

Commercial Property Purchase Application

You should read the Key Features documents and Terms & Conditions for the relevant pension product you are applying for before completing this application.

This application should be completed in full using CAPITALS. Boxes should be ticked.

Please return the completed application, identify verification documents and other relevant information to:

Carey Pensions UK LLP

1st Floor, Lakeside House, Shirwell Crescent, Furzton Lake, Milton Keynes MK4 1GA

If you intend to purchase or transfer a commercial property into your Carey Pension Scheme SIPP or SSAS please note that we will not be in a position to commence the transaction process until this application and relevant information is received.

The property will be purchased/transferred into the name of Carey Pension Trustees UK Ltd as the Trustee of the Scheme in the case of a SIPP or the name of the SSAS Trustees for a SSAS. All documentation must include Carey Pension Trustees UK Ltd Standard Limitation of Liability Wording. You should take any appropriate independent legal, tax, VAT or other advice necessary prior to proceeding. This application, notes and documentation are based on Carey Pensions UK LLP's understanding of current legislation and may be subject to change.

I. Purchaser/Transferee details

Is the property to be **PURCHASED** by the SIPP(s)/SSAS?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Will the purchase be a joint venture with party(ies) outside the SIPP(s)/SSAS?

If YES, please state split between the party(ies)

SIPP(s)/SSAS	Third party(ies)
£	£
%	%

Is the property to be **TRANSFERRED** 'In-specie' from another Pension Scheme?

Is the property to be acquired by way of an 'In-specie' Contribution?

If YES, what percentage is to be contributed to the SIPP(s)/SSAS

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
			%

Is the property to be acquired by a combination of purchase and 'In-specie' Contribution?

If YES, please state split between the party(ies)

Purchase	Contribution
£	£
%	%

If this transaction results in co-ownership will the Third Party(ies) have any borrowing?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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It should be noted that where the acquisition results in ownership with a Third Party(ies) we will require a 'Co-Ownership Agreement' between the parties completing which will be at extra cost to the Scheme. A managing agent may also be required to manage the property.

A suitably qualified person such as an accountant may need to be appointed to register for and deal with ongoing VAT returns.

Where a property is purchased/transferred into the SIPPs of more than one member we will require a 'Partnership Agreement' completing which is at extra cost to the Scheme. Please refer to, or request the current Fee Schedule.

Details of SIPP Members or SSAS Members purchasing property

Please detail members who are purchasing the property and the share of property they are to acquire

Member name	Scheme number	Property share %

If there are any persons involved in the purchase of the property who do not have a Carey Pension please provide details below

Name		Property share %
Address		
	Postcode	
Name		Property share %
Address		
	Postcode	

Proposed date of completion

D	D	M	M	Y	Y
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We will endeavour at all times to deal with your transaction in a timely manner to meet your expectations, however, you should note we are reliant on Third Parties and cannot guarantee a specific completion date.

We cannot guarantee that any proposed purchase will be acceptable and completion can only be achieved once all requirements have been met.

We reserve the right not to proceed if any advice or report proves unsatisfactory to Carey Pensions UK LLP or Carey Pension Trustees UK Ltd.

If you have established your SIPP/SSAS simultaneously with the property transaction proposal we will not commence the process until the 30 day cancellation period has expired unless you have waived your right to the cancellation period by completing the relevant section of the SIPP/SSAS application.

If the property is being transferred from another pension scheme then because under these circumstances you cannot waive the 30 day cancellation period we will wait until that period has expired before commencing the process.

If the transaction is reliant upon monies being transferred from another pension scheme we will only commence the process if sufficient funds are held within the Scheme to cover anticipated costs.

2. Purchaser/Transferee solicitor

Where any property/land is acquired by Carey Pension Trustees UK Ltd we require the appointment of solicitors to act for us.

Do you wish to use a panel solicitor of Carey Pensions UK LLP?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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If NO, please provide details of the solicitors who you wish to instruct to act on behalf of Carey Pension Trustees UK Ltd.

Name			
Company name			
Address			
Postcode			
Telephone	Landline	Mobile	
Email			

The solicitor will need to confirm they are fully conversant with pension rules pertaining to property purchase. The solicitor will also be required to provide their company due diligence to Carey Pensions UK LLP.

