**THE WEST MIDLANDS & WALES**

 **EXAMINING BODY**

 **OF THE CENTRAL ASSOCIATION OF AGRICULTURAL VALUERS**

 **AFTERNOON PAPER**

 **Wednesday 14th November 2018**

 **TIME ALLOWED 2 ½ HOURS**

**To be answered on the A4 paper provided.**

**Please start each question on a fresh sheet of paper.**

**Write your CANDIDATE NUMBER ONLY on the top right hand corner of each sheet of your answer paper.**

**ANSWER FOUR QUESTIONS ONLY OUT OF THE FIVE SET.**

**All questions carry 15 marks each.**

**Question 10 AGENCY (15 marks)**

**You act for the owners of Ockeridge Farm. Due to their financial circumstances, they need to sell the farmhouse and adjoining paddock edged blue on Plan 1, but will retain the remainder of the farm.**

**The farmhouse is currently the main residence. Your clients have never been involved in the sale of a property before.**

**10.1 Write a letter to your clients explaining;**

**(a) The possible methods of sale and the advantages and disadvantages for each method. (4 marks).**

**(b) The reasoning behind your chosen method of sale. (2 marks).**

**(c) Your marketing proposals and the legal procedural considerations. (4 marks).**

**10.2 For file note purposes, identify any practical implications the sale of the property could have on the retained farm. For each, identify how these could be mitigated or reduced. (5 marks)**

**Question 11 VALUATION (15 marks)**

**You have been asked to prepare a “Red Book” Valuation for the “Malvern Bank” on the arable field No 6789 extending to 26.50 acres situated alongside the farm drive and shown edged red on Plan 1.**

**(a) In note form set out what would be included in your Terms of Engagement for signature by the client. (5 marks).**

**(b) Following your inspection, set out your notes describing the property and your observations in readiness for your valuation. (3 marks).**

**(c) Prepare a “Red Book” Valuation for loan security purposes (headings only), on the field making assumptions where required. (7 marks).**

**Question 12 LETTING OF A BUILDING FOR COMMERCIAL USES (15 marks)**

**Your clients are considering letting out the building marked “A” on the attached Plan 2, for light industrial use to complement their agricultural activities on the farm. Your clients want a meeting with you on the farm to discuss the following:**

**(a) Set out in bullet points the practical and site-specific matters that will need to be addressed if they are to proceed with the proposal.**

**(b) Prepare a draft set of Heads of Terms for letting the above building for a light industrial use.**

**Question 13 PLANNING (15 marks)**

**Your Trustee client has approached you about the construction of a new farm building on the in-hand farm. You have been asked to add a further and matching span to the existing grain store marked “B” on Plan 2 provided.**

**(a) Having made a site inspection, what advice will you give your client in regard to locating the additional span and why? Write a brief specification and make relevant notes required to plan for the proposed extension. (8 marks).**

**(b) No buildings have been added to the farm for some time. What do you need to consider in regard to the appropriate planning requirements? (5 marks).**

**(c) Provide a list of points to consider and supporting documents needed in respect of the planning procedure you should follow. (2 marks).**

**Question 14 CONTROL OF POLLUTION (15 marks)**

**The owners of Ockeridge Farm are currently reviewing the farm’s compliance with current farm pollution regulations and have asked for your advice in relation to two specific matters.**

**(a) You are to advise on the extent to which the agricultural fuel storage building marked “C” on Plan 2 is compliant with current pollution regulations. (7 marks).**

**(b) The farm is considering erecting a new silage clamp adjacent to building marked “B” on Plan 2. You are asked to outline any site specific matters that ought to be taken into account in relation to the potential siting and design of the silage clamp AND you are asked to outline the regulations that any new silage clamp must comply with. ( 8 marks).**

**ORAL QUESTION**

**The L shaped traditional set of farm buildings marked “F” and outlined in red on Plan 2 will be the subject of the ORAL discussion tomorrow afternoon. In preparation for those ORAL discussions tomorrow you are to inspect the farm buildings. You should make appropriate notes from your inspection on the pink paper provided. This pink paper must be handed in at the end of the Practical examination and will be returned to you prior to the oral discussions.**