

Agricultural Mortgage

Flexible finance available to farmers and growers for the purchase, extension or renovation of owner-occupied farm buildings, and the purchase of land.

Key features

- Financing available from £25,001
- Repayments can be spread from 1–25 years (up to £3 million) or up to 5 years (over £3 million)(subject to application)
- A choice of a fixed interest rate or variable interest rate tracking the Bank of England Bank Rate*
- Flexible contractual terms are available, with the ability to select a loan with a longer repayment profile than the contractual term. Note that this will leave an outstanding balance at the end of the contractual term. Longer contractual terms could have a higher interest rate.
- Monthly repayment's, other repayment frequencies such as quarterly, 6 monthly and annual are available.
- The ability to request an interest only period, known as a capital repayment holiday, at the start of your loan (subject to approval). Additionally, a capital repayment holiday, of up to 12 months, can be applied for during the loan term (subject to approval).

Important information

- Lending fees and associated borrowing costs will be applicable
- There are no prepayment fees
- For fixed rate loans, if you decide to prepay or are required to repay the loan early, you will have to pay breakage costs
- Agricultural Mortgages are subject to application and status
- Any property used as security which may include your home may be repossessed if you do not keep up repayments of your mortgage.

The business property and/or land will be needed as security for the loan.

Selecting your interest rate basis

Barclays offers loans with a fixed or variable interest rate. The variable rate allows you to pay an interest cost linked to the Bank of England Bank Rate*, while a fixed interest rate gives you the certainty of the interest rate that you are paying.

Planning your loan requirements

It is difficult to predict future interest rates so there is no way of knowing if a fixed or variable interest rate will cost you more or less over the life of your loan. A number of factors need to be considered including how large a payment you can afford, the length of the borrowing term needed and the level of certainty over costs that you require.

You also need to consider any possibility of early repayment such as the sale of a property.

Flexible choices

You can select the interest rate structure that best suits your needs; a fixed rate or variable rate loan. There are a number of choices available to you including:

- A choice of how long the fixed interest rate will last, with a range of 1 to 10 years
- The ability to have an interest only period, known as a capital repayment holiday, at the start of your loan (subject to approval). During this time only interest on the outstanding loan will be payable each month. At the end of the capital repayment holiday your repayment instalments will be adjusted to ensure the loan is repaid in line with the loan agreement. The interest payable over the life of the loan will be higher due to the capital repayment holiday taken. Mid-term capital repayment holidays are available (subject to approval) of up to 12 months.

Barclays' Agricultural Mortgage offers you a funding solution to satisfy your financing needs including: purchasing, extending or releasing the equity locked in your property or land.

* If this rate becomes less than zero then the variable rate will be deemed to be zero. i.e. the total interest rate charged will never be less than the facility margin. If you have any questions or concern about this then please speak to an independent Financial Advisor.

The table below summarises the differences between your interest rate choices:

	Offers certainty against a rise in interest rates	Lower repayments if interest rates fall	Breakage cost applicable?	Prepayment Fees
Variable Rate Loans	No	Yes	No	No
Fixed Rate Loans	Yes	No	Yes	No

The Contractual Term and Repayment Profile

Barclays offers flexible **contractual terms** for loans (the period of time that we agree to lend for) and **repayment**

profiles (the period over which specified payments would

need to be paid in order to fully repay the loan). Where this is the same as the contractual term, the loan will be fully repaid by the maturity date. Where this is longer than the contractual term, then there will be an outstanding balance at the maturity date (which might be significant).

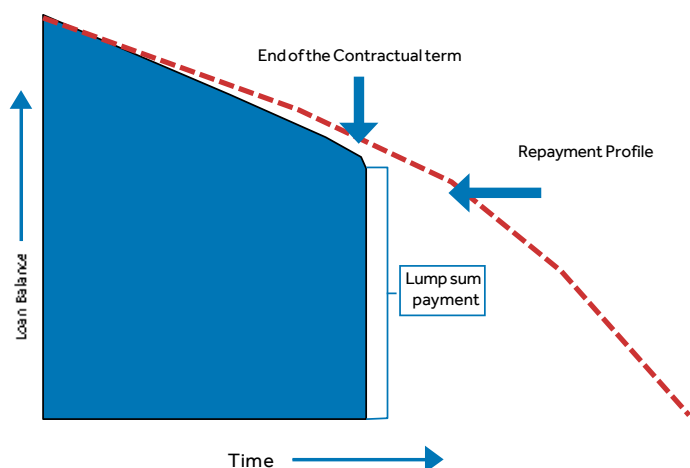
The length of the contractual terms can impact the interest you pay and can be shorter than the repayment profile.

