

## Tips when buying agricultural or equestrian property

Whilst agricultural law and equine law are separate matters entirely, the two often go hand in hand when it comes to property sales / purchases, because they involve 'land' and not simply a small residential garden! Whether you are looking to buy a two-acre pony paddock or a 200 acre dairy farm, it is vitally important that your legal adviser specialises in equestrian / rural property. Factors to consider are:-

- **Agri-environment schemes** – these could affect your proposed use of the land and need to be researched before contracts are exchanged.
- **Animal occupation** – there may be grazing agreements / licences over fields granted to third parties, if they cannot be terminated you would have to purchase the land subject to these.
- **Business transfer** – if there is an element of equestrian business or farming you need to consider VAT treatment and employees' legal rights.
- **Human occupation** – if anyone occupies the property they may have long-term occupation rights, for example a live in groom or farm workers that live on site.
- **Planning permission** – there is a big difference between equestrian use and agricultural use for planning purposes, you cannot assume that the planners will allow you to keep horses on a former farmer's field if that field only has agricultural use.
- **Public access and rights of way** – existing rights of way over the land need to be checked. You would not want a byway open to all traffic (BOAT) running through your brood mare or sheep stock field!
- **Single farm payment** – the seller may have this entitlement and may be willing to transfer this to you. The compliance requirements would need to be researched before exchange of contracts to let you know the obligations you would be inheriting – you would need to weigh up the economic value in the entitlements with the amount of work required to comply with them.
- **Taxation** – specialist tax advice should be obtained. You cannot assume that your estate will be eligible for agriculture property relief (inheritance tax), or for a seller that his principal private residence relief makes him immune from any capital gains tax liability.
- **Water supply** – equestrian and farm properties are high users of water, you must be able to supply your animals with sufficient water and water for crops. If the land is reliant on a private water supply, we would need to check all the necessary consents and rights are in place to ensure that supply continues on sale.

Agricultural and equestrian property purchase can be a complex area of law. It is important that your solicitor is not only well versed in this specialist area but also involved in the agricultural and equine community so that in practice (as well as legally) they know exactly what is needed!

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