



**Mid-range pricing per hectare for pastoral properties**  
\$14K – \$41K

**Mid-range land area for pastoral properties sold**  
33ha – 165ha

**Total land area of pastoral properties sold**  
131,384ha

1 April 2022 – 31 March 2023

Source: Bayleys Insights & Data and REINZ

## The pastoral property market in 60 seconds

### Biggest trends

#### Margin compression slows activity



With red meat commodity prices coming off their peak, together with accretive costs incurred on farm, margins are being compressed. Affordability is now heavily influenced by the accelerated increase in the cost of debt seen in the past 12 months.

#### Environmental standards add due diligence



While more acute in the dairy sector, pastoral buyers remain alert to compliance with environmental standards, despite recent regulatory indecision. Vendors should have quality documentation available to assist saleability, particularly for the higher value properties that may attract more scrutiny.

#### Less competing land use pressure



Competing land use amongst the sub-sectors remains, but at a lesser amount of intensity than in recent periods. Dairy farmers seeking additional support land as part of their strategy to meet environmental standards remain active, with competition from fattening operators reducing. Conversion of hill country to forestry has been dampened due to regulation and volatility in the NZU carbon price.

### Outlook for the next 12 months

#### Pressure on forestry conversion



Buyer activity for hill country conversion to forestry started to slow spring 2022, initially influenced by conversion restrictions on offshore buyers. Forestry conversion activity is expected to continue, but less aggressively given the recent forestry slash review (albeit focused primarily on the North Island East Coast). The recommendations are expected to have a more controlling influence on land use.

#### Motivation to transact will be tested



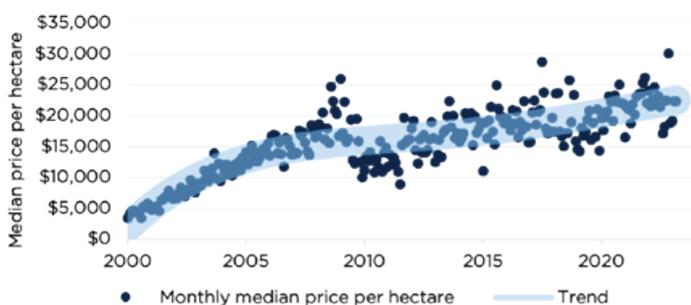
Vendors who do not have motivating factors to transact are expected to remain resilient to price adjustment pressure. The anticipated reduction in competing land use from forestry would provide opportunity for buyers of hill country for breeding operations after having been arguably priced out of this market in more recent times.

#### Thinner buyer pool with increased options



Buyer willingness will continue to be heavily influenced by their capacity and affordability assessment. Market activity is therefore expected to continue to soften with activity likely to be associated with better quality properties, strategic acquisitions or where there is a perceived value gain as a result of more immediate motivating factors of vendors (such as age, energy, debt or up/downsize plans).

