Australian farmland price outlook 2025

Modest land value growth expected following 2024 contraction

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RaboResearch
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Paul Joules
Agriculture Analyst
RaboResearch Australia & New Zealand

Rabobank

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This report is based on information available as at 29/04/2025.

Executive summary – Australia

Land values retreated in 2024, with grazing farmland seeing the largest drop

2024: A correction in prices

The median price per hectare for all land types nationwide decreased by 6% YOY in 2024, with the median value of grazing farmland declining by a sharp 13% YOY. In contrast, arable land was down just 2.6% YOY.

Total sales reached 3.6m hectares of grazing, arable cropping, and dairy farmland in 2024, according to the data RaboResearch analysed for this report.

By region: The distribution of farm sales (in number of deals) in our analysed data set also fell year-on-year, according to the methodology used. Nationally, sales declined 27%, with a reduction seen across all states on a year-on-year basis.

This report analyses over 1,200 sales for 2024 from a data set comprising over 12,000 sales across the country since 2019. A team of professional appraisers selected and analysed a sample of high-quality Australian commercial farms that represent the market.

Large deals slowed, with sales above the AUD 10m threshold showing a reduction year-on-year. For both arable and grazing land, 4% of sales in our data set exceeded AUD 10m.

2025 and beyond: Value for money and due diligence

Demand for farmland is changing behaviour: RaboResearch's Q1 2025 survey highlighted modest expansionary plans, with 3% of respondents earmarking investments for new property purchases.

Conditions for farm budgets are mixed: Although diesel prices are cooling, the big cost is fertilisers, with urea and phosphate markets both elevated. Affordability is suffering, especially given high interest rates.

The income outlook for 2025/26 is positive. RaboResearch anticipates the Australian commodity index to increase season-on-season, supported by a positive outlook for dairy and beef prices. The outlook for grains and oilseeds remains less clear, with tariffs and declining global wheat stocks buffeting the complex.

The outlook for land prices in 2025 forecasts a return to very modest growth, though nothing like the levels seen from 2021 to 2023. A favourable outlook for commodity prices, alongside an anticipated decline in the cash rate, support this thesis.

From 2025 to 2030, land prices are expected to experience slow growth as buyers prioritise getting the most value for their investment. We don't expect to see the same heat in the market as witnessed between 2020 and 2023, as on-farm profit margins are expected to normalise.

Executive summary by region

Although the headline national figure fell, we saw large variability state-by-state

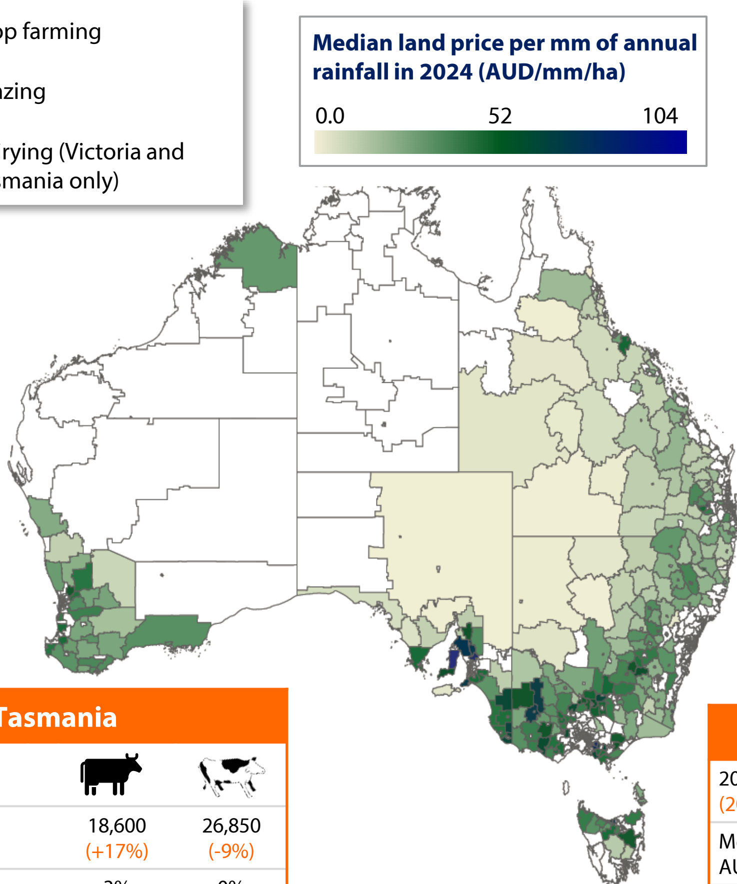
Australia

2024 (2023)		
Median price AUD/ha (YOY +/-)	9,020 (-3%)	8,450 (-13%)
% of sales >AUD 10m (2023)	4% (4%)	4% (4%)
Farmers intending to buy* (LY)	3% (6%)	

Crop farming

Grazing

Dairying (Victoria and Tasmania only)



Queensland

2024 (2023)		
Median price AUD/ha (YOY +/-)	12,330 (-3%)	4,690 (+10%)
% of sales >AUD 10m (2023)	3% (4%)	11% (7%)
Farmers intending to buy* (LY)	3% (5%)	

Western Australia

2024 (2023)		
Median price AUD/ha (YOY +/-)	5,800 (+10%)	15,430 (-7%)
% of sales >AUD 10m (2023)	6% (7%)	0.4% (1%)
Farmers intending to buy* (LY)	4% (12%)	

New South Wales

2024 (2023)		
Median price AUD/ha (YOY +/-)	8,250 (+5%)	7,340 (-16%)
% of sales >AUD 10m (2023)	7% (6%)	3% (4%)
Farmers intending to buy* (LY)	3% (3%)	

South Australia

2024 (2023)		
Median price AUD/ha (YOY +/-)	12,090 (+21%)	10,780 (+17%)
% of sales >AUD 10m (2023)	2% (1%)	2% (1%)
Farmers intending to buy* (LY)	3% (12%)	

Tasmania

2024 (2023)		
Median price AUD/ha (YOY +/-)	18,600 (+17%)	26,850 (-9%)
% of sales >AUD 10m (2023)	3% (5%)	0% (2%)
Farmers intending to buy* (LY)	4% (4%)	

Victoria

2024 (2023)			
Median price AUD/ha (YOY +/-)	11,750 (-5%)	16,000 (-10%)	20,580 (-5%)
% of sales >AUD 10m (2023)	0% (0%)	1% (1%)	1% (0%)
Farmers intending to buy* (LY)	2% (6%)		

**Note:* Farms intending to buy, according to RaboResearch's Q1 2025 survey, compared to last year (LY).
In 2024, reports of late sales were noted in several states, which may not be fully reflected in the data set.
Source: RaboResearch 2025

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Table of contents and what to expect

Median land values corrected in 2024, falling after a period of rampant growth

Median prices declined in 2024, following a prolonged period of growth

Between 2020 and 2023, median land values in Australia grew an astonishing 79%. Thus, the 6% contraction in 2024 is unsurprising. Over the past 12 months, falling commodity prices certainly had an influence, especially given that higher interest rates and fertiliser prices have made recent commodity price declines more unpalatable, and land purchasing power in 2024 suffered because of this.

In 2024, we observed price disparities between different land types, with grazing land prices declining 13% YOY, while arable land remained more stable, shrinking just 2.6% YOY. Except for South Australia and Western Australia, all states recorded year-on-year price declines. A common factor that likely influenced land prices in 2024 was the tightening of on-farm margins amid rising cost pressures, with high interest rates and fertiliser prices being two key drivers. Decreases in grain, dairy, cotton, and sugar prices during the 2024/25 season added to the margin pressure. We anticipate some of these headwinds to ease through 2025, with interest rates expected to fall and RaboResearch's Australian commodity price index projected to rise from current levels. Meanwhile, the Bureau of Meteorology's (BOM) ENSO outlook sees neutral conditions through much of 2025, pointing towards rainfall levels closer to historical averages.

