

RURAL FINANCE



NICK OLIVER MRICS

I qualified as a Chartered Surveyor at Cirencester and began my working life at Hall Wateridge & Owen, Shropshire in 1987. In 1988 I joined Cooper & Tanner at Glastonbury and became a Partner in 1990.

Both Chris Eden and I have noticed an increasing amount of enquiries from Landowners, Farmers and rural businesses to offer guidance regarding the ability of banks and other lenders to offer business loan facilities for both short and long term capital projects.

This may involve land purchase, conversion of buildings or, from a farmer's point of view, some form of working capital injection or refinancing existing borrowing. Our role invariably requires us to pass on those enquiries to our specialist contacts in the applicants chosen bank. It is not always as straight forward as going to the main cashier desk in a bank and asking for a loan as there seems now to be a level of "hoop jumping" required which invariably needs specialist advisor input.

Our other and main role invariably is one of valuation and the fact that we remain on a number of Bank Panels as chosen valuers gives farmers in this region the ability to have valuation done by our specialist team. We are also AMC Agents which means we can assist in certain circumstances in the completion of applications to the Agricultural Mortgage Corporation and in other instances be able to carry out valuation work for and on behalf of that lender.

We are very pleased to be able to offer this service to people in the rural community.

For impartial advice on this or any other agricultural or rural matters, please do not hesitate to contact either myself or Chris on the numbers below.



FARM & RURAL FINANCE



Cooper & Tanner are your local approved AMC Agents and we can assist you in applying for an AMC business loan.

If you are looking to secure your farm's working capital for five years with no reviews or restructuring your finances over the longer term then an AMC loan could help.

Contact your regional agents for more information:

Chris Eden 01373 831010 or

Nick Oliver 01458 834288

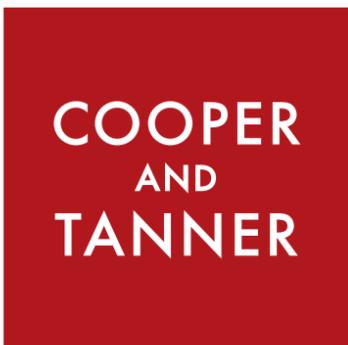
We also undertake Bank Valuations for:

NatWest, Lloyds, Barclays, TSB, Tridios, Bank of Scotland, Clydesdale, Handelsbanken and other lending houses



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SURVEYS & VALUATIONS



DAVID WITHEROW FRICS

With over 35 years' experience, David Witherow FRICS, is a registered valuer and is able to help with Surveys & Valuations on most types of property. Based at Frome Market David can cover the surrounding area with ease.

One of the considerations you need to take into account if you are buying a property is when should you have a survey?

As a chartered surveyor it goes without question that I think you should always survey a property you are going to buy. This is not just to keep both myself and my fellow surveyors occupied, it is also a matter of common sense and indeed sensible caution. You may well be buying a property that 'needs some work' but that can easily turn into 'needs total renovation' or a 'well-presented house' that has a long list of hidden horrors. It is always better to be forewarned and knowing what you are buying into will allow you to budget accordingly.

The question of when to have a survey is more interesting. Most buyers have a survey after they have had an offer accepted, quite often after they have jumped through various hoops required by the mortgage lender and probably spent money with their solicitor. Whilst I fully understand that as a buyer you may be reluctant to spend money on a house you may not buy, but I have a different view. If, once you find the house you love, you have a survey prior to making an offer, then not only will your offer reflect the results of that survey, the vendor will take you and your offer more seriously. You will have shown commitment to their property by investing in a survey and whilst the vendor may not appreciate any faults being pointed out, they would have been pointed out by a professional – not someone looking to chisel the price. This validation by an objective third party will carry weight when discussing your offer with the selling agent.

If your offer is subsequently accepted then both you and the vendor are starting from a position of transparency and trust – and trust helps enormously in any deal, let alone one as emotionally charged as buying a house. Our residential department see quite a few sales that require a renegotiation on price following a survey or indeed fall through all together, a result that benefits no one.

There is also the quite pragmatic approach of investing in a survey and not buying the property. It may be better to spend a few hundred pounds and a week or so finding out the house of your dreams is in fact the stuff of nightmares.

That small investment could save you thousands of pounds and lots of heartache later on. When a buyer has a survey a few weeks into the transaction, they can easily have run up a bill greater than the cost of a survey.

It is also worth bearing in mind that although by their very nature surveys can seem like a list of faults, they can actually just be a reassurance that there is very little to worry about. The knowledge that the house is as up together as you hope or perhaps even better – will help you make a better offer – one which is more likely to be accepted. Again, the transaction and relationship between buyer and seller gets off to a very positive start.

If you would like any advice on survey or valuations, please do not hesitate to contact me: david.witherow@cooperandtanner.co.uk or 01373 831010.

LONG TERM FINANCE FOR FARMERS



Farmers face a degree of uncertainty now that we are leaving the European Union. Some will hold back on making investments and simply ensure that they have appropriate overdraft facilities in place and affordable loan repayments. Those looking to grow or diversify their businesses, may need borrowing and they should budget carefully, ensuring that new loans are affordable given the uncertainties ahead.

Cooper & Tanner is well known to farmers in the region and many will seek their advice in relation to planning, valuations and funding investment projects; also as AMC Agents, they can help secure appropriate mortgage funding.

Farmers often think of AMC for funding land purchases and on-farm investments. AMC can also restructure existing bank debt where farmers have fundamentally sound businesses and are looking to ease cash flow by borrowing over a longer term or on an interest only basis. The latter works well for farmers who want the flexibility to repay capital as and when it suits them, rather than being contracted into regular capital repayments. This approach is better suited to variable rate borrowing but is less appropriate for fixed rate loans* because of potential breakage costs when making early repayments.

Banks normally only offer their best rates for shorter term agreements. Some borrowers will be relaxed about this but others will

have concerns about repaying too quickly or having to renegotiate terms after 5 or 10 years and prefer AMC type loans, where the loan availability and pricing will be set for the full 20 or 30 years.

If you are a farmer or landowner and would like to know more about AMC, please call **Chris Eden** or **Nick Oliver** at Cooper & Tanner and they can talk you through the loan application process and submit an application on your behalf, if you feel AMC funding is appropriate for your business.

*There is always a possibility that interest rates may go down leaving a fixed rate loan at a higher level compared to a variable rate loan. However, if interest rates rise, a fixed rate loan will remain at the same rate.



Jonathon Day, AMC Regional Agricultural Manager - South West

AMC loans available for business purposes only, provided on a secured loan basis. Minimum AMC standard loan £25,001, minimum flexible facility £30,000. To meet customer requirements, lending criteria will vary. Lending is subject to status.



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