### Median price per hectare



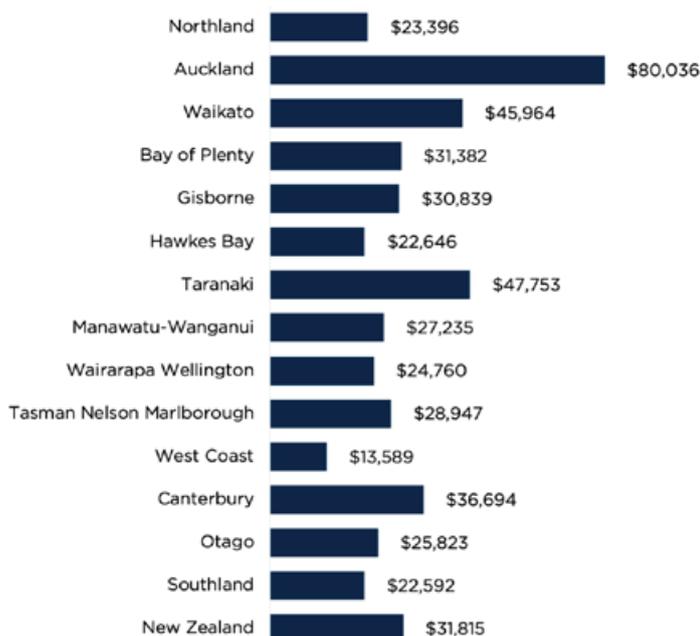
### Annual value of sales



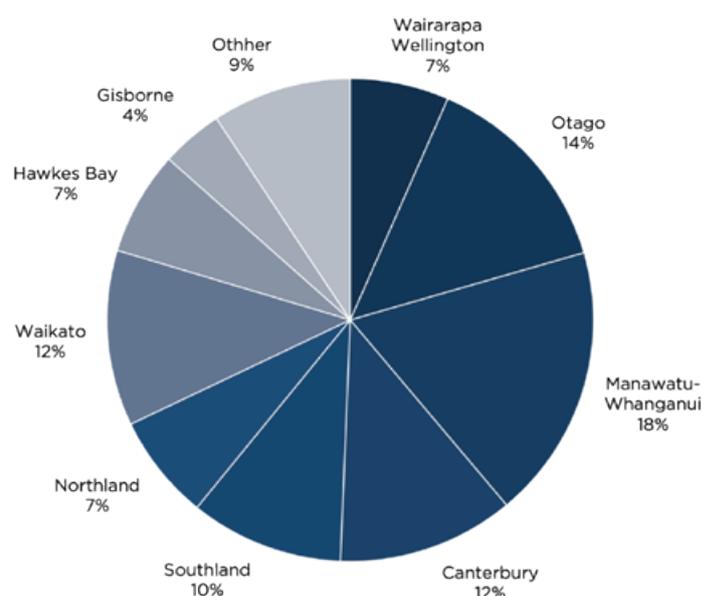
Data: REINZ. Livestock (all categories) and dairy support. "Mid-range" levels based on lower and upper quartiles (middle 50% of the market). They do not represent the minimum or maximum rates in the market, and are based on total land area inclusive of any buildings, improvements and infrastructure.

## Market indicators (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	\$11,546 - \$27,094	\$12,772 - \$25,707	12,095	9,267
Auckland	\$24,275 - \$69,122	\$28,704 - \$114,068	3,510	1,289
Waikato	\$22,102 - \$57,574	\$19,594 - \$57,379	13,459	15,444
Bay of Plenty	\$25,791 - \$90,365	\$18,438 - \$38,290	1,316	1,336
Gisborne	\$12,059 - \$20,044	\$13,608 - \$26,564	6,027	5,416
Hawkes Bay	\$12,205 - \$30,408	\$13,895 - \$27,027	16,086	9,124
Taranaki	\$13,553 - \$48,925	\$21,773 - \$59,473	6,563	1,897
Manawatu-Whanganui	\$12,048 - \$38,519	\$11,664 - \$39,927	18,622	24,159
Wairarapa Wellington	\$12,710 - \$34,097	\$12,867 - \$31,113	23,850	8,624
Tasman Nelson Marlborough	\$12,265 - \$36,799	\$13,208 - \$37,026	6,451	3,231
West Coast	\$6,969 - \$18,448	\$6,996 - \$17,759	1,838	4,440
Canterbury	\$18,046 - \$42,565	\$18,986 - \$50,269	20,184	15,432
Otago	\$9,729 - \$26,269	\$11,543 - \$28,469	27,753	18,320
Southland	\$12,455 - \$28,108	\$14,295 - \$30,833	15,501	13,406
<b>New Zealand</b>	<b>\$13,221 - \$39,780</b>	<b>\$13,539 - \$41,121</b>	<b>173,254</b>	<b>131,384</b>

Data: REINZ. Livestock (all categories) and dairy support. "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 March.



