



# Bayleys Country's 25 years of connecting people with property

*This year marks the 25th anniversary of Bayleys Country. Country magazine, which also launched in 1999, looks back at the launch of Bayleys' specialist rural and lifestyle division and its subsequent growth into an award-winning rural real estate business.*



While it would be a quarter of century after Bayleys Real Estate came into existence before the company established a specialist rural property division, it was always part of the long-term business plan.

Rural New Zealand was a big part of the Bayley family's DNA. Graham, who at the age of 50 set up Bayleys in 1973 with wife Pam and their oldest son John, had spent the first half of his working life farming. He initially secured a remote rehabilitation farm in the King Country, following three years of distinguished service as an RNZAF fighter pilot in World War II, before relocating to a dairy farm near Taneatua in the Bay of Plenty.

Graham and Pam's five children, who would all go on to work in the family business, grew up on that farm before Graham decided to purchase a dairy run-off in Whatawhata and convert it to an intensive cropping farm. A career shift followed in the late 1960s into rural real estate with Hamilton agency Matthews & Hyde which John also joined in the early 1970s.

They could see the tremendous growth potential of South Auckland and so established their own business there in late 1973. Bayleys Real Estate's first office was the basement of the home of Graham and Pam Bayley in Pakuranga. The company had just three staff: salespeople Graham and John and Pam who was the receptionist, administrator and financial controller. Within half a century that tiny family business would grow into one of New Zealand's most recognised real estate brands with 2,500 people working from over 100 offices across the country and in Fiji.

Given the family's strong rural roots, John Bayley was very keen for the company to be successful in this sector of the real estate market. In the 1990s, Bayleys diversified and expanded its business from one single large office in Auckland, to a nationwide network of franchised offices covering all market sectors.

There was an initial foray into the rural market in 1992 when Bayleys' first franchise in Hamilton established a rural division. In another significant move, Gisborne-based Macpherson Chalmers Ltd became the Poverty Bay franchisee. It was headed by the province's leading rural salesperson James Macpherson who remains a pivotal figure in Bayleys, later going on to acquire the Bayleys Hawke's Bay and Wairarapa franchises.

By the end of the 1990s, Bayleys had country agents operating in most of the main farming areas from Northland to Canterbury. John Bayley was now satisfied there were sufficient



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BAYLEYS FOUNDER AND CHAIRMAN



gumboots on the ground to establish a dedicated national rural division. Bayleys Country was formally launched in 1999 with an inaugural conference at the Wairakei Resort in Taupō.

“There was a real buzz and excitement in the room; everybody could see the potential there was to transport things that were working well in other sectors of the market into the rural environment,” John Bayley recalled. “It was all go from there, the rapid growth that followed in our Country business exceeded even our own most optimistic expectations.”

**COUNTRY PORTFOLIO LAUNCHED** Portfolio marketing was one of things that was working very well for Bayleys and its clients. It involved bundling multiple properties together in promotional publications to provide vendors with a cost-effective and impactful way of marketing and selling their properties as well as presenting buyers with a wide choice of offerings.

In what was a first for the New Zealand property market, portfolio marketing was initially used in the early 1990s by Bayleys in the commercial property market which led to the establishment of the *Total Property* portfolio in the commercial sector as well as *Residential* and *Waterfront* portfolios.

“We'd learnt from these portfolios that bringing a group of properties together attracted national and international attention and that they were very effective in making the vendors' marketing dollar go a lot further and in generating enquiry,” John Bayley said.

*Country* provided an excellent marketing platform not only for Bayleys' growing team of rural salespeople specialising in farm sales but also for city-based agents selling lifestyle properties located on their rural boundaries.

The first *Country* portfolio was launched in April 1999. It was a relatively modest affair by today's



The Bayleys Country team in 1999.



voluminous standards, with just 25 properties. That more than doubled to over 50 for a special Millennium issue released towards the end of the year.

The professional design and high quality of the portfolio, helped to set Bayleys apart from its competitors.

Competitors perceived the rural community to be deeply conservative. 'Farmers won't pay for advertising; they won't want their properties in fancy brochures or flashy national magazines' seemed to be the common view. How wrong they were. Farmers loved what Bayleys was offering. Promoting their property outside their local area, both nationally and sometimes internationally, sounded like a great idea to them.

