



Agricultural Tenancy- 2008 Act changes and Frequently Asked Questions

DID YOU KNOW?

In 2008 a new kind of Agricultural tenancy was created with the introduction of the Agricultural Tenancies Act 2008.

The new “farm business tenancies” replace those created under the Agricultural Tenancies Act 1969. (Note, tenancies established before 2008 continue to have the protection of the latter act.)

WHAT IS A FARM BUSINESS TENANCY?

It created by an agreement in writing, whereby at least part of the land will be farmed as a business during the lifetime of the agreement. This means that although in some cases there is an element of diversification permissible; in many it will be wholly agricultural.

FREQUENTLY ASKED QUESTIONS

Can I have a tenancy under the old Act?

Yes – as long as it is expressly agreed by both parties

What about having to get out?

If your tenancy was for more than five years then it will continue year by year after the expiry date unless you were given a notice to quit three years before that date. If it is a yearly tenancy, the Landlord needs to give notice twelve months before expiry.

Can't I write in a provision giving me the ability to evict my tenant with less notice if we both agree to it?

If you grant a tenancy for five years or more then you must give notice three years in advance – any clause created saying different will be invalid! If it is any period less than five years then any notice period can be agreed.

Can my tenancy be assigned to my heirs if I die during it?

Yes, the Act gives provision for Assignment.

Do I still get first refusal if my Landlord wants to sell?

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Yes

What about rent review?

The Act gives an entitlement to a rent reviews for both Landlord and Tenant. The Lease cannot exclude the provision of rent review and the Landlord or tenant can demand a rent review with one or two years notice, but you cannot look to have a rent review more than once in three years.

What if the parties cannot agree on the rent?

The first recourse is to arbitration but if that fails it will be decided by the Land Court.

I've improved the farm when I was in it but now have to get out, can I have compensation?

If the Landlord agreed in writing to the improvements then yes – the list of improvements are listed in the Act. They are not restricted to physical improvements - if you got planning permission to build a new shed on the land and are leaving before it is built but within the period in which it is permitted, then that too is classed as an improvement. If there is a dispute between the Landlord and Tenant you can again go to arbitration or failing that, the Land Court.

For further information on these or any other land matters, please contact us on (01624) 676868

This publication is intended only to provide a brief guide. It does not purport to be comprehensive or to provide legal advice.

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