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Help at hand for rural business borrowing

In response to the credit crunch and hardening of the mortgage lending market, some rural investors are finding it more difficult to borrow the capital they require, says land agent Charlie Bryant, of Brown & Co's Spalding office.

However alongside high street lenders, he says rural investors in the East Midlands should not overlook other avenues offering highly competitive rates, such as the Agricultural Mortgage Corporation (AMC), which contrary to its name, can lend to all rural businesses as well as farmers.

The AMC was original established in 1928 to arrange loans for those directly involved in the agricultural industry. However as the rural landscape has changed, with land and rural property increasingly purchased by 'non-farmers', so too has the corporation's client base.

"Increasingly we're seeing rural property here in the East Midlands purchased by individuals, partnerships or companies to be rented out, to expand land based rural businesses or for the purpose of setting up equestrian businesses," says Charlie Bryant. "While these are not traditional farmers, if the house and land is offered as security, rural businesses are eligible to apply for an AMC Rural Business Loan."

Offering a five to 30 year term, the interest from such a rural business loan can generally be offset against the business income and benefits from being free of tax.

Anyone considering a rural diversification project who is interested in finding out more, should contact local AMC agent Charlie Bryant, at Brown & Co's Spalding office on 01775 722321 or email charlie.bryant@brown-co.com.

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For further information, please contact

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Notes to editors

Brown & Co is a firm of independent rural property, land and business specialists operating from nine offices in the East of England, London, Poland and St Lucia.

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