

Farm fund aims for close by lambing time

Private Equity News - Paul Hodkinson

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A private equity firm has been launched to focus on buying New Zealand farmland.

The firm, Agro-Ecological Investment Management, will begin a fundraising in the new year and hopes to raise up to \$60m (€40m) by late spring.

Founder Geoff Burke, who was brought up on a sheep and cattle farm in New Zealand and previously worked at JPMorgan and Lehman Brothers, is joined by organic biology academic Charles Merfield and New Zealand banker Jonathan Bell.

The firm, which will implement organic farming techniques, will also seek opportunities abroad and is understood to be the first fund of its type.

The firm said it would seek to generate returns of between 14.5% and 15.5%.

The firm will be roadshowing to investors such as high net-worth individuals and family offices.

The firm said global farm output may need to expand by 50% by 2025 and double by 2050 to meet the demand of a rising world population.

Burke said: "What we are doing, in essence, is opening up an outperforming and secure asset class that has hitherto been unavailable to investors."