

CENTRAL ASSOCIATION OF AGRICULTURAL VALUERS

SPECIMEN OF THE INTENDED FORMAT OF THE PRACTICAL EXAMINATION PAPER UNDER THE NEW FORMAT AGREED FOR 2004 AND BEYOND

General Note

1. The overall syllabus for the examination remains as set out in the Guidance Notes to Examiners and Candidates and, in brief, can be summarised as all matters relating to valuation and advice in connection with Rural Assets.
2. The 12 subject headings which examiners will use as a basis for their questions are set out on the attached Schedule. Candidates should particularly note that the questions under these headings may incorporate subsidiary issues arising from the syllabus, e.g. a freehold property valuation for Probate purposes may require the candidate to state an opinion as to whether Agricultural Property Relief was likely to be available on parts of the property.
3. The questions set out overleaf are intended to be a guide to the type of question which candidates may expect under the new format.

It should be emphasised that examiners will be choosing their subject headings and drafting their questions to reflect the holding on which the examination takes place.

SECTION A – Morning Session – 90 Marks.

1. Candidates must answer all questions set by the examiners.
2. A minimum of 7 questions and a maximum of 8 questions will be set from the 12 subjects. One question will relate to the subject heading “Agricultural Knowledge”. There will be no more than one question under each subject heading.
3. A minimum of 10 marks and maximum of 20 marks will be available for each question.
4. The examiners will award up to 10 marks for the candidates conduct, professionalism and notebook presentation.

1. Compulsory Purchase and Compensation – 10 marks

Thames Water have indicated their requirement to purchase the area shown on the plan attached to the question paper for the purposes of constructing a sewerage pumping station. They will shortly serve Notice to Treat under the Compulsory Purchase Order. You are acting for the tenant who has 15 years unexpired on his Farm Business Tenancy. Prepare in note format, a) the required accommodation works and, b) the tenants Heads of Claim

2. Alternative Uses of Rural Assets – 10 marks

Your landlord client of the holding has asked you to inspect “The Cart Shed” and make notes before meeting with him to advise on his tenants proposal to convert the building into a commercial workshop with office for letting to a local joinery business. Your client requires advice as to the suitability of the building for conversion and the likelihood of securing the appropriate statutory consents.

3. Agricultural Tenancies Act : Record of Condition – 10 marks

In respect of the building shown to you, prepare, in bullet point format, a Record of Condition in respect of the building to be included in a Farm Business Tenancy with the tenant fully responsible for all repair.

4. Environmental and Amenity – 10 marks

The owner occupier of the field known as Town Furlong has requested that you inspect the land and make notes in preparation for a meeting with him to discuss his ideas for the formation of a Wildlife Reserve with appropriate ponds. Your notes should include your observations of practical issues.

5. Real Property Letting – 10 marks

The owner of 75 acres of arable and pasture land shown hatched on the plan attached to the question paper, requests that you inspect the land and advise concerning a proposal to let this area on a 10 year FBT to the tenant of the main holding. Make notes of, a) your suggested terms which should be fair to both parties and, b) the general condition of fencing and water supplies.

6. Live and/or Deadstock including crops – 10 marks

Make the usual notes to include values for stocktaking purposes of the livestock shown to you.

7. Property Agency – 10 marks

You are required to inspect the field known as Glebelands and make notes necessary to enable you to advise the owner occupier on its potential sale on the open market. Your notes should include the recommended lotting and guide price(s).

8. Agricultural Knowledge – 10 marks

You will be asked to identify and record 5 items during your visit around the holding.

SECTION B – Afternoon Session – 60 Marks.

Notes

During the morning session you will have been given the opportunity to inspect the site of the following questions. It is vitally important that you take note of relevant issues during this inspection as examiners will be taking into account your powers of observation.

The afternoon paper is to be answered on A4 lined paper given to you.

You are to answer 4 out of the 5 questions set. Each question carries identical marks (15).

9. Compulsory Purchase and Compensation – 15 marks

On the basis of the inspection made in connection with Question 1 in the morning session, you are to prepare a detailed submission of both landlords and tenants claims including an assessment of compensation at anticipated settlement levels.

10. Alternative Uses of Rural Assets – 15 marks

In relation to the proposal considered under 2 in the morning session, you are required to set out a Heads of Terms (including your assessment of a market rent) in respect of the proposed sub-letting to include the terms as between head landlord and farm tenant including the landlords reward for consent.

11. Real Property Freehold Valuation – 15 marks

Your client, who owns College Farmhouse two buildings and 50 acres of land, has requested that you advise him in letter format for Inheritance Tax Planning purposes of your opinion of the current freehold value of the property to include an indication of your opinion as to which (if any) parts of the property are likely to attract Agricultural Property Relief.

12. Property Agency – 15 marks

In respect of the land comprised in Question 7 of the morning paper, prepare draft full particulars of sale and advise on any particular covenants you would expect the vendor to impose.

13. Planning and Development – 15 marks

Your client, who is the owner occupier of the holding, seeks your advice concerning his wish to erect a new 1,000 tonne grain store at point A on the farm plan attached to the Question Paper. The Local Planning Authority have queried the agricultural justification for the new building and have expressed the view that it should be sited at point B. Prepare a letter which will accompany the Planning Application submitted to the Local Planning Authority setting out, a) the case for the building and, b) the case for its siting.

