Rural runs reigns

With sustained dairy profitability and red meat returns, interest rates stabilising and lenders showing renewed confidence, the agri sector is entering 2026 on firmer footing.

DUNCAN ROSS
BAYLEYS NATIONAL DIRECTOR RURAL

Welcome to the autumn 2026 edition of Bayleys' Country, bringing you an impressive collection of rural and lifestyle properties for sale around New Zealand. The agri sector has carried the economy through some challenging times of late and fundamentals continue to improve with dairy enjoying a strong 12 months alongside the red meat sector and kiwifruit. The latest *Situation and Outlook for Primary Industries* report forecasts a three-percent lift in food and fibre export revenue, reaching $62 billion by 30 June 2026. This growth is largely driven by increased volumes from dairy, alongside rising prices for meat products.

While the milk price has eased, it remains well above break even levels, continuing to support farmer sentiment. Fonterra farmer shareholders have strongly backed the planned capital return linked to the divestment of Mainland Group to Lactalis. The transaction is expected to be finalised in the coming months, delivering a circa-$3 billion cash injection which will have a ripple effect right across the economy. Stabilising meat prices reflect tighter global supplies of beef and sheep meat, coupled with solid demand from key international markets.

In horticulture, kiwifruit remains the standout performer. Export revenue is expected to climb again on the back of another strong season, with higher yields and sustained pricing strengthening the sector's outlook.

In the rural property space, large family farming groups, corporate operators and investors are driving the market for tier 1 properties which is a bellwether for growing confidence. Some record prices have been paid for quality dairy properties offering scale and proven production, there's also been a push into the support market and ongoing debt consolidation among farmers is expected to support expansion. With input costs pegged back, growth opportunities are becoming increasingly viable and we're seeing some innovative deals come together.

In Canterbury, the lift in pricing for tier 1 irrigated properties now supports the recent rush of resource consents to convert arable farms to dairy following an end to a temporary ban on intensive dairy farm conversions. This has seen a flurry of activity with construction of infrastructure and dairy sheds in the region, reflecting the value change associated with a change in use.

Sheep and beef properties are performing solidly, with a noticeable rise in farmer to farmer transactions. Shifts in policy and a slowdown in forestry conversions are reshaping land use decisions, helping restore momentum and confidence in traditional pastoral farming, and removing the fight for land between farmers and forestry entities.

We're seeing kiwifruit land prices normalised with more transactions for established orchards, and the pipfruit sector is tipped for a stellar season. Meanwhile viticulture faces ongoing headwinds with tariff challenges on top of falling global demand for wine. However, this creates opportunity in the market and there's good value to be found for those who have the confidence to back themselves and innovate in the wine space.

Global uncertainty does continue to weigh on export markets, intensified by recent instability in the Middle East. New Zealand's primary industries remain relatively resilient, consistently securing a strong share of international demand despite our scale. Geographical distance offers a degree of protection, but it also exposes exporters to ongoing supply chain disruptions. As these pressures evolve, producers and rural businesses will need to remain agile to capture opportunities and manage risk.

On the home front, there's been heightened activity in the lifestyle market as people seek quality of life away from city lights. Changes to the country's investor visa settings have opened the door to potential new buyer groups for lifestyle properties, and with growing geopolitical unease, we're expecting another surge of enquiry from expats considering a safe-haven return to New Zealand. There's solid inventory of rural property available around the country

BAYLEYS COUNTRY: WHO WE ARE

Bayleys is proud to be New Zealand's largest full service real estate agency.

With a presence in all major cities, provincial towns and regions, we have an unmatched buying power with key media, and a vast referral network – both of which help to optimise sales opportunities for our clients.

Since 1999, we have become this country's number one rural real estate brand, with our dedicated team of country salespeople selling more farmland in New Zealand than any other agency.

Knight Frank McGrath

Bayleys' international alliances give our clients direct access to buyers across key markets. Through Knight Frank's global network of 352 offices in 49 markets, and McGrath Estate Agents' strong presence along Australia's eastern seaboard, we connect seamlessly across borders and the Tasman. These partnerships ensure Bayleys can deliver premium service, market insight, and unmatched reach for every property.

OUR INDUSTRY RECOGNITION

#1 REINZ REAL ESTATE INSTITUTE OF NEW ZEALAND

Bayleys is proud to have been recognised at the REINZ Awards for Excellence in Real Estate.

- Large Rural Office of the Year (2020-2025)
- Medium Rural Office of the Year (2018-2025)
- Small Rural Office of the Year (2020-2024)
- Overall Rural Salesperson of the Year (2018-2025)
- Individual Rural Salesperson of the Year (2023)
- Rural Rising Star of the Year (2021, 2023)

1,349	$2.57B	100+
SALES AND LEASING TRANSACTIONS	OF PROPERTY SOLD OR LEASED	SALESPEOPLE

* Bayleys Rural and Lifestyle data for the period1st April 2024 – 31st March 2025.