Amongst many landmark properties in the Millennium issue of *Country* were two historic sheep and beef stations which set new price benchmarks: \$18 million for 1,160ha Bank House Flats in Marlborough's Wairau Valley which sold for conversion to viticulture; and \$15 million for stunning 1,160ha Mataka Station encompassing over 12km of coastline in the Bay of Islands which became an upmarket coastal farm park subdivision. Both sold well above their values as farms because of other future use possibilities which Bayleys focused on in their marketing.

#### BUILDING UP THE SALES TEAM

The quality of the *Country* portfolios and the added value that Bayleys was offering not only vendors but its agents helped attract some of the industry's top sales performers. Among those recruited in the late 1990s and early 2000s, who are still with Bayleys, were lifestyle property specialist Mark Pringle in Rangiora, Lin Norris in Northland, Lindsay Watts in the Wairarapa, Dickie Burman in the Bay of Plenty (now Bayleys Kerikeri sales manager) and Mike Fraser-Jones in the Waikato who has subsequently sold over \$1 billion of property for Bayleys' clients in a stellar real estate career.

The early 2000s also saw the merger of the Bayleys Canterbury franchise business with the province's leading specialist rural real estate agency Whalan Real Estate. Established by Bill Whalan in 1985, it had most of the region's leading rural and lifestyle salespeople along with recent recruit 21-year-old Chris Jones who was astounded by what he saw when attending his first Bayleys Country conference in 2002.

"We couldn't believe what we were witnessing which was basically a whole lot of like-minded people from around the country excited by this new rural real estate model. For an Auckland-based company to be getting into a sector of the market that was so entrenched with longstanding



The Bayleys Country team in 2023.

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**CHRIS JONES**  
BAYLEYS CANTERBURY DIRECTOR  
AND SALESPERSON

operators – let alone endeavouring to become one of its biggest players – was extremely gutsy. It was wonderful to be involved in the roll out of such a young and fresh part of Bayleys' business and to contribute to the success of that.”

The addition of other new franchise offices in Nelson, Marlborough and Central Otago in the early 2000s, which all had a country component to them, made Bayleys a serious player in the South Island rural market, with the exception of the parochial Southland market. That was cemented in 2020 when a partnership was established with the region's market leader Country & Co.

#### A FOCUS ON ADDING VALUE

Bayleys was constantly on the lookout for new ways of adding value for farmer clients and in one of its most innovative moves decided to launch a series of Farming New Zealand seminars in the UK in 2002.

A specialist portfolio of 20 rural properties was showcased at Pioneering Farming New Zealand seminars throughout the UK and in Ireland. The seminars were

primarily focused on providing useful information on farming in and moving to New Zealand. This set the platform for the ultimate objective which was to sell property.

The seminars became an annual fixture for most of the next decade with subsequent seminars tied in with the release of the Spring *Country* portfolio.

Bayleys Country's rapid growth in the late 1990s and early 2000s meant it was well positioned to make the most of a rapid upturn across all property markets between 2002 and 2007. But the real test would come in 2008 when the GFC struck and the property market hit the wall. A member of the Bayleys Country team described it as like someone had turned the switch on the irrigator to 'off'.

It would be tough going for the next few years, but it was a market where Bayleys would come out the other side stronger, John Bayley told the company's 2009 executive conference: "This is our sort of market where the true value of what we can provide to vendors will come to the fore."

For Bayleys Country's clients that encompassed proven marketing and sales processes, including the *Country* portfolio, and the quality of the sales team and their negotiating skills. It meant that Bayleys increased its market share significantly during the downturn and by 2011 was undertaking 30 percent of all farm sales.

And there were always purchasers out there with money to spend no matter what the economy was doing. They included Sam Morgan, founder of Trade Me, who purchased 2,655ha Hillend Station, overlooking Lake Wānaka, through Bayleys Wānaka for \$25 million in late 2008 and movie mogul James Cameron who bought close to \$30 million of rural property through Bayleys Wairarapa, from 2011 onwards.

#### \$200 MILLION-PLUS PORTFOLIO SALES

Also helping maintain Bayleys Country's profile during the market downturn was its involvement in two big dairy farm portfolio sell-downs. One comprised 29 farms near Tokoroa converted from forestry land to dairying by Carter Holt Harvey which was looking to raise over \$220 million from their sale.

When a single purchaser couldn't be found for the entire portfolio, it was relaunched to the market in 2010, with the farms offered for sale individually at asking prices ranging from \$5.1 million to \$10.4 million. This was a more saleable proposition and Mike Fraser-Jones was kept busy over the next three or so years with their sell-down.

