

Commercial Property Questionnaire

The purpose of this document is to provide all the relevant information for the purchase or transfer of a commercial property and to ensure the property can be held in-principle within a Dentons SIPP or SSAS.

If you are transferring funds to a Dentons SIPP in order to facilitate a property purchase, you will not be able to exchange contracts on the property until after the 30-day transfer cancellation period. This period does not begin until we have requested the transfer from your existing scheme.

Please complete this form as fully as possible.

Client name

Are you an existing Dentons' client? Yes No

If yes, please state your Pension Scheme number or name (If known)

Full property name

Full property address
Postcode

> **Please note:**
We do not accept overseas property and different rules apply to Scottish property: please contact us for more information.

Full property description (e.g. two-storey office with ground floor storeroom)

Please describe in full ANY element of the property which could be deemed residential, e.g. flat above a shop?

Is the property mixed use of residential and commercial? Yes No

If Yes, are you planning to split the title to separate residential from commercial so that the commercial part only is owned by the pension arrangement? Yes No

If Yes, does the residential element have its own separate entrance? Yes No

Are you purchasing land only (e.g. for development / agricultural)? Yes No

If Yes, does the land adjoin land owned by you or a connected person? Yes No

If Yes, is the land currently separately titled? Yes No

Are the boundaries clearly defined? Yes No

If you answered Yes to any of the above land questions, please attach a line drawing or Ordnance Survey map showing the land and access points. We cannot assess acceptability of land without one of these.

The property

Is the property freehold or leasehold?

Freehold Leasehold

If leasehold, what is the unexpired term of the leasehold interest?

Years

Expected Exchange date

Expected Completion date

Is the intention to purchase the property at auction?

Yes No

If yes, you must supply us with the legal pack for our consideration.

Does the proposed property purchase include any 'tangible moveable' objects such as desks, beds, kitchen equipment, etc?

Yes No

If Yes, the SIPP or SSAS cannot acquire any of these objects.

Is the property subject to an existing occupational lease?

Yes No

If yes, please complete the following information. If No, please move to the **Funding of the property** section on page 3.

Existing lease

If there is more than one lease, please provide details for each additional occupational lease on a separate sheet.

Name of tenant

Is the tenant connected or associated with you in any way?

Yes No

If Yes, what is their connection?

What is the nature of the tenant's business?

Start date of lease

Expiry date of lease

Current rent (per annum)

Next rent review date

When was the last rent review conducted?

Is a copy of the lease attached? Please provide a copy where possible.

Yes No

> **Please note:**

The time taken to complete a property purchase will depend on the complexity of the arrangement but a minimum of 6-8 weeks should be allowed.

> **Please note:**

If the Dentons SIPP is to receive transferred funds from another pension there is a mandatory 30 day transfer cancellation period during which time the funds will not be available for property purchased at auction.

> **Please note:**

Your SIPP must be established and funds cleared before you can bid at auction on behalf of the pension scheme.

Funding of the property

It is important that you take into account all likely costs when considering property as an investment and it will be necessary to ensure sufficient funds are in place to complete the transaction.

Is this property transferring from an existing pension scheme as an in-specie (bricks and mortar) transfer?

Yes No

If Yes, who owns the property currently?

Does the proposed property have an existing mortgage / outstanding Legal Charge?

Yes No

If Yes, please provide details

> Please note:

All charges in respect of the property investment should be paid from the pension scheme as they are a direct cost of the pension scheme investment strategy.

Please complete the following information. Please note: this is NOT required for in-specie transfers:

Anticipated purchase price

 £

Estimated total cost (including Stamp Duty, solicitors fees, VAT etc.)

 £

How will the property purchase be funded?

Member / Employer contributions

 £

Pension transfer from other pension scheme(s)

 £

Funds from existing Dentons' SIPP/SSAS

 £

Borrowing

 £

Total

 £

> Please note:

If VAT is applicable on the property purchase you must allow for this within your total estimated cost. It may be possible for the SIPP or SSAS to elect to reclaim the VAT but this could take a number of weeks.

> Please note:

For SIPPS, illiquid assets such as commercial property cannot be purchased until the mandatory 30 day transfer cancellation period has expired.

> Please note:

If borrowing is required please complete Lender's details on page 6.

Joint property ownership

Are you purchasing the property with any other parties?

Yes No

If Yes, please provide details of all the joint parties below

1. Individual / Company name/ other scheme name (if applicable)

Address

 Postcode:

> Please note:

If the joint purchase is with a company, please add the name of the individual acting on behalf of the company.

% share ownership of property

 %

**2. Individual / Company name/
other scheme name** (if applicable)

Address

 Postcode:

% share ownership of property

 %

If there are more than three parties involved in the property purchase, please attach additional information to this form.

Vendor's details (not required for in-specie transfers)

Vendor name

Vendor address

 Postcode:

Is the vendor a connected party?

Yes No

If Yes, we will need an open market Capital Valuation of the property. This must be carried out by a Fellow of the Royal Institution of Chartered Surveyors (FRICS) or a Member of RICS (MRICS) who is a Registered Valuer.