The solicitor may require a payment on account from the Scheme to cover advance searches.

3. Purchaser/Transferee surveyor

A survey report is required as part of the purchase process.

The survey report should be addressed to Carey Pension Trustees UK Ltd and be carried out by a RICS qualified surveyor in accordance with their guidelines to include:

- ▶ An independent valuation to compare to the purchase price/transfer value;
- ▶ A reinstatement figure for insurance purposes;
- ▶ An independent rental valuation;
- ▶ A schedule of any recommended repairs;
- ▶ A full assessment of the property identifying whether a full structural survey and/or asbestos survey is required;
- ▶ Where borrowing is required this report is usually arranged by the chosen Lender.

If there is no borrowing required or you have a preferred surveyor you wish us to advise to the Lender please complete

Name of surveyor			
Company name			
Address			
Postcode			
Telephone	Landline	Mobile	
Email			

4. Property details

Address

Postcode	

Purchase price/Transfer value (excluding VAT)

£	
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If a deposit is required please provide details including: amount, reason and timescale for payment

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Description *(office, land warehouse etc)*

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Approximate age of property

--

Land Registry number *(if known)*

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Is the property

Freehold

Leasehold

If Leasehold detail outstanding term of lease

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If Leasehold detail annual ground rent

£

Please provide details of any service charge applicable

£

Please confirm who is responsible for insurance and repair

--

If any part of the property is subject to a 'Flying or Supporting Freehold' please provide details

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If any part of the property has a residential element please provide details

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Is any part of the property adjacent to or near any property/land owned by a member or connected party?

Yes

No

If YES, please provide details

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If there are any other aspects particular to this property please detail

Section 4 continues overleaf

4. Property details (continued)

VAT and stamp duty may also need to be added to the purchase price.

Consideration should also be given to any associated costs including but not limited to legal, surveyor, valuation, environmental report, asbestos report, lender, management and insurance costs and fees.

It should be noted that a SIPP/SSAS is unable to purchase any fixtures, fittings or goodwill and these will therefore need to be excluded from the purchase price.

Purchase of residential property except under certain circumstances is not permitted and you should seek independent advice where there is any residential element to the property.

It is not generally acceptable for a property/land to be purchased that is adjacent or near to the Members or a connected party's residence and you should seek independent advice in this instance.

VAT

Is the property currently elected for VAT?

Yes	<input type="checkbox"/>
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No	<input type="checkbox"/>
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Do you wish to elect the property for VAT to enable a VAT reclaim?

Yes	<input type="checkbox"/>
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No	<input type="checkbox"/>
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Is there likely to be a VAT election in the future?

Yes	<input type="checkbox"/>
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No	<input type="checkbox"/>
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Is this to be treated as a transfer of a going concern for VAT purposes?

Yes	<input type="checkbox"/>
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No	<input type="checkbox"/>
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It is the responsibility of the solicitor to formally confirm the VAT status of the property to Carey Pensions UK LLP and we are usually able to waive exemption to enable VAT reclaims to be made, however, you must instruct us to do so, and the decision to accept the VAT exemption rests with HMRC.

Where the member's company or a company connected to the Member is to be the tenant then that company **MUST** be making VATable supplies for an exemption application to be made.

Specialist advice may need to be taken by the Members in this regard.

5. Tenancies

Is the property let/to be let on a multi-occupancy basis?

 Yes

 No

Existing lease (please provide a copy)

Tenant name

Business/Registered address
for communication with tenant

Postcode

Telephone

Landline

Mobile

Annual rent payable

£

Are there any rent arrears?

 Yes

 No

If YES, please provide the amount of the arrears
and the unpaid dates

£

Start date of lease

D	D	M	M	Y	Y
---	---	---	---	---	---

Frequency

End date of lease

D	D	M	M	Y	Y
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Is there a break clause in the lease?

 Yes

 No

If YES, please detail

Is the tenant connected with the Member?

 Yes

 No

If YES, please state relationship

Is the tenant registered for VAT?

 Yes

 No

If YES, please confirm the VAT registration number

All transactions with any tenant connected to the Scheme or its Members must be dealt with on fully commercial terms and on an arms length basis.