Land prices will likely rebound, but we expect growth to be modest

Our base case forecasts that land prices will return to growth, but the rate will be more modest compared to recent years. Buyers will be searching for value, and given the recent drop, investment opportunities may present themselves in 2025 as buyers capitalise on weaker land values.

RaboResearch's base case for 2025 predicts a return to modest, single-digit growth following last year's decline. Seasonal conditions will play a key role in determining prices, but early indicators are positive, with winter crop production projected to rise during the 2025/26 season. The recent weakening of the Australian dollar will support Australian farmgate prices and, along with an anticipated easing of the official cash rate and forecast price improvements for beef and dairy markets, is likely to positively impact total farm production value. RaboResearch believes we will enter a new period of steady growth, reflecting the more normalised on-farm margins expected. However, the US-China trade war adds a new layer of uncertainty. Given Australia's ties to both countries, a situation in which Australia is compelled to choose between them would be the worst-case scenario for exports – and this could have an impact on farm margins.

Contents

Please see the appendix for a complete summary of the data used in this analysis
Forecasts contained within have been developed in consultation with Rabobank Rural Managers across Rabobank Australia's 60 branches, Rabobank's internal appraisals team, internal analysis, and published sources. Inevitably, the geographic nature of the country means that there are locations that differ from the commentary presented.

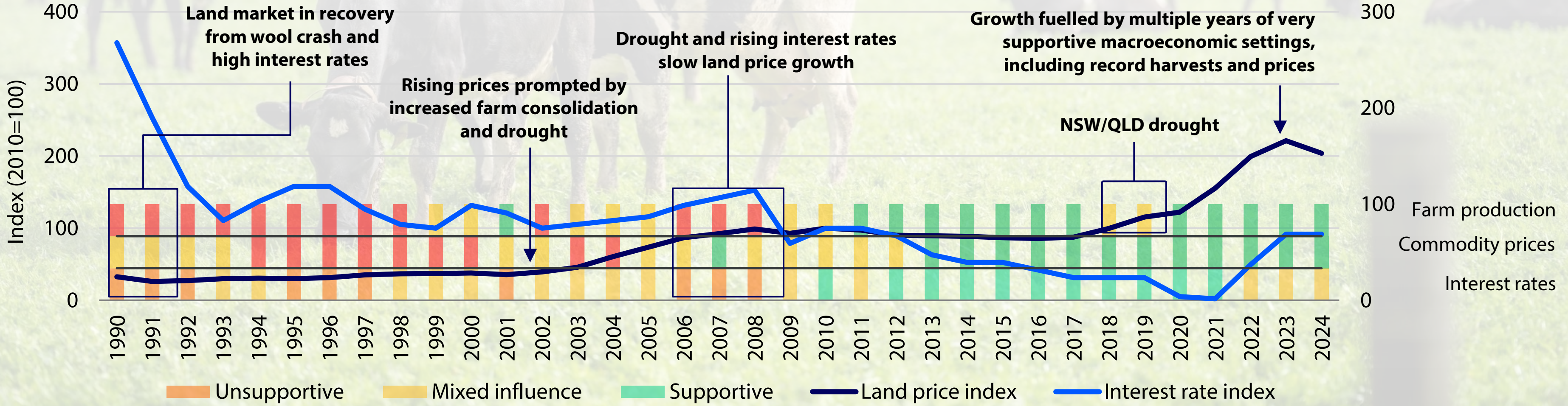
Part 1 | Themes currently defining agricultural land markets

Median land values declined in 2024 amid on-farm cost pressures and cooling commodity prices

Median land values declined in 2024, as profit margins retracted from record highs

- The 6% decline in the median value of land in 2024 followed three consecutive years of double-digit growth. The reduction in median land values appears to reflect on-farm profitability moving away from the record highs seen in recent years.
- Conditions for land purchases deteriorated in 2024, as declining commodity prices and elevated interest rates dented confidence among market participants. Rising farm input prices likely also had an influence, as farmer margins were pressured, particularly by higher fertiliser costs.
- The 2025/26 outlook for key drivers is supportive of land value, with the official cash rate expected to ease, early production prospects looking promising, and some key commodity prices expected to increase.
- **Production volumes:** Although soil moisture profiles are mixed state by state, early projections for the 2025/26 winter crop point to area expansion, which will support production volumes. For beef, ongoing high volumes of cattle mean production will likely remain high in 2025, while milk volumes are expected to grow.
- **Commodity prices:** For 2025/26, the pricing outlook is largely supportive, although US trade policy creates a new level of uncertainty for some markets. For dairy and beef prices, market dynamics create room for upside in 2025, while for grains and oilseeds, declining global wheat stocks may provide price support.
- **Farm income:** The outlook for farm income is positive overall, as RaboResearch forecasts our Australian commodity index to increase in 2025. This should help to partially offset inflated input costs.
- **Interest rates:** During 2024, rates were held at 4.35%. However, RaboResearch expects two 0.25bp cuts to follow the rate cut in the February meeting, with one pegged for May and the other in August. Assuming this is the case, this would bring the cash rate to 3.6% by year-end.

Land price growth retracts as high interest rates and falling commodity prices alter land market sentiment



Note: *Commodity prices/farm production are indices by ABARES. Land price is a trend of farm value.*
Source: *ABARES, RaboResearch 2025*

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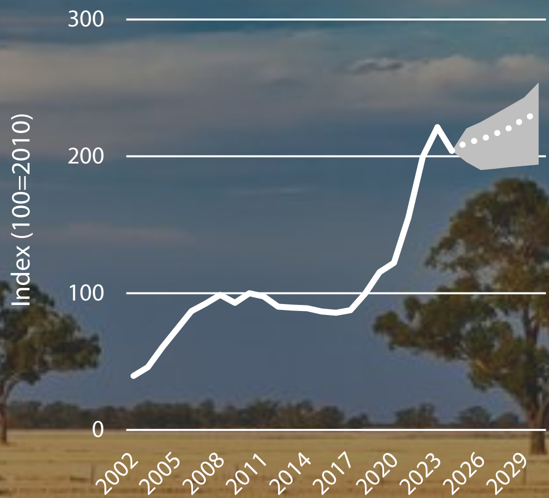
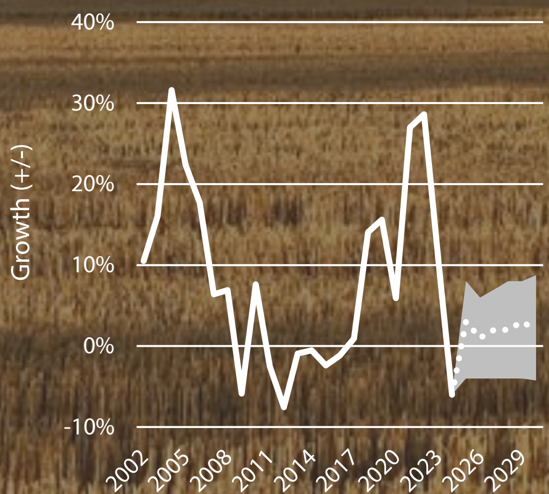
Scenario analysis

Land price trend





Source: *ABARES, RaboResearch 2025*

Land value forecast

Assumptions for the base-case outlook of 3% growth

Production

- ✓ **Early projections point towards farm production remaining strong in 2025.** That said, soil moisture levels nationally show variability, with pockets of Western Australia looking drier than normal, while for Queensland, soil moisture levels are exceptionally high. For New South Wales, Victoria, and South Australia, conditions vary, with some areas showing high levels of soil moisture and other parts below average. Moisture stress in Tasmania (following a very dry March) remains a watch factor.

