

▷ Commercial Property Purchase Application

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

Please return the completed application form and Anti Money Laundering documents to :
Carey Pensions UK LLP, 43 Shenley Pavilions, Chalkdell Drive, Shenley Wood, Milton Keynes, MK5 6LB

Please complete this application as fully as possible if you intend to purchase or transfer a commercial property into your Carey Pensions SIPP or SASS and note that we will not be in a position to commence the transaction process until this form 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.

▷ Purchaser / Transferee Details

Is the property to be purchased by the SIPP(s)/SASS

Yes No

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

Yes No

If YES please state split between the party(ies)

| SIPP(s)/SASS | Third Party(ies) |
|--------------|------------------|
| £ | £ |
| % | % |

Is the property to be transferred "In Specie" from another Pension Scheme?

Yes No

Is the property to be acquired by way of an "In Specie" Contribution?

Yes No

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

 %

Is the property to be acquired by a combination of purchase and "In Specie" Contribution?

Yes No

If YES please state split between purchase and contribution

| Purchase | Contribution |
|----------|--------------|
| £ | £ |
| % | % |

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

Yes No

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.

▷ **Details of SIPPs and 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 | Address | Property Share % |
|------|---------|------------------|
| | | |
| | | |

Proposed date of completion

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 to the SIPP/SASS 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 Pension Trustees UK Ltd.

If you have established your SIPP/SASS 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/SASS 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.

▷ 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 No

If NO please provide details of the Solicitors who will act on behalf of Carey Pensions UK LLP:

Name

Company Name

Address

| | |
|----------------------|----------------------|
| <input type="text"/> | |
| <input type="text"/> | |
| <input type="text"/> | |
| Postcode | <input type="text"/> |

Telephone

Email

▷ 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

| | |
|----------------------|----------------------|
| <input type="text"/> | |
| <input type="text"/> | |
| <input type="text"/> | |
| Postcode | <input type="text"/> |

Telephone

Email

▷ Property Details

Address

| | |
|----------|--|
| | |
| | |
| | |
| | |
| Postcode | |

Purchase Price / Transfer Value (excluding VAT)

£

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

Description (office, land warehouse etc):

Approximate Age of Property:

Land Registry Number (if known):

Is Property Freehold or Leasehold

If Leasehold detail outstanding term of Lease:

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:

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

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:

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

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/SASS 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 No

Do you wish to elect the Property for VAT to enable a VAT reclaim?

Yes No

Is there likely to be a VAT election in the future?

Yes No

Is this to be treated as a Transfer of a Going Concern for VAT purposes?

Yes No

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.

Where the Member's company/a company connected to the Members is to be the tenant then that company must be making VATable supplies for an exemption to be made. Specialist advice may need to be taken by the Members in this regard.

▷ Vendor/Transferor Details

Name of Vendor/Transferor

Company Name (if applicable)

Address

| | |
|----------------------|----------------------|
| <input type="text"/> | |
| <input type="text"/> | |
| <input type="text"/> | |
| Postcode | <input type="text"/> |

Telephone

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

| | |
|----------------------|----------------------|
| <input type="text"/> | |
| <input type="text"/> | |
| <input type="text"/> | |
| Postcode | <input type="text"/> |

Telephone

Email

▷ Vendor Transferor Solicitor

Name of Solicitor

Company Name

Address

| | |
|----------------------|----------------------|
| <input type="text"/> | |
| <input type="text"/> | |
| <input type="text"/> | |
| Postcode | <input type="text"/> |

Telephone

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.

▷ 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.

The Trustees 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).

▷ Borrowing Requirements and Lender Information

HMRC limits the amount that can be borrowed under a SIPP/SASS 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/SASS borrowing money to purchase the property?

Yes No

Amount of Loan

£

Term

Repayments

Frequency

Lender Contact

Lender Company

Address

Postcode

Telephone

Email

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

▷ Declaration

I / we confirm that I / we have read and understood the Property Key Features Document and that this questionnaire has been completed to the best of my / our knowledge and belief.

I / we confirm that I / we have read, understood and agree to abide by the Terms and Conditions.

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

I / we agree that Carey Pension Trustees UK Ltd will purchase the property on behalf of the Scheme and agree for Carey Pension Trustees UK Ltd to enter into a Charge on the property where borrowing is required.

I / we confirm that we have taken appropriate advice where necessary especially in relation to "connected parties", VAT and borrowing.

I / we agree and understand that neither Carey Pensions UK LLP nor Carey Pension Trustees UK Ltd are property managers and will not undertake this role.

I / we understand and agree that all property fees due will be deducted from the Scheme in the proportional ownership of the property. Where there are insufficient funds I / we understand that contributions may be required and that Carey Pensions UK LLP reserve the right to deduct necessary funds from other assets within the Members Schemes.

I / we understand that in the event of the death of a Member / a Members 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 may deem it necessary to appoint a solicitor to act on their behalf at a cost to the Scheme.

I / we confirm that I / we understand that Carey Pension Trustees UK Ltd will not exchange or complete a property purchase / transfer until all of their 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 confirm and agree that we will 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 indemnify Carey Pensions UK LLP and Carey Pension Trustees UK Ltd against any and all liability that may arise as a result of non completion.

I / we agree to indemnify Carey Pensions UK LLP and Carey Pension Trustees UK Ltd against any and all liability that may be incurred as a result of the property being purchased and owned by Carey Pension Trustees UK Ltd on behalf of the Scheme.

I / we agree to indemnify Carey Pensions UK LLP and Carey Pension Trustees UK Ltd against any and all liability that may be incurred as a result of any contamination whatsoever that may affect the property.

I / we covenant with Carey Pensions UK LLP and Carey Pension Trustees UK Ltd to keep Carey Pensions UK LLP and Carey Pension Trustees UK Ltd indemnified (at all times) against any and all actions, losses, damages, proceedings, demands, claims, expenses and costs incurred in respect of the property.

All Members to sign below:

Signed

Name

Date

Signed

Name

Date

Signed

Name

Date

Signed

Name

Date

Countersigned by Carey Pension Trustees UK Ltd:

Signed

Date

Signed

Date

▷ Checklist

- Completed Property Questionnaire (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 and Conditions read
- Declaration signed and dated