

**BUSINESS (/NEWS/BUSINESS)**

## **NZ Rural Land Company has quiet NZX debut**

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The New Zealand Rural Land Company (NZRLC) has had a quiet debut on the stock exchange, listing at a slight premium.



Photo: 123RF

Its shares touched a high of \$1.31 in early trading compared with the issue price of \$1.25 in the recent share float, before settling at \$1.28 with only small volumes being traded.

The company raised \$75 million in the public share float, which along with debt will give it about \$100m for rural land buying.

NZRLC plans to buy rural land and lease it to farmers or other producers.

In its pre-listing statement, the company said its initial focus would be on acquiring dairy properties, but in due course would be looking also at horticulture, viticulture, forestry, as well as sheep and beef.

The company has already identified 21 dairy farms in the South Island, covering 9239 hectares, that might be available for acquisition.

It has said it would only lease to experienced and financially sound tenants, and would take no part in farming operations.

"Tenants will directly assume those traditional risks, which include land management risks, animal/horticulture health risks and commodity price volatility," the disclosure statement said.

Small listed company Allied Farmers will own half of and operate the management company which will run NZRLC.

The management company will be paid an annual fee based on the NZRLC asset value, and a fee for each property bought, sold, or leased.