Prices

- ✓ **The outlook for grain and oilseed prices is mixed, as markets weigh the sluggish export pace of Australian wheat against declining global wheat stocks.** Meanwhile, canola markets are suffering due to China's tariffs on Canadian canola. Dairy prices may see improvement, as Chinese import demand could rise from current levels amid a herd reduction. RaboResearch's beef and lamb price forecast is positive. Recent rains in key regions should help beef producers hold cattle until they reach finishing weight, while lamb supplies are anticipated to contract in the coming months. For cotton and wool markets, demand uncertainties persist, especially given the questions surrounding Chinese economic growth amid the US-China trade war.
- ✓ **Farm input costs are a drag on farmer margins. The weakening Australian dollar is impacting all imported products, including agrochemicals and fertilisers.** As a result, imports have become notably more expensive year-on-year. For diesel, the outlook is more positive with global crude oil markets in a state of oversupply.

Cost of finance

- ✓ **RaboResearch predicts the Reserve Bank of Australia's (RBA) cash rate will have two more interest rate cuts in 2025 (one in May and one in August), reaching 3.6% by the end of the year, which should be supportive for land values.**
- ✓ **RaboResearch forecasts the Australian dollar to remain relatively weak on a 12-month view, reaching 0.65 compared to the US dollar. The relatively weak Australian dollar, alongside our rates forecast and supportive Australian commodity index, form the foundation of our base-case view of a return to modest growth.**

Upside scenario

- ✓ Soil moisture levels in South Australia, Western Australia, Victoria, and Tasmania improve from current levels, and yields perform well nationally. Grain and oilseed markets find support amid prolonged dryness in the Black Sea and Brazil. Australian trade for key commodities performs well, buoyed by heavy tariffs on other US trading partners and rising US demand for Australian commodities (particularly for animal protein). The official cash rate declines in 2025, in line with RaboResearch's expectations. As a result, land demand and investor confidence improve sharply, leading to median land values increasing by 6% YOY.

Downside scenario

- ✓ Australian rainfall is lower than expected in the coming months, and farm output declines year-on-year. Meanwhile, soil moisture profiles improve simultaneously in Brazil and Russia, which subsequently pressures global grain and oilseed markets. The US trade war leads to higher inflation globally. As a result, interest rates stay elevated. This curbs investment enthusiasm, and consequently median land values decline for the second consecutive year but at a more modest 3%.

Interest rates and other macroeconomic drivers

The focus is shifting from fighting inflation to weathering external shocks

Shifting priorities for policymakers

Headline inflation has fallen into the RBA's 2% to 3% target band, and the less-volatile "trimmed mean" inflation measure has also fallen back into the band.

With inflation largely back to target, the focus for policymakers is now shifting to weathering the external shocks that the economy faces. The most obvious external shock is emanating from the United States, where President Trump has recently enacted tariffs of at least 10% on most trading partners (including Australia) and up to 145% on China.

The US is rejigging international trade in an effort to rebuild its domestic manufacturing base and reshore supply chains. Trade restrictions against China appear set to be particularly severe, owing to China's enormous trade surplus with the US and perceptions that China has "cheated" on trade by subsidising production, restricting access to its own market, and holding the value of its currency artificially low against the US dollar.

While the direct tariff impact on Australia is likely to be minor, the second-order effect from a slowing Chinese economy could be material. The RBA will be watching closely for offsetting stimulus measures imposed by the Chinese government in days ahead.

Outlook for interest rates

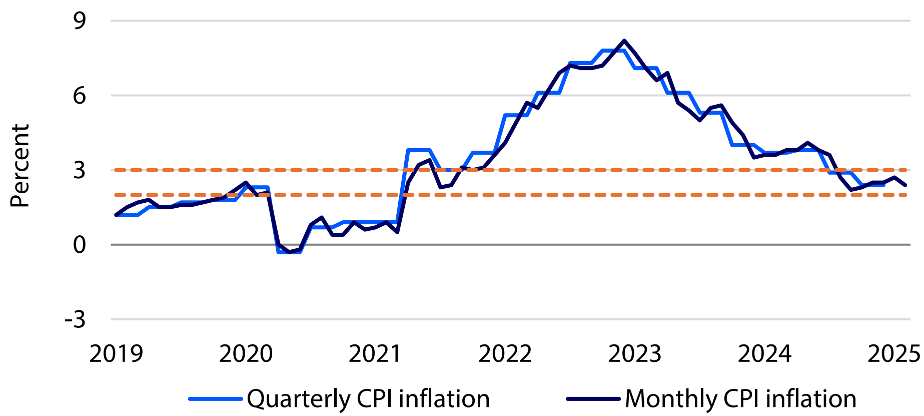
RaboResearch estimates the "neutral" rate of interest in Australia at 3.50%. The RBA lowered the cash rate from 4.35% to 4.10% in February this year, which it described as removing the "insurance" rate hike delivered in November 2023. The RBA justified this move by saying that inflation had fallen enough that the insurance was no longer needed and that at 4.10% the cash rate remains restrictive.

RaboResearch expects the RBA to deliver further rate cuts in May and August 2025 to take the cash rate to 3.60%. While we haven't updated our forecasts following the recent tariff announcements from the US, we do see these as likely to reduce the pace of economic growth in Australia and put downward pressure on inflation as Chinese goods that would ordinarily be destined for the US are diverted to the Australian market.

Consequently, we estimate that the probability of additional cuts to the cash rate that would take it below 3.50% – and therefore from mildly restrictive to "accommodative" – is rising.

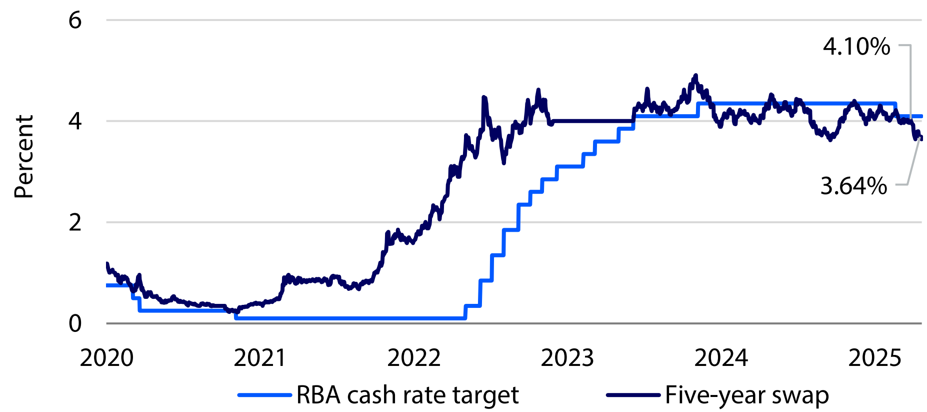
If the US does not strike a deal with China to reduce the trade barriers that have already been announced, we are likely to add further RBA rate cuts to our forecast.

