

# Hunt on for expat farmers to invest back home

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Last updated 11:29 03/05/2011

Well-heeled Kiwis who have made it big in Australian dairying are being tapped on the shoulder by real estate agents to invest in their home country.

PGG Wrightson real estate Waikato sales manager Ian Morgan is gearing up for a trip to Australia with four colleagues from around New Zealand – the group are on a mission to bring back Kiwi farmers who have crossed the ditch.

"Significant numbers of New Zealand farmers shifted to Australia between three and eight years ago but conditions are now right for them to relocate back across this side of the Tasman," Mr Morgan said.

The team of five agents plan to "test the market" from May 9 to 13 in a series of meetings in Victoria and Tasmania.

They planned to update expat Kiwis on the availability of rural property in New Zealand after contacts told them farmers with low debt levels might be interested in investing.

Mr Morgan said he had already identified a number of farmers who had relocated to Australia to build their dairying equity and who were now in a position to become potential investors.

"By cashing up their Australian assets and moving back now, they should be able to take a step up in the scale of farm they own and take advantage of a relatively low point in the cycle," he said.

Mr Morgan said there were a number of Waikato farms listed for sale, and elsewhere in the country, that were likely to appeal to anyone looking to move back from Australia.

"And there is a good chance, with the stimulus created by this type of interest, that more farmers may become more motivated to sell," he said.

PGGW Canterbury sales manager Peter Crean said currency exchange rates, dairy returns and property trends might favour farmers who were returning to New Zealand or diversifying their property ownership.

"Some of the farmers have been there for five to 20 years and they have done very well and own multiple farms.

"We have had calls, including from one guy who has four to five farms and others have more," he said.

"There is overseas money buying farms over there, pension funds and Chinese buyers, and the exchange rate is particularly favourable to sell a farm and get 20 per cent more money when they come back here."

He said some farmers might want to return to their families or seek better irrigation and water reliability in New Zealand.

Supplying milk to companies such as Fonterra and Synlait would be an incentive, he said.

Farmers selling in Australia would likely be cash buyers in New Zealand, a strong position to be in with tighter lending criteria set by banks after the global financial crisis.

PGGW said the dairying property market was picking up, and even though Reserve Bank figures showed new lending from banks was scarce, higher-value farms were being sold to equity investors.

Mr Crean said returning farmers with good equity funding were well placed to compete for medium to large-sized properties, or they might look at joining syndicates.

He said farm vendors had asked the company to find new buyers and it had reacted proactively with the promotion to the Victorian centres of Warrnambool, Shepparton and Sale, as well as in Tasmania.

"It may come to something and it may not, but we have seen enough interest to stimulate interest."

The team would also explore if there was demand for sheep and beef properties.

**- Waikato Times**