New proposed lease – this lease will be arranged on a fully insuring and repairing basis

Tenant name

Business/Registered address
for communication with tenant

Postcode

Telephone

Landline

Mobile

Proposed annual rent payable

£

Start date of lease

D	D	M	M	Y	Y
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Proposed frequency

Proposed term of lease

Is there a break clause in the lease?

 Yes

 No

If YES, please detail

Is the tenant connected with the Member?

 Yes

 No

If YES, please state relationship

Is the tenant registered for VAT?

 Yes

 No

If YES, please confirm the VAT registration number

Sub tenancies – please provide details

6. Vendor/Transferor details

Name of vendor/transferor			
Company name (if applicable)			
Address			
	Postcode		
Telephone	Landline	Mobile	
Email			

Is the vendor/transferor connected with the Member(s)? Yes No

If YES, please state relationship/connection

Vendor/Transferor selling agent

Company name			
Address			
	Postcode		
Telephone	Landline	Mobile	
Email			

Vendor/Transferor solicitor

Name of solicitor			
Company name			
Address			
	Postcode		
Telephone	Landline	Mobile	
Email			

It is possible for the Scheme to enter into transactions with connected parties however all such transactions must be fully commercial and undertaken on an arms length basis. We are required to report all connected transactions to HMRC who may levy tax charges on both Members and their Schemes for non compliance.

Section 839 of the Income and Corporation Taxes Act 1988 defines connected persons who may also be a company.

An individual is connected with you if they are your spouse, civil partner, one of your relatives or a person you are in partnership with, or a relative of your spouse, civil partner, or person you are in partnership with.

For the purpose of this rule a relative is a linear descendant (child, grandchild etc), an ancestor (parent, grandparent etc) or a sibling.

A company is connected to you if you have control of it or you together with persons connected to you have control of the company. You should take specialist advice if you anticipate this occurrence.

7. Related aspects of the purchase

► Energy Performance Certificate

The vendor of a property will be required to provide an Energy Performance Certificate to the Scheme prior to completion.

► Asbestos report

Under the Asbestos at Work Regulations 2002 all companies should hold an asbestos report confirming that the property either has no asbestos or that there is asbestos present together with an asbestos management schedule.

We will request a copy of this evidence prior to completion, however, if the vendor is unable to provide then when the property is owned by Carey Pension Trustees UK Ltd we will request of any existing tenant. If there is no tenant or they refuse to comply then Carey Pension Trustees UK Ltd may need to arrange at a cost to the Scheme.

► Environmental report

Carey Pension Trustees UK Ltd will require a satisfactory clean and clear environmental report prior to exchange/completion of any property.

This report will be arranged by Carey Pensions UK LLP at a cost to the Scheme.

► Property insurance

It is a requirement that all properties owned by Carey Pension Trustees UK Ltd are suitably insured.

The premium will be paid from the Scheme and charged to the tenant(s) where applicable.

Carey Pensions UK LLP will require copies of the insurance schedules which must be in the name of Carey Pension Trustees UK Ltd and include reference to the Lender (where applicable) and the tenant(s).

8. Borrowing requirements and lender information

HMRC limits the amount that can be borrowed under a SIPP/SSAS to 50% of the net Scheme asset value immediately prior to the borrowing being drawn including the value of any existing borrowing. If this limit is breached HMRC will levy a tax charge on the Scheme of 40% of the excess borrowing. Carey Pension Trustees UK Ltd will not knowingly enter into any borrowing arrangement in breach of this rule.

Borrowing will be in the name of Carey Pension Trustees UK Ltd for a SIPP and the name of the Trustees for a SSAS and all borrowing and loan documentation must include Carey Pension Trustees UK Ltd Limitation of Liability wording.

Where you are purchasing a property through a Partnership or Syndicate the amount of individual Members borrowing will be proportionate to their share of the purchase.

Although a Member may only be entitled to a percentage share in a property, in the event of default each Member may be liable in full for any mortgage or other liability on the property.

Is the SIPP/SSAS borrowing money to purchase the property?

Yes		No	
£			

Amount of loan

Term

Repayments

Frequency

Lender

Contact name

Company name

Address

Postcode			
Landline		Mobile	

Telephone

Email

Please provide us with a copy of any loan agreement/offer letter.