Inflation is back in the 2% to 3% target band



Source: ABS, RBA, RaboResearch 2025

The RBA has begun to cut the cash rate, and we expect at least two more cuts



Source: ASX, Macrobond, RBA, RaboResearch 2025

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Foreign investment in agriculture, forestry, and fishing

A complex global landscape adds a new layer of uncertainty for foreign investment

Foreign investment sentiment has weakened

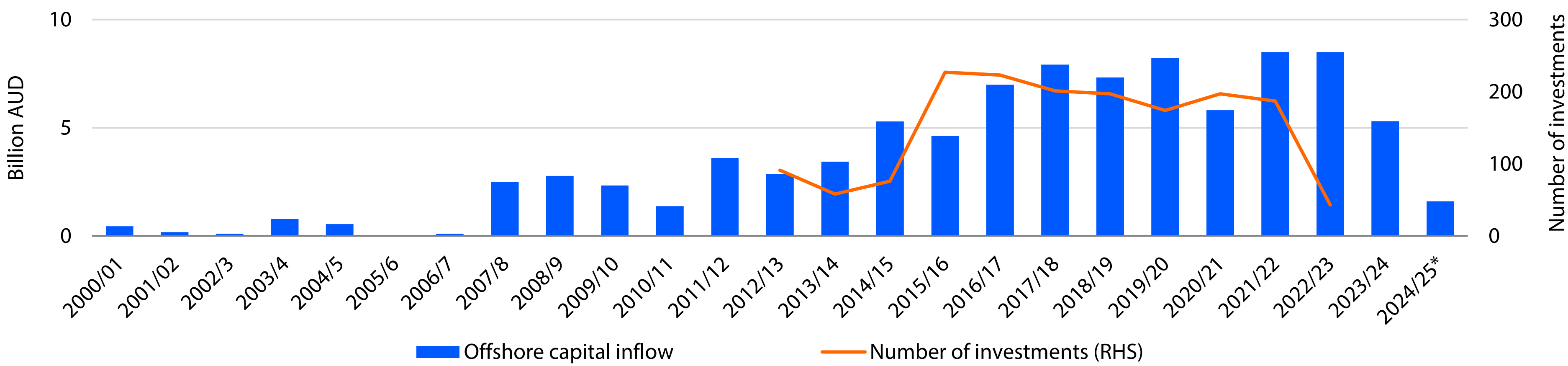
Foreign investment in Australian agricultural land cooled in 2023/24, and a return to 2021/22 and 2022/23 levels seems unlikely given the current economic environment. 2024/25 data is only up to September 2024, so we can expect investment to rise from the current very low level. But if we cast our eyes to 2023/24, we see that foreign investment declined 38% YOY, with offshore capital inflow totalling AUD 5.3 billion. This marks the largest yearly drop in percentage terms in 14 years.

The pullback seen in overseas investment appears to reflect a drop in overall corporate investment activity in Australian agriculture. This is particularly notable in the dairy space, where we are coming off the back of a period of high profitability, with returns beginning to normalise. This has likely taken some of the steam out of investment, and it could spell a return to more modest investment growth in the years to come. The pronounced growth seen in grazing, dairy, and arable land prices nationally in recent years (+68% over the past five years) may also have contributed to the decline in investment sentiment, as potential buyers may have adopted more of a wait-and-see approach to procurement as margins compress.

Given the highly complex geopolitical landscape in which the world finds itself, investment appetite may struggle to return to levels seen during 2021/22 and 2022/23. On the one hand, Australian agriculture has access to high-growth markets in Asia, but it is also exposed to China, a country whose growth is facing headwinds amid a US trade war. This raises question marks around Chinese demand for Australian exports, and investors could well adopt a risk-off approach given the macroeconomic uncertainty looming over many assets.

Although we generally see upside for Australian commodity pricing in 2025, we don't expect a return to the margins seen during 2022 and 2023. We also don't expect a huge drop in the official cash rate, so our assumption is investment appetite could remain below the levels seen between 2021/22 and 2022/23. That said, around half of approved commercial foreign investment stemmed from US capital between July and September of last year. Given the surge in the US dollar, US investors could view the favourable exchange rate as an opportunity to invest overseas – and this could help foreign investment modestly improve from the eight-year lows hit in 2023/24.

Foreign investment in agriculture cooled in 2023/24 and appears likely to remain weak in 2024/25



Source: FIRB, RaboResearch 2025
*Note: *2024/25 data runs until September 2024 only. Upward revisions are likely once the year is complete.*

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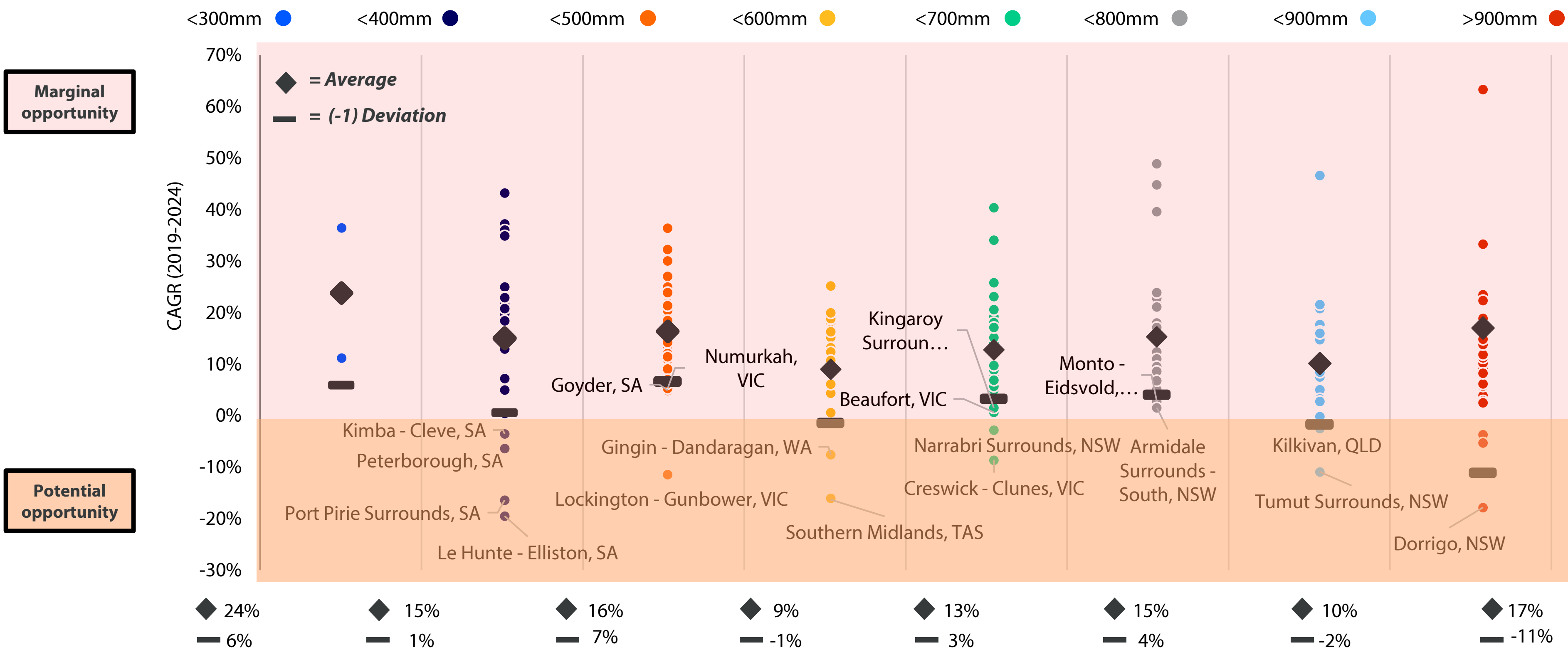
Growth in land values has been uneven over the past five years

