



# BAYLEYS HORTICULTURE MARKET UPDATE

334 Esdaile Road, Pahoia.

## Biggest trends

**Return on crops soften activity**  
 Whilst maturing production and sound Orchard Gate Returns (OGR) have built confidence in the market in recent years, fruit quality and pack out yields have presented challenges in the last two seasons for growers. Lower comparative OGR and cost inflation have also reduced returns.

**Increasing environmental considerations**  
 Buyers are becoming more considered in relation to environmental factors. Primary focus is on CapEx requirements, use of sprays and orchard layout to future proof climatic events such as hail, frost, and wet feet (flooding of roots).

**Water (access) remains the winner**  
 Those with long term water access are the winners. Managing expiring consents and the "use it or lose it" approach by regional councils is often critical to preserving production and value of orchard land.

## Outlook for the next 12 months

**Flight to quality**  
 Sector growth in recent years has seen orchard development of land in locations that would have traditionally been less desirable. Buyers are expected to place a greater emphasis on the quality of the development, infrastructure, and orchard location – opting for orchards that have greater resilience or ability to mitigate climatic events going forward.

**Capacity to be tested**  
 Capacity across the whole supply chain will continue to be tested. Right from access to labour, packhouse throughput capacity, chilled storage and logistics. The ability for the sector to accommodate the increase in production coming on stream (for kiwifruit specifically) will be an important factor to maintain sector confidence.

**Wage pressure remains, a heads or tails**  
 Control of labour costs are expected to remain a core area of focus in the absence of an increase in labour supply. Growth in the labour pool, such as an increase in the RSE scheme could provide some relief for growers.



## BAYLEYS HORTICULTURE SALES

**\$72,358,242**  
 Land value sold

**108ha**  
 Land area sold

**18**  
 Properties sold

Bayleys Horticulture Unconditional sales (1 April 2022 to 31 March 2023)

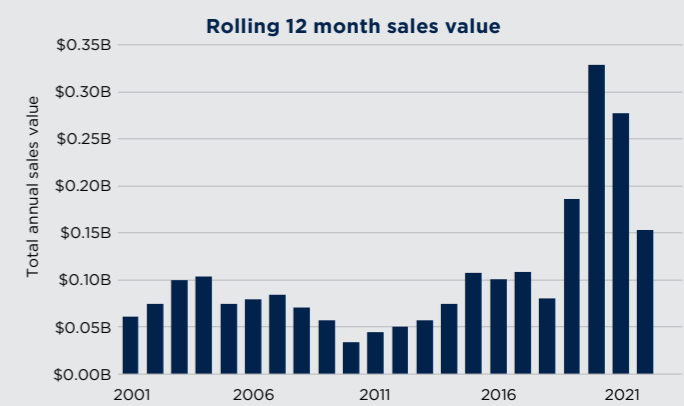
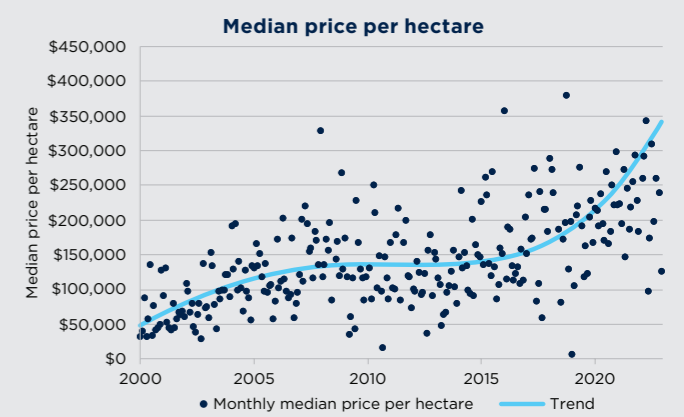
## NEW ZEALAND HORTICULTURE MARKET TRENDS

Data: Bayleys Insights & Data, CoreLogic 1 January 2022 to 31 December 2022

**\$153m**  
 Land value (down 45% from \$277m)

**781ha**  
 Land sold (down 49% from 1,529ha)

**51**  
 Properties sold (down 61% from 132)



### Average price per hectare by region (2023)

Northland	\$182,204
Auckland	\$330,318
Waikato	\$364,228
Bay of Plenty	\$461,536
Gisborne	\$307,853
Hawkes Bay	\$250,896
Taranaki	\$218,487
Manawatu-Wanganui	\$132,501
Wairarapa Wellington	
Tasman Nelson Marlborough	\$351,825
West Coast	
Canterbury	\$59,083
Otago	\$7,175
Southland	
New Zealand	\$299,484

### Land area sold by region (2023)

