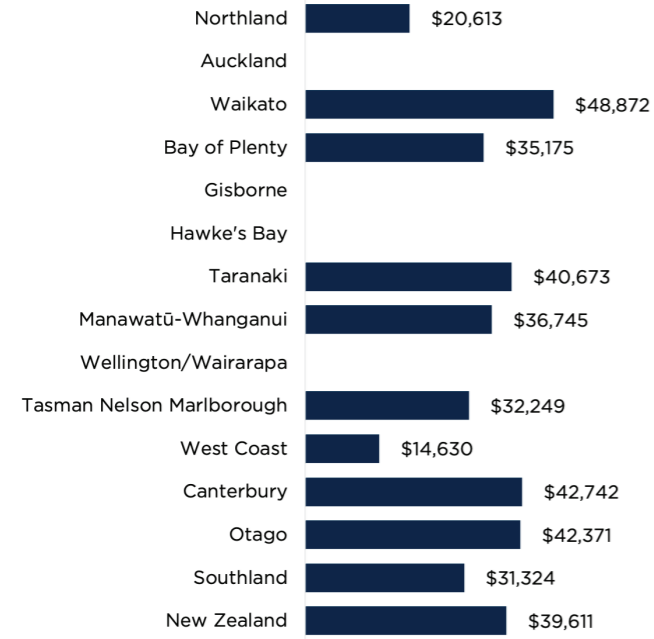
### Annual value of sales



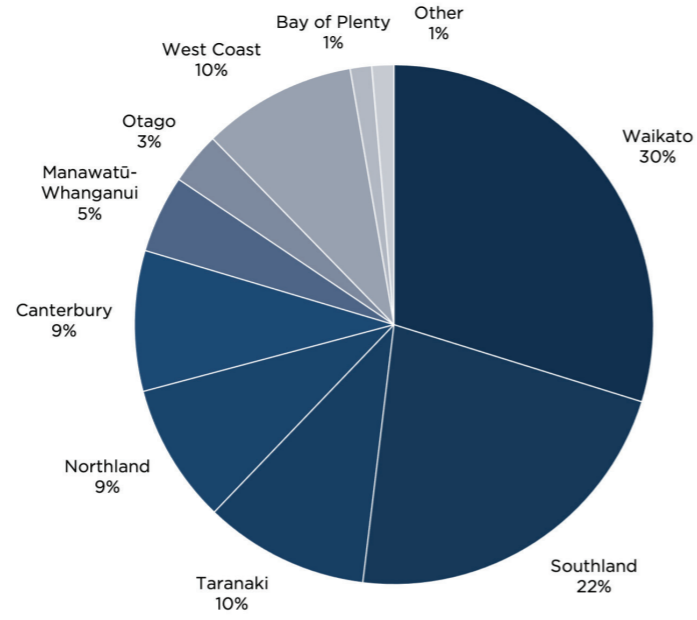
Data: REINZ. Dairy properties (excludes dairy support). "Mid-range" levels based on lower and upper quartiles (middle 50% of the market). They do not represent the minimum or maximum rates in the market, and are based on total land area inclusive of any buildings, improvements and infrastructure

## Market indicators

Average price per hectare by region (2023)



Land area sold by region (2023)



Market indicators by region

Region	Mid-range price per hectare		Total land area sold (hectares)	
	2022	2023	2022	2023
Northland	\$17,779 - \$30,855	\$14,424 - \$24,169	2,707	1,795
Auckland	\$39,397 - \$39,397	-	186	-
Waikato	\$37,656 - \$61,501	\$36,348 - \$60,467	7,123	6,153
Bay of Plenty	\$31,744 - \$46,444	\$32,735 - \$36,551	1,617	276
Gisborne	-	-	-	-
Hawke's Bay	\$19,850 - \$25,152	-	701	-
Taranaki	\$36,390 - \$55,769	\$31,440 - \$54,689	4,391	2,117
Manawatū-Whanganui	\$35,044 - \$49,805	\$32,650 - \$37,475	2,358	998
Wellington/Wairarapa	\$62,181 - \$62,181	-	98	-
Tasman Nelson Marlborough	\$27,087 - \$36,486	\$27,757 - \$36,740	300	284
West Coast	\$9,680 - \$22,207	\$11,810 - \$17,868	2,551	1,982
Canterbury	\$42,629 - \$52,301	\$40,208 - \$49,438	2,790	1,805
Otago	\$29,887 - \$43,651	\$39,224 - \$44,706	3,809	672
Southland	\$32,647 - \$39,010	\$25,733 - \$36,712	5,202	4,569
<b>New Zealand</b>	<b>\$30,823 - \$52,313</b>	<b>\$28,478 - \$49,834</b>	<b>33,832</b>	<b>20,652</b>

Data: REINZ. Dairy properties (excludes dairy support and lifestyle properties). "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



**174 Gilbert Road, Mata**

Land area 118ha  
 Sale price \$3,500,000  
 Price per ha \$29,661.02  
 Contact Catherine Stewart



**7155 State Highway 26, Paeroa**

Land area 31.89ha  
 Sale price \$2,300,000  
 Price per ha \$72,114.10  
 Contact Mike Fraser-Jones and Karl Davis



**777 Oreipunga Road, Cambridge**

Land area 139.22ha  
 Sale price \$7,645,000  
 Price per ha \$54,912.77  
 Contact Mike Fraser-Jones and Dave Peacocke