Some regions have grown at a slower rate than others, despite similar rainfall

Searching for opportunities in a diverse Australian land market

One can use numerous metrics to calculate the fair value of land prices. Factors such as soil and vegetation type and proximity to towns, cities, and ports are all significant. However, rainfall volume is one of the most critical considerations. With this in mind, RaboResearch has compared the growth in land prices across regions using the compound annual growth rate over the last five years and divided this into rainfall brackets. Regions where land prices have grown at a rate below one standard deviation have seen prices rise much slower than the average in regions receiving similar volumes of rainfall. Given the slower growth rate, these regions may represent an opportunity given their relatively weak growth compared to the average of their rainfall cluster seen in recent years**. In the diagram below, RaboResearch has labelled the regions where land values have grown at a significantly slower rate than the average for areas with similar rainfall levels.**

Comparing land price growth per rainfall bracket using the five-year compound annual growth rate

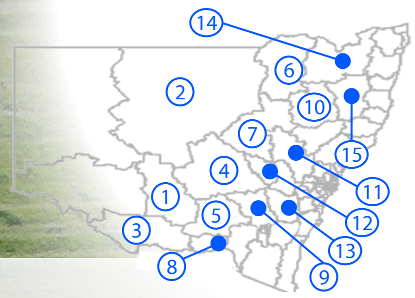


Source: *RaboResearch 2025*

Note: *Each dot represents a region. Standard deviation is a measure of how much the data varies from the average. It describes how spread out or close together the data points are. A high standard deviation means the data is widely dispersed, and a low standard deviation means the data is tightly clustered.*

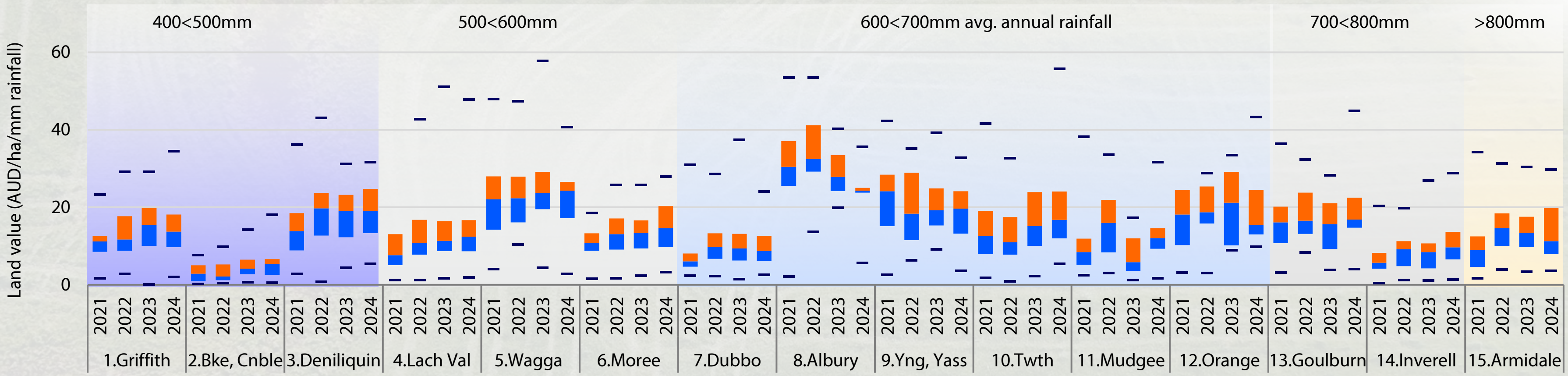
Part 2 | New South Wales

Land prices cooled following a sustained period of growth



Distribution of sales on a land price-per-rainfall basis

A full explanation on how to read this chart is on page 17

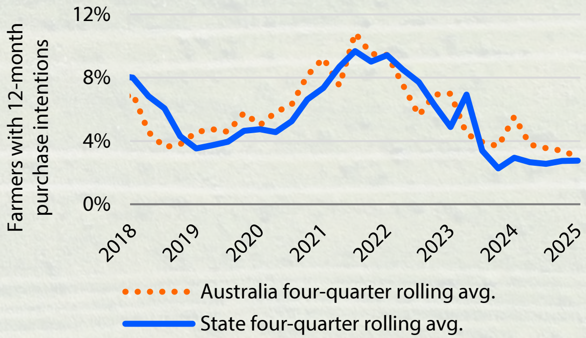


Source: *RaboResearch 2025*

Median sales prices declined year-on-year amid a dry start to the season

- **The median sales price decreased by 5% YOY in 2024, falling to AUD 7,900/hectare. Grazing land drove the decline, with the median price shrinking 16% YOY to AUD 7,350/hectare. In contrast, arable land increased 5% YOY to reach AUD 8,250/hectare.** Total median land price growth for the last five years totalled 68%, while for arable land, it equalled 76%, and grazing land grew at a rate of 55%.
- Analysis of the 15 regions in the state reveals that seven regions saw a year-on-year decrease in median sales value, with **Orange recording the lowest drop at -25%.** The highest percentage increase in median value was in **Lithgow – Mudgee, rising an eye-watering 109% YOY.** Reduced sales volume is likely having an impact. The season's dry beginning in parts of the state likely led to a sluggish start to 2024 land sales, but helpful rainfall followed, resulting in a stronger winter cereal crop than initially expected. This likely supported late sales.
- **Intentions to purchase farmland marginally improved recently but remain historically low.** The marginal improvement can partially be attributed to the positive cattle and dairy outlook and the strong harvest in 2024. However, **soil moisture in the coming months will be one of the key factors driving purchase intentions.**

An uncertain weather outlook likely tempers purchase intentions



Source: *RaboResearch Rural Confidence Survey 2025*

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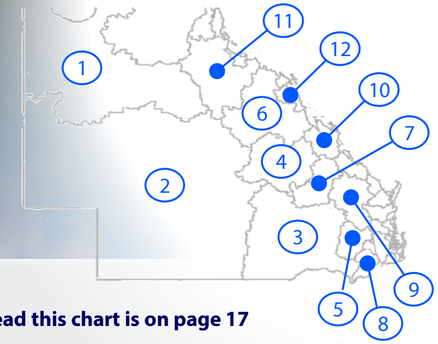
Queensland

The tide turned for Queensland land values following recent growth



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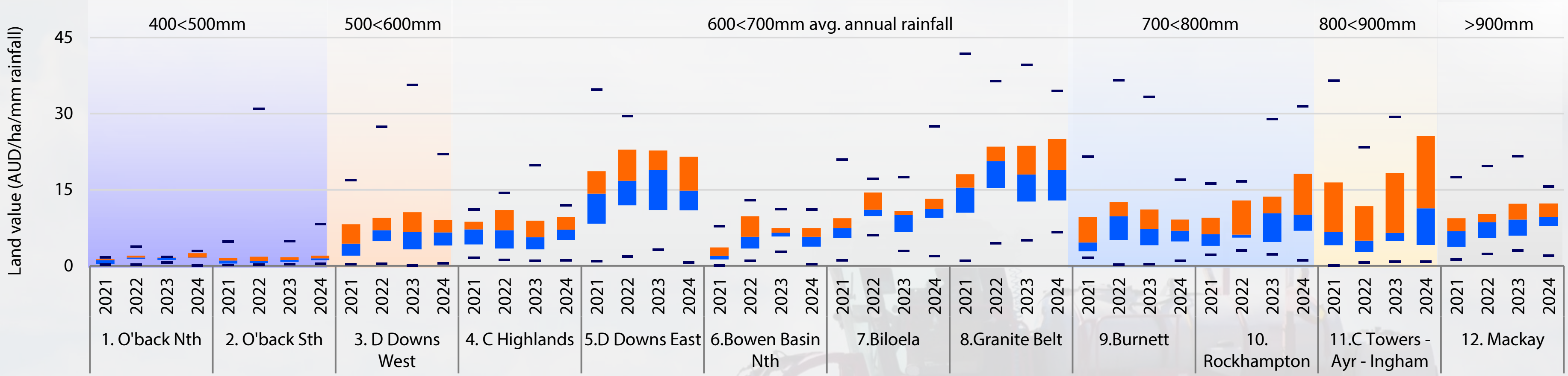
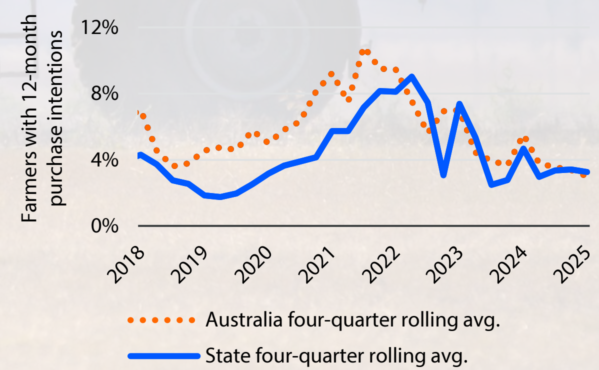


