

# BROWN&CO LAND MARKET UPDATE 2020



The main feature of 2019 was the lack of supply of farms coming to the market. Volumes, particularly in the East, were down by 50 to 60% in our experience compared to the previous year. This helped

maintain price levels although there were still wide variations in some areas depending on size, quality and location of the property. So few farms have transacted in the open market during 2019 that the Royal Institution of Chartered Surveyors land market review was declared unviable due to low volumes. However, there have been some notable private transactions which go unrecognised to the naked eye.

Brown&Co had an active trading year with agricultural property transactions across the country, although mainly in the East, East Midlands and Humber regions, involving over 5,000 acres. Almost all of these are under offer or exchanged at a cumulative total of just under £50 million. Regional variations have led to a wide range of prices, with strong demand from local buyers in some areas producing very high prices but with significantly lower prices in areas of lower demand. Farmland prices achieved

varied from £7,000 per acre to £12,000 per acre in some cases.

Buyers were from within the industry and also rollover buyers who started to enter the market in some areas, albeit it tentatively, as some of the receipts from development land sales started to come in. The usual splattering of Inheritance Tax buyers was also evident.

Brexit was undoubtedly a major factor in 2019 which caused many to delay disposals or investment decisions and there is no doubt that buyers are becoming increasingly discerning, but the fact remains that quality farms of reasonable scale continue to sell, with strong prices being achieved when quality is combined with progressive neighbours or rollover buyers.

Looking ahead to 2020, we believe prices are likely to remain at current levels during the year and that the wide variations in price will continue. Therefore market knowledge, both locally and nationally, will remain a key factor in determining the success of any sale. We look forward to discussing your property requirements throughout the year.

**Robert Fairey**  
Head of Brown&Co Farm Agency

# THINKING OF SELLING IN 2020?

## 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.

# 2019 ACTIVITY

**Brown&Co provide unrivalled advice to help you buy, sell or rent your farm for the best price.**

**SOLD**

# RENEWABLE ENERGY

Brown&Co have been involved in various substantial renewable energy installation transactions throughout 2019. There has been a continually strong market with sales happening privately across the country for installations both of a small and large scale, Brown&Co has confidence that the market will be stronger and more competitive in 2020.





**SOLD**

**Poplar Farm, Dowsby Fen, Lincolnshire | Guide: £4,600,000**  
191.58 hectares (473.39 acres). Highly productive Grade 2 arable farm with grain storage, three bedroom farmhouse and a range of traditional farm buildings.



**SOLD**

**Dungate Farm, Balsham, Cambridge | Guide: £4,000,000**  
140.70 Hectares (347.89 Acres). Well equipped residential and commercial farm with principal farmhouse, range of farm and traditional buildings and grade 2 & 3 productive arable land.



**SOLD**

**Weelsby Hall Farm, Grimsby, Lincolnshire | Guide: £4,000,000**  
175.22 hectares (433 acres). Investment property on the edge of Grimsby and Cleethorpes with development opportunities including a Local Plan allocation.



**SOLD STC**

**Farnborough Fields Farm, Oxfordshire | Guide: £3,600,000**  
99.85 Hectares (246.73 Acres). Attractive Grade II Farmhouse, Range of Farm Buildings suitable for conversion (STPP), Scope for Improvement, 146.57 acres of arable land and 101.64 acres of pasture land.



**SOLD STC**

**White House Farm, Mendlesham, Suffolk | Guide: £3,300,000**  
109.13 hectares (269.63 acres). Commercial and Residential farm with 7 bedroom farmhouse, extensive range of poultry buildings and grade 3 arable land.



**SOLD STC**

**Lindholme, Hatfield, Doncaster | Guide: £2,250,000**  
120.56 hectares (297.90 acres). A former airfield returned to arable use benefiting from internal tarmac access tracks together with a 2.90 acre lake.



**SOLD**

**Manor Farm, Alburgh, Norfolk | Guide: £1,795,000**  
65.66 hectares (162.25 acres). Residential farm in the Waveney Valley. Four bedroom farmhouse, range of traditional & modern farm buildings and productive arable land & grazing meadows.



**SOLD**

**Bircham Newton, Norfolk | Guide: £785,000**  
62.67 hectares (154.86 acres). Pastures and Amenity Land adjoining the National Construction College.

# 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.



**Thomas Birks**  
**Banbury Office**  
01295 273555  
thomas.birks@brown-co.com



**Jim Major**  
**King's Lynn Office**  
01553 770771  
jim.major@brown-co.com



**James Walton**  
**Brigg Office**  
01652 654833  
james.walton@brown-co.com



**Rebecca Lewis**  
**Melton Mowbray Office**  
01664 502127  
rebecca.lewis@brown-co.com



**Robert Fairey**  
**Bury St Edmunds Office**  
01284 731450  
robert.fairey@brown-co.com



**Anne Barker**  
**Norwich Office**  
01603 629871  
anne.barker@brown-co.com



**James Black**  
**Grantham Office**  
01476 514446  
james.black@brown-co.com



**Charlie Bryant**  
**Spalding Office**  
01775 717893  
charlie.bryant@brown-co.com



**James Bailey**  
**St Neots Office**  
01480 213811  
james.bailey@brown-co.com