**1588 Alexandra Road, Matamata**

Land area 193.11ha  
 Sale price \$13,600,000  
 Price per ha \$70,427.39  
 Contact Sam Troughton



**464 Ball Road, Patea**

Land area 67.77ha  
 Sale price \$4,300,000  
 Price per ha \$63,447.10  
 Contact Brendan Crowley and Tim Dwyer



**220 Maroa Road, Oruanui**

Land area 180.64ha  
 Sale price \$5,600,000  
 Price per ha \$31,000.63  
 Contact Stan Sickler



**200 Dowdings Road, Ashburton**

Land area 197.54ha  
 Sale price \$9,150,000  
 Price per ha \$46,318.89  
 Contact Ben Turner, Kayla Dines and Simon Sharpin



**222 Boggyburn Road, Otapiri**

Land area 228.02ha  
 Sale price \$9,576,000  
 Price per ha \$41,997.13  
 Contact Paula Laughton

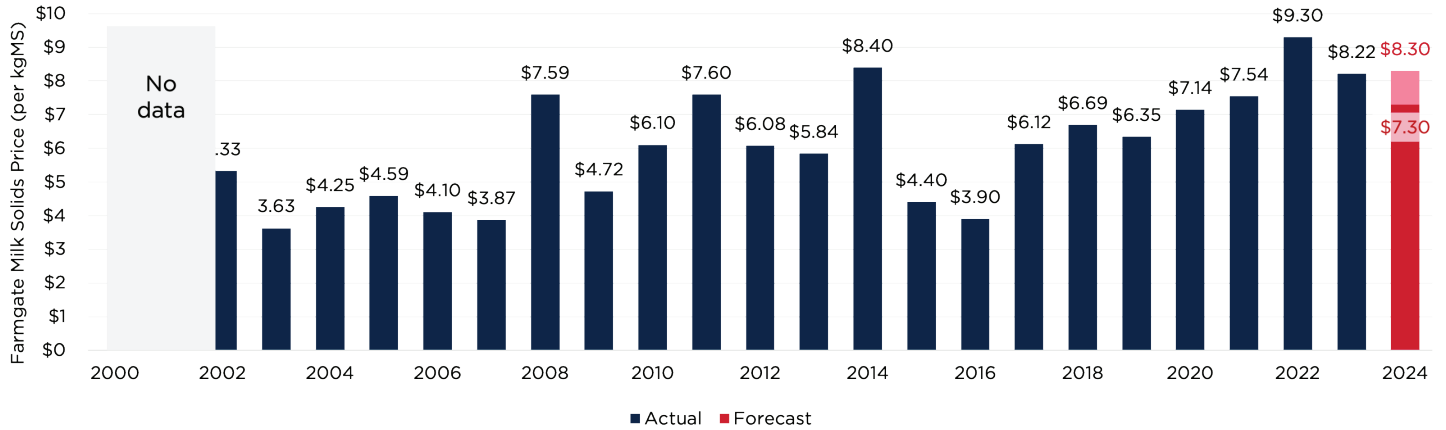


**875 + 962 Tapanui Raes Junction Highway, Crookston**

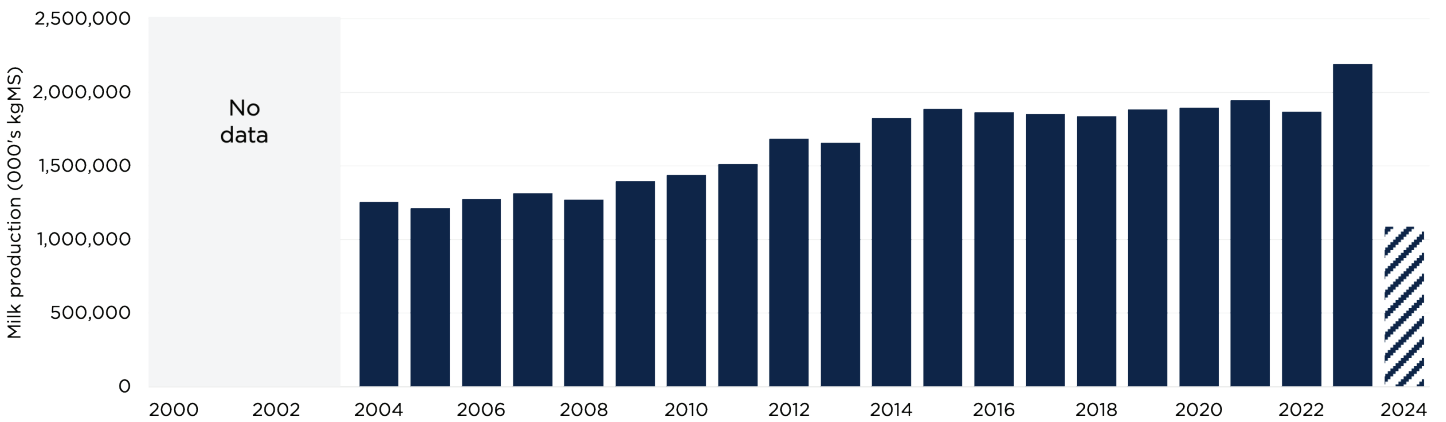
Land area 349.96ha  
 Sale price \$12,585,000  
 Price per ha \$35,961.05  
 Contact Pip Ryan and Shay Moseby

# Market indicators

## Fonterra Farmgate Milk Price



## Milk production



## Interest rates



Data: Fonterra, DCANZ, RBNZ, Farm Gate Milk Price forecast is as at 12 February 2024.

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