2010 also saw Bayleys Auckland-based corporate recovery team led by managing director Mike Bayley and David Gubb appointed by receivers KordaMentha to sell an 8,000ha portfolio of 16 North Island farms milking in excess of 16,000 cows owned by the Crafar family. In what turned out to be a very controversial sale, the entire portfolio was sold to Shanghai Pengxin, owned by billionaire Chinese businessman Jiang Zhaobai, for around \$220 million including stock following a lengthy Overseas Investment Office (OIO) approval process.

In 2015, Bayleys was appointed by the Stevenson Family to sell the iconic 13,800ha Lochinver Station in the central North Island. The Station was marketed by Mike Bayley, David Gubb and Pete Stratton with the OIO approving Shanghai Pengxin's purchase for \$88 million in 2015, only to be overruled by National Government ministers on the grounds the transaction was not substantially and identifiably of benefit to New Zealand.

Lochinver was then remarketed by Bayleys and sold to New Zealand farming group Rimanui Farms Ltd in what remains Bayleys' highest value, single farm sale. Bayleys Ruapehu's Pete Stratton also sold another landmark central North Island farm, 4,840ha Mangaohane Station, a year earlier for more than the 2011 GV of \$22.2 million.

Just how strong a presence Bayleys has become in the rural market over the past decade has been reflected in its dominance in the Real Estate Institute of New Zealand's (REINZ) Awards for Excellence. A Bayleys salesperson has picked up the Rural Salesperson of the Year title every year since Chris Jones first won it in 2013, with Ben Turner, Snow Williams and Karl Davis also taking out the title.

In a clean sweep at last year's awards Bayleys took out all six rural titles Karl Davis winning Overall Rural Salesperson of the Year, Mike Fraser-Jones winning the Individual Rural Salesperson, Bayleys

Canterbury's Adam Whitelock winning Rural Rising Star and the Gisborne, Invercargill and Hamilton offices taking out the small, medium and large rural office awards, respectively.

#### MAKING THE MOST OF TURBULENT TIMES

In the past three years, Bayleys has been involved in the sale of 10 farmland properties worth \$30 million or more, at a total value of \$736 million. These have included dairy and horticultural offerings, land on the outskirts of Auckland and Tauranga zoned for future urban use, plus 300ha of waterfront farmland on Waiheke Island sold to neighbour Bruce Plested who is continuing to farm it. The biggest regional sale has been the 6,212ha adjoining Matanui and Huiarau Stations by Bayleys Gisborne's Simon Bousfield and Stephen Thomson.

Bayleys has also been involved in two of the country's biggest kiwifruit orchard sales, totalling \$106.5 million, over the past five years. In the largest transaction, three North Island iwi pooled their resources to buy a portfolio of three Te Puke orchards spanning 98 canopy hectares and producing around 0.9 percent of Zespri's total New Zealand supply, the transaction was concluded by Duncan Ross, Snow Williams and Mike Bayley. The other transaction involved a recently established, state-of-the-art 25-canopy hectare Gold G3 orchard including purpose-built worker

accommodation in Edgcumbe sold by Snow Williams.

Most recently, Bayleys Marlborough viticulture specialists Mike Poff and Kurt Lindsay brokered a deal for five separate contract-free vineyard titles totalling 245ha for \$55 million.

The Bayleys *Country* portfolio has also continued to flourish with the 2022 Spring issue containing a record 153 properties and totalling a massive 220 pages. Despite a more challenging market, this was followed up last year by a Spring issue of 140 properties.

While high-quality printed publications remain an important part of Bayleys' portfolio marketing approach, they are now supplemented by extensive digital promotion.

If Bayleys Country has come a long way in the past 25 years so too have farmers, says Bayleys national director rural Nick Hawken, with farming now a much more complex and sophisticated business. "You have to be a scientist, a financial controller, an IT expert, an HR and health and safety consultant and a whole lot of other things.

"Farming has become significantly more dynamic and with the consumer being more demanding than ever, this is not going to slow down anytime soon. Environmental and sustainability considerations are often focused on, however there are many aspects of farming which will require farmers to continue to adapt and change to ensure they not only remain viable but thrive over the next quarter of a century."



Clockwise from top left: Lochinver Station, Mangaohane Station and the 245ha Marlborough vineyard titles.