

Landowner's guide

Your land is a precious commodity. Make sure you enter the most appropriate form of agreement to realise its maximum value.

1. Work with a partner who has an incentive to maximise your land value

Entering into a Promotion Agreement with Landform over a more traditional Option Agreement will allow you to make more money from your land. This is because Landform is only paid a percentage of the land value when it is sold, so Landform has an incentive to maximise the sale value and reduce costs.

2. Receive a premium fee at the outset

You will be paid a premium fee on entering the contract. Landform will pay for all your associated legal and surveyor fees of entering the contract.

3. What role does Landform perform?

Landform appoints, pays for and manages a professional team of specialist consultants with a successful track record in delivering planning consents. Landform coordinates this team to deal with all technical, legal, commercial and town planning aspects of the project.

4. Offer your consented land to the open market to get the highest price

At the point of securing planning permission, your consented land will always be taken to the open market to obtain the highest bid. Landform shares the objective of the landowner to maximise the land sales receipts and keep costs to a minimum.

5. Expect a 5 year + agreement

You should expect that the length of each agreement will vary to match the anticipated planning program of each project with a right to extend in the event of planning delay. Typically, Landform focuses on opportunities that require between 2 and 5 years to obtain consent.

6. What does Landform receive?

Landform receives its project costs back first and will receive an agreed share of the net sales proceeds. The division between Landform and you, the landowner, will vary depending on the level of planning risk associated with the project and the length of time needed to secure planning consent.

7. Why enter a Promotion Agreement rather than an Option?

Option Agreements are generally made with house builders whose interest is cheap land. At the receipt of planning consent a house builder will, therefore, try to reduce the land value and increase allowable costs, resulting in you making less money.

A Promotion Agreement is an alignment of interests between you and Landform. It represents a working partnership throughout the project, with a shared interest in securing the highest price for your land.

Whichever form of contract is chosen, Landform's success is founded on forming a strong partnership with landowners.

If you would like us to assess the potential of your land, please get in touch.

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