9. Declaration

I/we confirm that I/ we have had the opportunity to read and consider the Scheme Key Features document and that this application has been completed to the best of my/our knowledge and belief.

I/we confirm that I/we have had the opportunity to read and consider the Terms and Conditions of the SIPP/SSAS document and agree to abide by those Terms and Conditions.

Carey Pensions UK LLP and Carey Pension Trustees UK Ltd do not provide advice and no information provided by either party will be construed by us as advice.

I/we confirm we will meet all costs of the proposed purchase/transfer/in-specie contribution whether or not the transaction completes.

I/we confirm that Carey Pension Trustees UK Ltd will purchase the property in the case of a SIPP.

I/we confirm that the Trustees of the SSAS will purchase the property in the case of a SSAS.

I/we agree that Carey Pension Trustees UK Ltd will enter into a charge on the property where borrowing is required for SIPP purchases.

I/we agree that the Trustees of the SSAS will enter into a charge on the property where borrowing is required by a SSAS.

I/we confirm that we have taken appropriate advice where necessary including but not limited to 'connected parties', VAT and borrowing.

I/we agree that Carey Pensions UK LLP and Carey Pension Trustees UK Ltd are not property managers and will not undertake this role.

I/We confirm it is my/our responsibility to ensure the Scheme has sufficient funds at all times to meet its liabilities.

I/we confirm that all property fees due will be deducted from the Scheme in the proportional ownership of the property. We agree that if there are insufficient funds to complete a purchase and no other funding is available or allowable the purchase will not proceed.

Where there are insufficient funds I/we confirm that if contributions are required Carey Pensions UK LLP reserve the right to deduct necessary funds from other assets within the Members Schemes to settle any shortfall.

I/we agree that in the event of the death of a Member or of a Member's wish to transfer, it may be necessary to sell the property.

I /we understand and agree that in the event of any dispute Carey Pensions UK LLP or Carey Pension Trustees UK Ltd may need to appoint a solicitor to act on their behalf at a cost to the Scheme.

I/we agree that Carey Pension Trustees UK Ltd will not exchange or complete a property purchase/transfer until all of the requirements have been met, including:

- | | |
|--|---|
| ▶ Satisfactory survey/valuation report; | ▶ Clean and clear environmental report; |
| ▶ Energy Performance Certificate; | ▶ Details of existing or proposed leases; |
| ▶ Satisfactorily completed borrowing documents; | ▶ Report on Title, Contract & completion statement from solicitor; |
| ▶ Completion of any other relevant agreements and documents; | ▶ Completion of any other requirements Carey Pension Trustees UK Ltd may have for a particular purchase/transfer; |
| ▶ Written confirmation from the Members to exchange and proceed to completion; | |

I/we agree to provide both Carey Pensions UK LLP and Carey Pension Trustees UK Ltd a written final instruction to exchange and proceed to completion.

I/we confirm and agree that where a property transaction is exchanged with completion following at a later date, we accept responsibility for and will pay all costs that may arise as a result of non completion.

I/we agree that I/we will pay either from the scheme or personally any claim or liability that may be incurred by Carey Pensions UK LLP or Carey Pension Trustees UK Ltd as a result of this property purchase.

I/we agree that we will pay either from the scheme or personally any claim or liability incurred by Carey Pensions UK LLP or Carey Pension Trustees UK Ltd as a result of any contamination that may affect the property.

I/we agree that Carey Pensions UK LLP and Carey Pension Trustees UK Ltd are not responsible or liable for any actions, losses, damages, proceedings, demands, claims, expenses and costs incurred in respect of the property and that these remain my/our sole responsibility.

All members to sign below

Signed	Name	Date
		D D M M Y Y
		D D M M Y Y
		D D M M Y Y
		D D M M Y Y

Countersigned by Carey Pension Trustees UK Ltd

Signed	Name	Date
		D D M M Y Y
		D D M M Y Y

10. Checklist

- Completed Property Application *(signed by all Members)*
- Copy of loan agreement/offer letter
- Copies of tenancy/lease agreement
- Valuation Report *(must be within dated 3 months)*
- Copies of leasehold documents *(if applicable)*
- Cheque in the sum of *(solicitor searches)*
- Key Features document and Terms & Conditions read
- Declaration signed and dated