Source: RaboResearch 2025

Grazing median land values increased, while arable land declined year-on-year

- **In 2024, the median sales price in Queensland fell by 5% YOY to AUD 6,350/hectare.** The year-on-year decline followed median sales price growth of 146% over the past five years. The median price **of grazing land in 2024 bucked the trend, increasing by 10% YOY to AUD 4,690/hectare. Meanwhile, arable land declined a modest 3% YOY to AUD 12,330/hectare.**
- Rockhampton had the largest median price decrease in the state, down 27% YOY, while Darling Downs – East recorded the second largest year-on-year decline (16% YOY). In total, four of the 12 Queensland regions saw a year-on-year drop in median price. Of the other eight regions that increased, Outback – South recorded the largest growth, rising 25% YOY. The Central Highlands also increased notably, up 23% YOY.
- The year-on-year decline in land values appears to reflect cooling buyer sentiment. That said, values continue to hold relatively well. However, **buyers appear more focused on finding the right property to suit their needs. This has led to a more cautious procurement strategy (as reflected in the decline in sales volume year-on-year). Purchase intentions remain at similar levels to last year, suggesting no major adjustments from the current appetite in 2025.**

Purchase intentions stabilise above 2024 lows



Source: RaboResearch Rural Confidence Survey 2025

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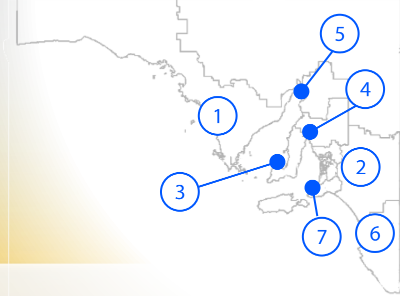
South Australia

Double-digit growth returned



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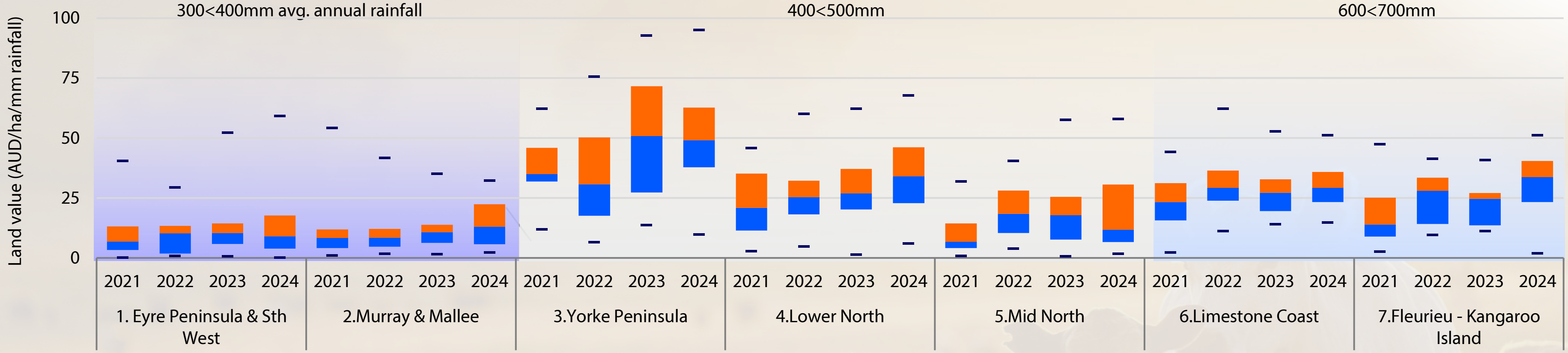
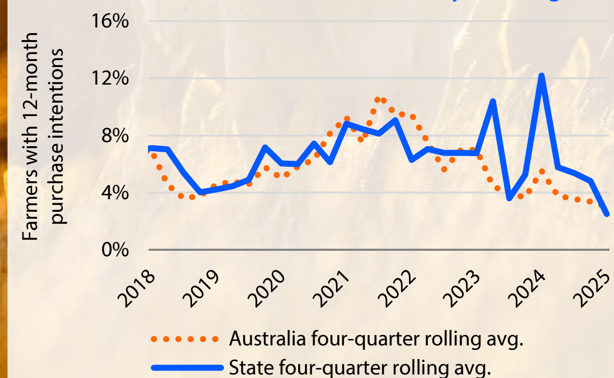


Source: RaboResearch 2025

South Australia took the crown for largest year-on-year increase in median land price values in 2024

- **Median land values increased by an impressive 18% YOY in 2024 to reach AUD 11,500/hectare. This likely reflects the fact that a larger weighting of more expensive properties were sold, while marginal properties were harder to move. Grazing land values increased by 17% to reach AUD 10,800/hectare**, helping land values partially recover following the 24% decline in 2023. **Median arable land values continued to grow, with prices rising 21% YOY to reach AUD 12,100/hectare, which puts growth since 2021 at 131%.**
- In 2024, Lower North recorded the highest year-on-year growth in median value in the state, rising 38% to reach AUD 16,950/hectare. Murray and Mallee also made strong gains, up 31% YOY in 2024 to reach AUD 5,000/hectare. In contrast, the Mid North saw the largest drop in median value, down 44% YOY. The Eyre Peninsula and South West were also down notably (-16% YOY, to AUD 2,900/hectare).
- In 2024, South Australian farmers faced an extremely tough year amid very dry conditions, and sub-soil moisture levels are reflecting this. **As a result, purchasing intentions are down notably, and we expect transactions in 2025 to reflect the switch in sentiment.**

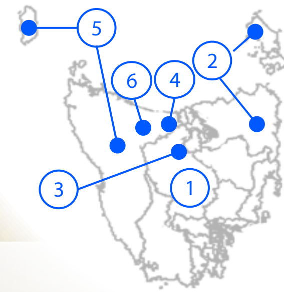
Purchase intentions retract from last year's highs