## Notable transactions



**685 Ocean View Road, Te Arai**

**Land area** 120.81ha  
**Sale price** \$5,100,100  
**Price per ha** \$42,215  
**Contact** John Barnett



**379 Kokonga East Road, Waikaretu**

**Land area** 1,268.56ha  
**Sale price** \$16,250,000  
**Price per ha** \$12,810  
**Contact** Peter Kelly



**166 Airstrip Road, Pikowai**

**Land area** 452.16ha  
**Sale price** \$7,900,000  
**Price per ha** \$17,472  
**Contact** Mark Spitz, Steve Low



**85 Dasent Road, Mangatahi**

**Land area** 261.35ha  
**Sale price** \$5,500,000  
**Price per ha** \$21,045  
**Contact** Tim Wynne-Lewis



**214 Mangamahu Road, Fordell**

**Land area** 679.96ha  
**Sale price** \$15,310,000  
**Price per ha** \$22,516  
**Contact** Pete Stratton



**816 Mangamahoe Central Road, Masterton**

**Land area** 834.00ha  
**Sale price** \$12,600,000  
**Price per ha** \$15,108  
**Contact** Lindsay Watts, Andrew Smith, Simon Clinton-Baker



**684 Telegraph Road, Charing Cross**

**Land area** 205.35ha  
**Sale price** \$10,700,000  
**Price per ha** \$52,106  
**Contact** Ben Turner, Craig Blackburn



**112 Flagstaff Station Road, Athol**

**Land area** 1,548.91ha  
**Sale price** \$20,000,000  
**Price per ha** \$12,912  
**Contact** Matthew Harrington, Hayden McCallum

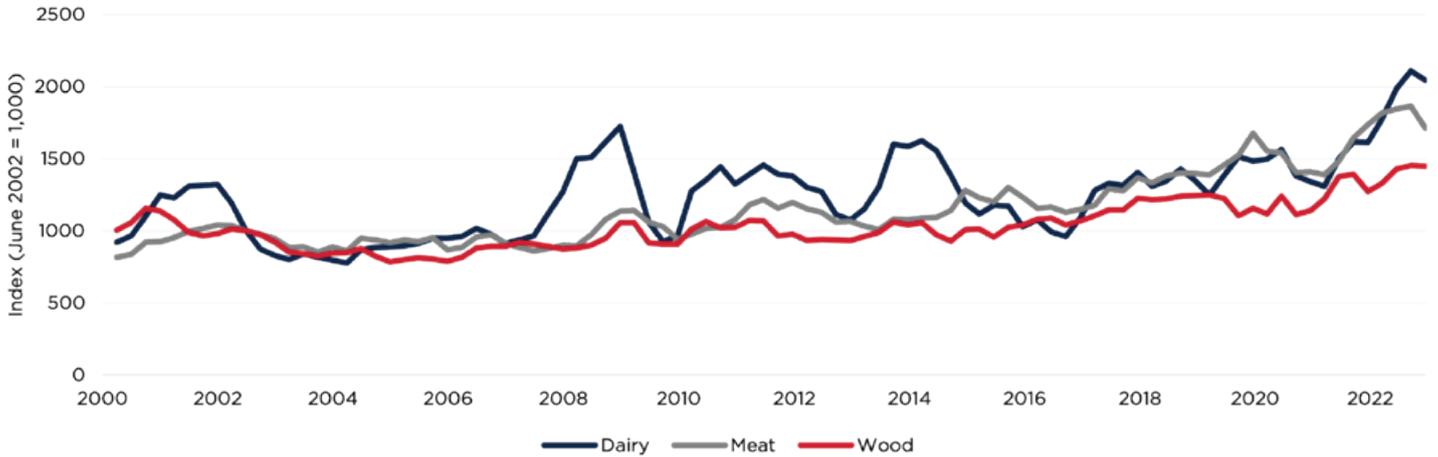


**270 Ardlussa Road, Longridge North**

**Land area** 492.56ha  
**Sale price** \$11,000,000  
**Price per ha** \$22,333  
**Contact** Matthew Harrington, Shay Moseby

# Market indicators

## Commodity prices



## Carbon price



## Benchmark interest rates



Data: Stats NZ, GitHub, RBNZ.

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