Factors to consider when choosing a loan with a longer repayment profile than contractual term

Loans over £100,000 with a **longer contractual term** may be **priced higher than loans with shorter contractual terms** to reflect the increased costs associated with lending money for longer.

You may want a loan where the contractual term is shorter than the repayment profile if you think that the associated interest rate will be of benefit to your circumstances.

Should you choose a loan with a **contractual term shorter than the repayment profile** there will be an **outstanding balance to be repaid** at the end of the contractual term. If the term is considerably shorter than the repayment profile, the lump sum payable is likely to be substantial.



At the end of your contractual term, you may want to take out another loan with us to pay the outstanding balance. If you do this:

- A new application will need to be made and there is no certainty that the application will be accepted
- The interest rate offered will reflect the prevailing rates and your circumstances at the time, the new interest rate may be higher or lower than the rate on your expiring loan and the lending margin may also change
- If your application is accepted, you will incur a new arrangement fee for this loan.

Important information

- The fixed interest rate provides you with certainty of future interest rate repayments. Fixing your interest rate will not allow you to benefit from reduced repayments if variable rates fall
- Any fixed interest rates quoted to you are indicative until confirmed to you in your Facility Letter. You will have 30 days to sign, return and drawdown the full amount of the loan for any fixed rate in the Facility Letter to be valid
- Fixed interest rates remain unchanged for the duration of your agreed fixed period
- Fixing the interest rate on your loan involves a commitment by you for a specific period, between 1 and 10 years. Fixed rate loans are designed to be held for the term of the fixed rate period
- Meeting longer term debt requirements with multiple shorter term loans can cost more or less over the total borrowing period.
- Barclays does not provide advice, or recommendations on the suitability of your choice of financing solution. If you require advice you should consult an independent advisor.

What happens if you repay your loan early?

An amount equal to 10% of the loan balance as calculated on each anniversary of the first drawdown date of the loan can be prepaid without attracting any breakage costs. Any prepayment in excess of the 10% annual allowance will incur the breakage costs.

There are no prepayment fees

However, if you selected a fixed rate loan and you decide to prepay or are required to repay the loan early you may have to pay breakage costs in addition to other fees.

The breakage cost you will have to pay is a percentage amount of the prepayment (or required prepayment) linked to the number of full years of the fixed rate remaining. The below table is an example of the percentages for a loan with a 10 yr fixed rate period.

Year of the Loan that you are in when you make your prepayment(or required repayment)	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
% payable of the amount of the prepayment (or required repayment)	7%	7%	7%	6%	5%	4%	3%	2%	1%	1%

By way of example, if you make a £100,000 prepayment 3 years and 6 months from the start of your loan, you are in your fourth year and the sum of £6,000 is payable as breakage costs. This is because in the fourth year of the Fixed Rate Period a 6% charge is to be applied. Such example assumes the 10% annual overpayment allowance has been used.

Note that the percentage amount that you will have to pay will differ dependent on the fixed rate period chosen by you.

Green agricultural mortgage

Green agricultural mortgage offers you a secured funding solution with discounted interest rates when purchasing or re-financing an eligible green asset. This is an asset that meets our green eligibility criteria, which might change from time to time. These assets include:

- Greener farming: renewable generation technologies, crop rotation technologies, agroforestry practices and soil remediation technologies
- Greener buildings: insulation, heat pumps, building automation controls
- Renewable energy: solar panels, wind turbines, battery energy storage units
- Greener living: electric vehicles, electric vehicle changing points, sustainable water and waste prevention technologies.

Green agricultural mortgage will be subject to all the terms and conditions of a standard Agricultural mortgage and all of the other product features apply as standard.

The additional terms and conditions of the Green agricultural mortgage include:

- You can only use the loan to finance or refinance your purchase of eligible green assets and any eligible directly associated costs
- Before you draw down the loan, we may ask for evidence of the eligible green assets you're planning to buy or re-finance
- We might ask for evidence you've used the loan for its agreed purpose. If you haven't, we have the right to re-apply the interest rate discount to the interest rate applicable to the facility.

ANY PROPERTY USED AS SECURITY, WHICH MAY INCLUDE YOUR HOME, MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE

You can get this in Braille, large print or audio by calling **0800 400 100*** (via Text Relay if appropriate) or by ordering online from [barclays.co.uk/accessibleservices](https://www.barclays.co.uk/accessibleservices)

Call monitoring and charges information

* Calls to 0800 numbers are free from UK landlines and personal mobiles. To maintain a quality service, we may monitor or record phone calls.

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Next steps

Please contact us if you wish to discuss your requirements in more detail.