



CMC LAND, Jēkabpils, Latvia

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Jēkabpils, Latvia

A highly productive arable farm located around the town of Jēkabpils, Latvia comprising a total of 2,340ha with a farm base and 5,000 tonnes of crop storage.

CMC Land own the following assets-

- 1,850 hectares of arable land
- 400 hectares of pasture, fallow and miscellaneous land
 - 90 hectares of woodland
- 5,000 tonnes of on-floor crop storage
 - Two residential apartments
- Farm workshop, weighbridge and ancillary farm buildings

There is grant funding secured for the expansion and improvement of the grain storage and farm base (details provided below) which will be made available to the company.

BACKGROUND

CMC Land is a Latvian company which owns in total 2,340 hectares of land situated near Jēkabpils, Latvia, an area renowned for high quality arable land.

CMC Land was established in 2013 and the entire shares in the company are being offered for sale. CMC Land is a land-owning only company, and therefore has no trading history and will be sold without debt.

All land Titles owned by CMC Land have been in the ownership of the shareholders for over 8 years and there are no known outstanding disputes or litigations relating to the Titles owned within the company. The only assets owned by CMC Land are the land and farm base detailed in these particulars.

The majority of the land owned by CMC Land will be sold with vacant possession, although small parcels to the west as well as to the north of the A12 are let on short term arrangements to third parties. Details available from the Vendors Agent upon request.

LOCATION

The town of Jēkabpils is located approximately 140km to the south east of Riga (via either the E22 or the A6), both excellent European standard roads. The farm base is located approximately 5km south of Jēkabpils, a regional town of approximately 30,000 population.

Jēkabpils has the full range of agricultural related service providers to include many of the main machinery dealers, chemical and fertiliser suppliers.

Farm Base - approximately 5km from a significant rail-side grain handling facility which allows cost efficient access to many grain traders, export ports and end-use customers. In 2016, the haulage cost from the farm to the facility is €2 per tonnes.



LAND

To the west, the majority of the land is classified as being X which is a clay loam, excellent for winter arable production.

To the east, approximately x hectares is similar soils to that the west, with the balance being lighter humus rich soils suitable for a wider range of cropping to include spring crops and potentially higher value vegetables and root crops.

SOIL ANALYSIS

Comprehensive field-by-field soil analysis is available from the vendor's agent on request. Due to significant deposits of lime-rich minerals in the area, the soils to date have required no active management of the pH levels.

CROPPING

Culture	2013	2014	2015	2016
	Hectares	Hectares	Hectares	Hectares
Wheat, winter	481.18	51.21	675.53	900.00
Wheat, summer	0.79	108.71		
Rapeseed, summer	386.37	93.80	6.72	
Rapeseed, winter	269.81	213.93	236.03	3.00
Permanent grassland	47.80		4.38	
Barley, summer		737.55	774.72	400.00
Bean, summer				400.00
Corn	554.57	631.63		
Other land	11.93	5.28		
Fallow land	111.18	82.83	167.15	167.15
Permanent grassland		55.00		4.38
Total:	1863.63	1979.94	1864.53	1874.53

FARM BUILDINGS

The farm base is located to the west of the land, approximately 5km south of Jēkabpils. Sitting within approximately 4 hectares, the farm base consists of approximately 5,000 tonnes of on-floor grain storage, a grain dryer, a weighbridge, a farm office, two residential apartments, a farm workshop, and various ancillary farm buildings. There is 3-phase electricity and mains water at the farm yard.

As part of a planned improvement project, it is intended that the grain storage is increased with 3 x 1000 tonne grain bins and a grain dryer. Also proposed is the improvement of the farm office and the workshop. The total cost of the project is estimated at €700,000, of which 40% has been secured via European Union grant funding. This will be made available to the company.



EU SUBSIDY

For 2016, the EU subsidy per hectare for Latvia is €x per ha. In addition to this, farmers can claim the following payments for different crops grown-

Barley - € 32.80/ha

OSR - € per ha

Over winter stubble - € 87/ha

TENURE

Currently, the majority of the farm is let out to CMC Orzoli, a related company to CMC Land (details below). It is proposed that this agreement will be terminated after harvest, allowing CMC Land vacant possession for the 2016-2017 autumn planting season.

Alternatively if required by the purchaser, CMC Orzoli will continue to lease the farm for 3 - 5 years, paying a rent of up to 5% of the purchase price. Terms to be agreed.

To the west, xxx hectares is let out to a local farmer for grass production. This agreement will run until 201X.

To the east, xxx hectares of land is let to a local farmer. This agreement will run until 201X.

DRAINAGE

Almost the entire farm is under-drained. Drainage plans can be found at www.melioracija.lv.

IRRIGATION

The farm currently doesn't have an operational irrigation system, however situated within the land to the east is a non-operational irrigation system which could service x hectares if brought back into working order. With this improvement, the land could support higher value vegetable and root cropping. There are EU grants potentially available for such infrastructure improvements.

CMC ORZOLI

Farming the majority of the land currently is CMC Orzoli. The shareholders of CMC Orzoli are the same shareholders of CMC Land. Although CMC Land is being offered separately as a stand-alone transaction, CMC Orzoli is available by separate negotiations. Details relating to CMC Orzoli are available from the vendor's agent on request.

INFORMATION PACK

A full information pack relating to CMC Land is available from the Vendor's agent on request.

BOUNDARIES

The Buyer shall be deemed to have a full knowledge of all boundaries and neither the Seller nor the Selling Agent will be responsible for defining the boundaries or their ownership.

VIEWINGS

Strictly by appointment with the Selling Agent.





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Plans included within these particulars are for identification purposes only and shall not form part of any contract or agreement of sale. NOT TO SCALE.





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