Source: RaboResearch Rural Confidence Survey 2025

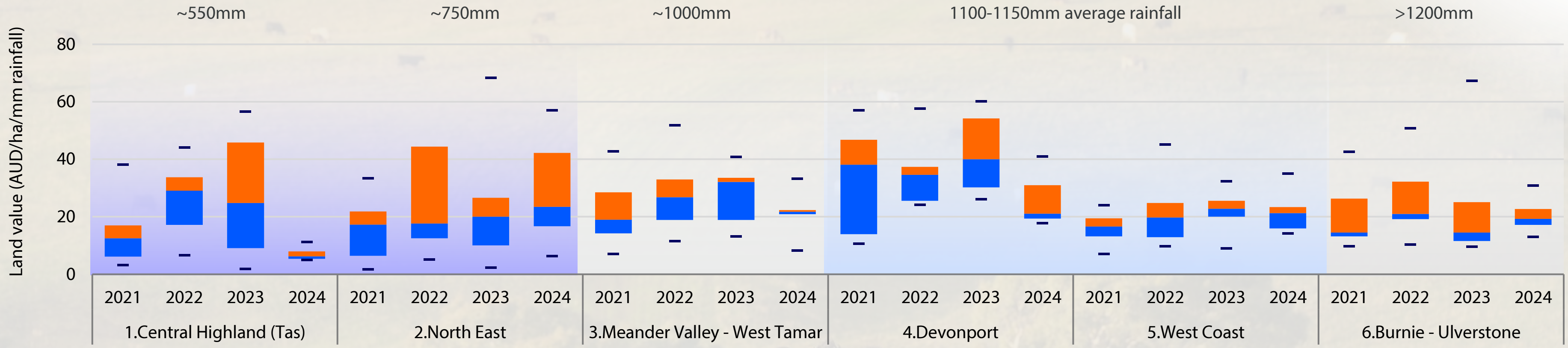
Tasmania

Dairying and arable land values declined, but grazing median values were up year-on-year



Distribution of sales on a land price-per-rainfall basis

A full explanation on how to read this chart is on page 17

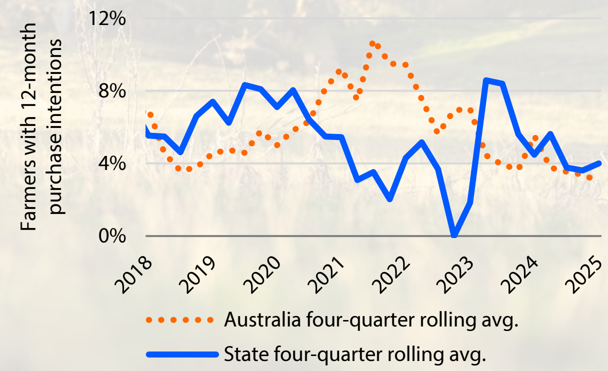


Source: *RaboResearch 2025*

Grazing values buck the state trend and rise sharply year-on-year

- **The median land value for Tasmania recorded the largest decline across all Australian states, down 12% YOY to AUD 20,400/hectare. Dairying land declined 9% to AUD 26,850/hectare, while arable land dropped 3% YOY to AUD 20,400/hectare. Meanwhile, grazing land increased 17% YOY. We note that the volume of sales in 2024 were quite low, and this makes the results more susceptible to distortion.** Median land values over the last five years have increased by 35%. Within that period, dairying land increased by 35%, while grazing land rose 105% and arable land 83%.
- Values in the Burnie – Ulverstone/Devonport region declined by 10% YOY to reach AUD 25,000/hectare. Meanwhile, West Coast values were stable year-on-year, declining just 4% to AUD 23,400/hectare.
- **Purchase intentions in Tasmania (tied with Western Australia) are the highest out of all states**, which is likely a reflection of renewed optimism, particularly within the dairy and sheep sectors, following a reasonably good spring across many regions. **We therefore anticipate median land values to partially recover in 2025.**

Purchase intentions fall modestly year-on-year



Source: *RaboResearch Rural Confidence Survey 2025*

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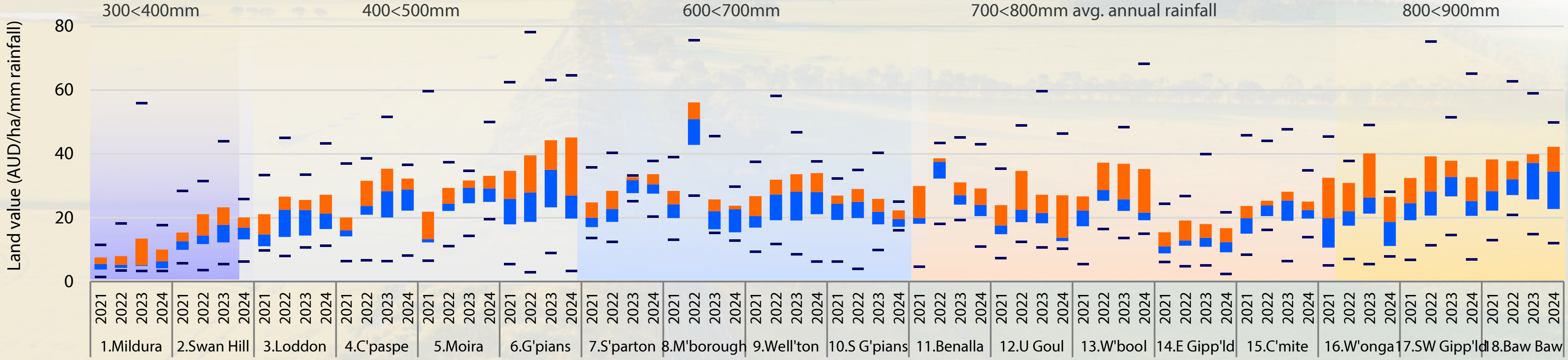
Victoria

Sales volumes cooled in Victoria in 2024

Distribution of sales on a land price-per-rainfall basis

A full explanation on how to read this chart is on page 17

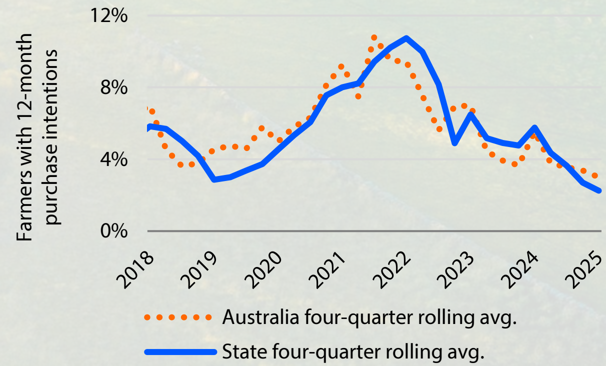


Source: *RaboResearch 2025*

Grazing values settle back as rising interest rates and cooling cattle prices weigh on values

- **Median land prices declined by 5% in 2024 to AUD 14,270/hectare.** Grazing land drove the decrease, with the median price down 10% YOY to AUD 16,000/hectare. Meanwhile, **arable land fell 5% YOY to AUD 11,740/hectare. Dairying land was also down 5% to AUD 20,580/hectare.**
- The median value of 12 out of the 18 regions declined year-on-year. Wodonga – Alpine recorded the largest drop, down 30% to AUD 17,450/hectare. Meanwhile, both the Grampians and Baw Baw recorded 23% YOY declines. Mildura showed the highest growth year-on-year, with the median value up 34% to AUD 1,980/hectare.
- **Purchase intentions have fallen to a record low**, as elevated interest rates and pockets of dryness appear to have dampened farmers' appetites after a period of phenomenal growth from 2019 to 2023. **Given current sentiment, RaboResearch expects land value growth to lag national growth in 2025.**

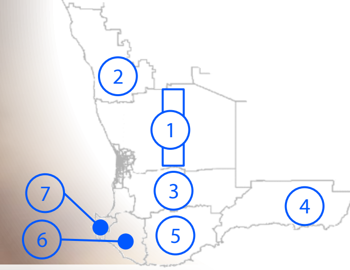
Victoria's purchase intentions fall to record lows