New occupational lease

Is a new lease to be put in place?

Yes No

Is there an intention to sub-let the property?

Yes No

If Yes, please provide details of the parties that will be sub-tenants

Please provide below details of the main tenants

Name of tenants

Is the lease to be granted to a tenant who is connected or associated with you in any way?

Yes No

If Yes, please provide details of their connection, e.g. family member, business associate

What is the nature of the main tenant's business?

Start date of lease

Expiry date of lease

Proposed rent (per annum)

 £

Rent Review periods

> Please note:

If the joint purchase is with a company, please add the name of the individual acting on behalf of the company.

> Please note:

The effective date of the valuation must be no more than 3 months earlier than the date of completion otherwise an updated valuation will be required.

The effective date of the valuation must be no more than 3 months earlier than the start date of the lease otherwise an updated valuation will be required.

> Please note:

Leases will need to be drafted by a solicitor.

> Please note:

This is the legal entity who will be paying the rent.

> Please note:

If leasing to a connected party, we will need an open market Rental Valuation of the property. This must be carried out by a Fellow of the Royal Institution of Chartered Surveyors (FRICS) or a Member of RICS (MRICS) who is a Registered Valuer.

Environmental risk

Are there any environmental issues with the proposed property that you are aware of?

Yes No

If Yes, please provide details

Do you have an asbestos survey or management plan for the control of asbestos?

Yes No

If Yes, please provide details

Is the property subject to an Energy Performance Certificate (EPC)?

Yes No

If Yes, please provide details and a copy of the certificate

Does the property include solar panels?

Yes No

If Yes, are the panels an integral part of the building?

Yes No

If Yes, please provide further information and a copy of the property plans.

> Please note:

We will also carry out an environmental search.

> Please note:

All properties are subject to the Control of Asbestos Regulations 2012.

> Please note:

From 1 April 2018 new rules will apply on energy efficient standards which could affect the sale and ability to rent a commercial property.

Post completion

Will any remedial work need to be carried out to the property?

Yes No

If Yes, please provide the following details: if No, please move to the next section.

Please describe the work / refurbishment that will be required

How much is the work likely to cost?

Who will fund the cost of the work, e.g. landlord or tenant?

> Please note:

For joint property purchases, the net amount that can be paid for any remedial work from the SIPP/SSAS is limited to the recorded % of the plan ownership.

VAT registration

Is the property VAT registered? Yes No

If No, please move to the next section.

If Yes, please provide the following details. Please note: A copy of the HMRC certificate will be required in due course if the transaction progresses.

Will the transaction qualify as a Transfer of a Going Concern (TOGC)? Yes No

If Yes, please provide the current VAT registration number of the party/ parties who are selling/ transferring the property.

Yes No

Are you, or have you been, involved in running any VAT Registered business?

If Yes, please supply details including the business name, VAT registration number and your role (e.g. Partner, Sole proprietor, Director) and if the business is still trading.

Lender's details

Is borrowing required to purchase the property? Yes No

If Yes, please provide the following details; if No, please move to the next section.

Lender name

Lender address
Postcode:

Lender telephone number

Contact email address

> **Please note:**

It is a requirement of HM Revenue & Customs that a pension scheme borrows **no more than 50% of the net value** of the pension scheme minus any existing scheme borrowing.

> **Please note:**

If you will be borrowing funds to purchase a property, it will be necessary for the loan to be arranged before exchange of contracts.

Risk warning

Do you understand the full nature of the investment you are entering into? Yes No

Do you have sufficient capacity for loss in the event of a catastrophic failure of an investment? Yes No

Solicitor's details (if known)

Please provide below details of the solicitor that you intend to appoint to act for the Trustees.

If you do not have a solicitor in mind, would you like us to pass on your details to our sister company – DPM Legal?

Yes

No

If yes, we will provide a copy of this questionnaire and any other supporting documents to DPM Legal in order for them to communicate with you.

Solicitor contact name

Solicitor company name

Solicitor address

Postcode:

Solicitor company telephone number

Contact email address

Declaration

I understand that as commercial property is an illiquid asset and the value can go down as well as up, it may take time to realise its value. I understand that this could be an issue particularly when I wish to take benefits.

I understand that all charges in respect of the property investment should be paid from the pension scheme as they are a direct cost of the pension scheme investment strategy.

I confirm that I understand the risks I am taking in purchasing commercial property through my self invested pension and if not, I will take financial advice before proceeding with the purchase.

I understand that if I am transferring funds to a Dentons SIPP in order to facilitate a property purchase I will not be able to exchange contracts on the property until after the 30 day transfer cancellation period. I understand that this period does not begin until Dentons have requested the transfer from my existing scheme.

I understand that if I am establishing a SSAS, I will be unable to purchase the commercial property until the SSAS has been accepted and registered with HMRC, which can take a few months.

I confirm that all the details provided on this form are true, to the best of my knowledge and belief.

Your full name

Date

Signed



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