

LAND MARKET UPDATE 2018



We came into 2017 following a period when land prices had been weakening since 2015. Brown & Co had a good trading year in 2017 being involved in agricultural property transactions totalling

nearly £80 million, involving over 7,000 acres. Generally our experience was that prices continued to move downwards dropping off a further 5-10% although there have been exceptions to this. In particular, there has been strong demand for large estates over 1,000 acres where prices have remained firm.

The implications of Brexit still dominate the market and the recent news concerning the continuation of the support regime until 2022 will certainly help the market in the short term.

Of course there is still doubt as to what will happen beyond that. Uncertainty surrounding subsidies and trade deals will remain and we expect to see variations in land prices continuing through 2018.

At the moment, there is no evidence to suggest there is going to be a large supply of land coming on to the market in the near future and, if this is the case, I believe there is every chance that land prices may start to stabilise throughout 2018, particularly as rollover funds from development land sales come available following the large allocations of housing land that are currently going through the planning system.

Robert Fairey
Head of Brown & Co Farm Agency

THINKING OF SELLING IN 2018?

Plan ahead and assemble a team

Whether retiring, consolidating or restructuring, the decision to sell is a major one and is not taken lightly. Consideration should be given to implications for future income, impact on any retained property, tax planning and succession. These are matters that should be addressed from the outset and where the right professional advice is key. Assemble a trusted team to work with, to ensure that the decision to sell is the right one, and if it is, the transaction is done efficiently and in line with your wider objectives.

Maximise value

You will only sell the property once, and there will only be one chance to maximise value. So be proactive. Is there Planning potential on a range of buildings or a parcel of land that should be explored before a sale? Is there a tenancy or licence that should be terminated to sell with vacant possession? Does the property look its best? Have photographs taken in the spring or summer if a launch needs to be later in the year. Prepare legal information to ensure the sale runs swiftly and smoothly once the deal has been agreed.

Consider tax

Consider Capital Gains Tax on sale proceeds. Entrepreneurs Relief can apply where a disposal is as a result of the cessation of a business, reducing the rate of tax from 20% to 10%. This cannot be left to chance and the sale needs to be planned and structured accordingly. For the sale of a typical parcel of land acquired for £3,000 / acre and sold for £9,000 / acre, the tax saving could be in the region of £600 / acre. Take advice and plan ahead to ensure any disposal is as tax efficient as possible.

Secret dealing – avoid temptation

In this fast-paced market, with such a wide range of prices being paid, it is hard to keep track of values. Whilst the possibility of a hassle-free sale to a neighbour may have appeal, to do so may risk underselling your land. In a market with such huge variations, involve an agent to ensure full exposure to the market, whether in a public or private transaction.

2017 ACTIVITY

The Brown&Co offices were involved in agricultural property transactions of over 7,000 acres in 2017. We provide unrivalled advice to help you buy, sell or rent your farm for the best price.



SOLD

South Creake, Norfolk | Guide £4,500,000

Fully equipped residential arable farm near the North Norfolk Coast, in all 143.90 hectares (355.58 acres).



SOLD

Marshland St James, Norfolk | Guide Price £3,000,000

A productive arable farm with excellent buildings including 2,800 tonnes of first class grain storage, in all comprising 158.15 hectares (390.79 acres) or thereabouts.



SOLD

Driffield, East Yorkshire | Guide £2,850,000

97.09 hectares (239.91 acres). Investment opportunity let under AHA 1986 tenancy. Grade 2 arable grass and woodland, 6 bedroom principal farmhouse, traditional and modern buildings plus a 225kW wind turbine



SOLD

Thorpe Le Street, East Yorkshire | Guide £1,950,000

A compact block of Grade 3 highly productive root cropping and arable land with the benefit of a 7 million gallon reservoir and abstraction licence. In all 70.94 hectares (175.28 acres).



SOLD

Hornsea, East Yorkshire | Guide Price £500,000

27.27 hectares (67.38 acres) of productive pasture land, woodland, an unoccupied farmhouse and traditional buildings



SOLD

Southorpe, East Yorkshire | Guide £950,000

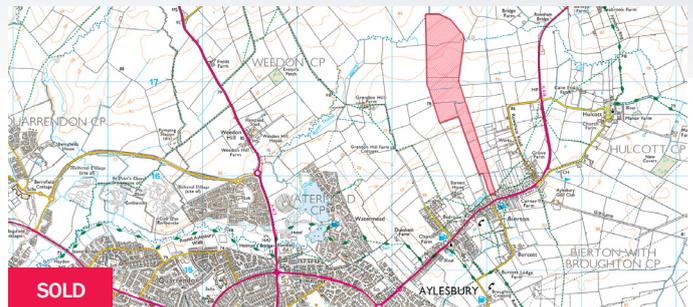
47.30 hectares (116.88 acres) of productive Grade 3 arable land



SOLD

Little Stukeley, Cambridgeshire | Guide £800,000

Grade II Listed farmhouse with a range of traditional and modern buildings with a hard surfaced yard area, set within 5.21 hectares (12.88 acres)



SOLD

Bierton, Buckinghamshire | Guide £1,000,000

47.30 hectares (116.89 acres). Highly productive agricultural pasture land bordered with a potential building plot (subject to planning permission)



SOLD

Hickling Broad, Norfolk | Guide £2,300,000

238.23 hectares (588.69 acres). Hickling Broad, reed bed, wetland and marsh with commercial let portfolio including boatyard, sailing club site, cottage, 4 holiday lodges, extensive boathouses & moorings.



SOLD

Besthorpe, Norfolk | Guide £1,540,000

69.39 hectares (171.47 acres). Productive block of grade 3 arable land with basic payment scheme entitlements.



SOLD

Stokesby, Norfolk | Guide £1,025,000

61.73 hectares (152.53 acres). Productive grade 3 arable marsh in Broadland location, with a stretch of riverbank alongside the river Bure.



SOLD STC

Scarning, Norfolk | Guide £1,540,000

68.34 hectares (168.87 acres). Attractive block of good quality arable land in large easily worked fields.

WHY BROWN&CO?

Brown&Co has a wide network of agents and farm consultants each with expert local knowledge.

We are a multi-disciplinary Firm with teams dealing with residential and commercial property, all aspects of architecture and planning as well as our land agency and farm consultancy teams.

Our active international offices in Poland and Romania combined with our other operations in Europe and South America, mean we have access to and understand international buyers.

Every sale, whatever size, is handled with the same dedication and professionalism.

For personalised, professional advice and guidance during any transaction contact our experienced agency team.



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