Source: *RaboResearch Rural Confidence Survey 2025*

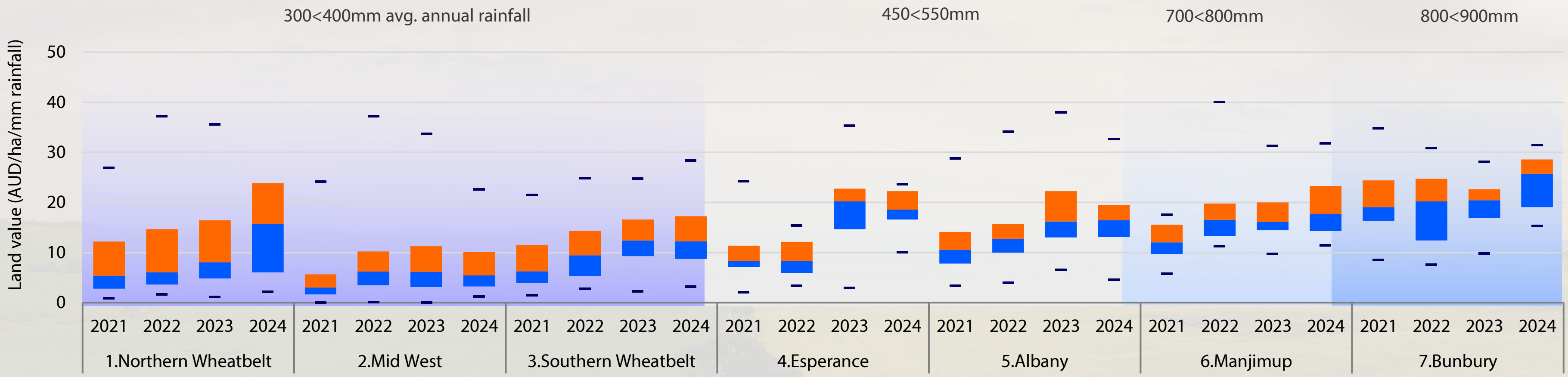
Western Australia

Western Australia's growth story continued in 2024



Distribution of sales on a land price-per-rainfall basis

A full explanation on how to read this chart is on page 17

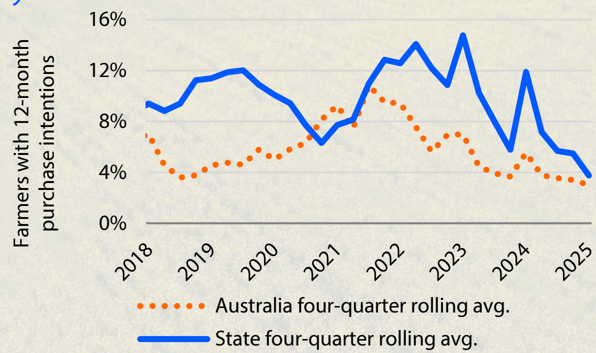


Source: *RaboResearch 2025*

Western Australia bucked the national trend, with median land sales moving higher in 2024

- **Median land values rose by an impressive 12% YOY to AUD 7,300/hectare in 2024,** bringing growth over the past five years to 128%. **Arable land prices increased by 12% YOY to AUD 5,800/hectare,** while **grazing land values fell by 7% YOY to AUD 15,420/hectare**, partially offsetting the gains in arable land.
- **We note that Western Australia saw a reduction in the average size of parcels sold, with smaller parcels selling at the same or even higher rates per hectare – and this helps explain the median price decline.** Within our sample, Wheat Belt - North region achieved the largest year-on-year increase in median sales value, soaring 94%. Conversely, the Mid West region performed the worst, with a year-on-year decrease of 11%, and Esperance saw a decline of 8% YOY in median sales prices.
- The outlook for Western Australia dramatically improved from mid-spring onward, with the state delivering the third-largest winter crop on record. **Nevertheless, purchase intentions sit at their lowest level in many years, suggesting land value growth will be much more moderate in 2025. However, early seasonal conditions look relatively good, and this should help support values in 2025.**

Buying intentions fall to their lowest level in many years



Source: *RaboResearch Rural Confidence Survey 2025*

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Appendix

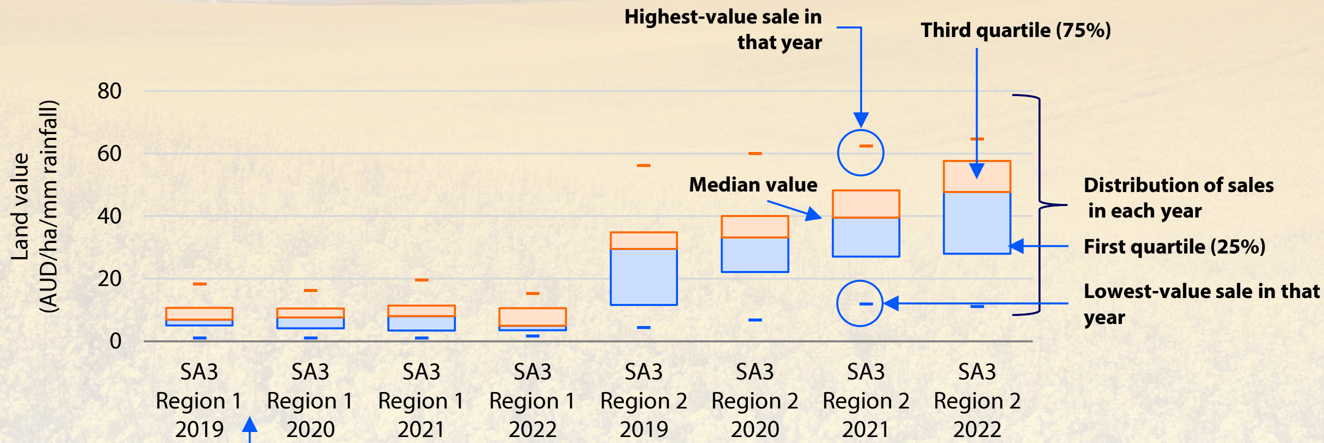
How to read our charts and data sets

Land price data

This report has utilised data sets focused on the quality of the information, which ultimately means that several components of the appraisal for farmland are considered.

1. "Land price data" is Rabobank's own sales database, which incorporates sales of arable irrigated land, arable non-irrigated land, pastoral grazing land, mixed farming land, and land used for dairy production. This database excludes the value of buildings and infrastructure and is on an arable basis. Regional boundaries are based on the Australian Bureau of Statistics.
2. Our productivity data is from Digital Agriculture Services' platform and includes the price of the whole farm, including land and buildings, which enables us to calculate the price of just the farmland, for instance.
3. Among all the factors that drive land evaluation, the selection of rainfall as a proxy to infer land price is due to its paramount importance for farming in the environmentally challenging conditions of Australia's landscape.

How to read our rainfall charts (state pages)



Click here to see SA3 Boundaries*

Conclusions:

1. The price of land per rainfall is lower in Region 1 and Region 2 than in Region 3.
2. Region 3 has more variable land than Region 1 and Region 2.
3. This suggests that on a rainfall basis, there is better value to be found in Regions 1 and 2 than in Region 3.

Note: Excludes horticulture, specialised properties, and lifestyle.
*Statistical Areas Level 3 (SA3) are geographical areas built by the Australian Bureau of Statistics based on a range of data, including census inputs.

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Contact details

RaboResearch
Food & Agribusiness

Rabobank Australia
Level 16, Darling Park 3
201 Sussex St
Sydney NSW

Rabobank

Paul Joules
Commodities and Farm Inputs Analyst
RaboResearch Australia & New Zealand

Telephone +61 (0) 482 721 348
Email Paul.Joules01@rabobank.com

Contributing author:

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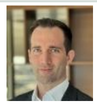

Ben Picton
Senior Market Strategist
RaboResearch Australia & New Zealand

Telephone +61 408 571 012
Email Benjamin.Picton@rabobank.com

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- Staff at our 60 branches across Australia.
- Fellow RaboResearch colleagues in Australia and globally.