



EMBARK PENSIONS

PROPERTY PURCHASE PROCESS CHART

The chart on the next page provides an overview of the basic process, information and documentation that may be required to purchase commercial property through a pension.

It is important to take advice from a suitably qualified professional when deciding to invest in commercial property. For more detailed information please refer to the Embark Pensions Commercial Property Guide and associated forms.

Property transactions often take several months to complete. In some cases delays may occur for reasons beyond the trustees' control, particularly when a number of parties are involved. The chart below provides an overview of the process that is followed upon receipt of the completed information schedules.

These charts are based upon our understanding of current pensions law and taxation and are correct at the time of publishing.

COMMERCIAL PROPERTY PURCHASE

STAGE 1 – INITIAL INFORMATION RECEIVED

- Completed Property Questionnaire
- Valuation report

STAGE 2 – INITIAL FEASIBILITY REVIEW

Information reviewed by our property purchase specialists for acceptability to proceed with the purchase

STAGE 3 – REVIEW FEEDBACK

Any potential problems raised and additional information requested

STAGE 4

Solicitor appointment*

- Pay monies for searches
 - Report on title
- Lease documentation
- Liaise with vendor's solicitor for legal purchase
- Purchase documentation
- Borrowing documentation
- Environmental/Asbestos/EPC reports
- Insurance

VAT (if applicable)

- Registration
- Option to tax
- VAT indemnity

Pension administration

- Set up scheme
- Arrange for funds to be available
- Ensure insurance is in place
- Execute legal documentation

Lender

- Contact lender and confirm requirements
- Agree loan documents

STAGE 5 – EXCHANGE OF CONTRACTS

- Send deposit monies
- Property put on risk

STAGE 6 – COMPLETION

- Completion statement from solicitor
- Solicitor draws down loan
- Send completion monies to solicitor
- Member notified rental arrangements

ONGOING REQUIREMENTS – (PROPERTY MANAGEMENT**)

Lease

- Payment of rent to pension

Borrowing

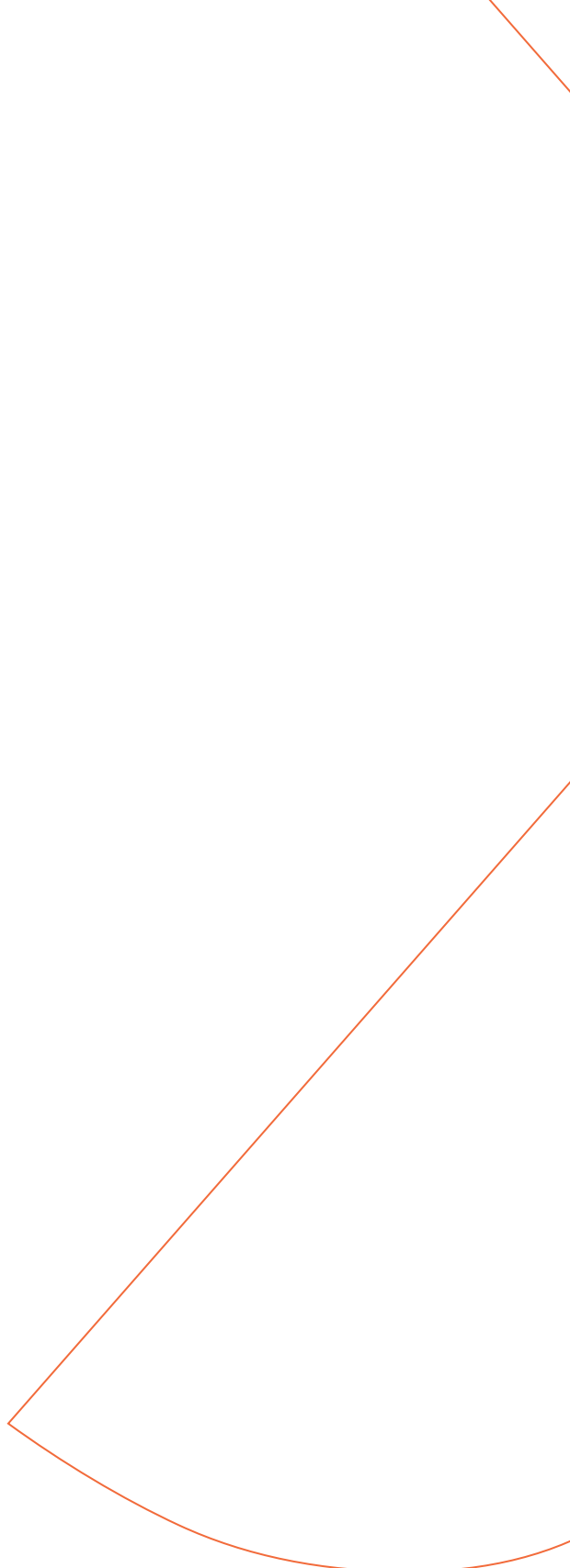
- Repayments from pension (if applicable)

Insurance

- Ongoing from exchange of contracts

* The trustees' solicitor will not be appointed until the initial assessment has proved successful.

** The trustees will be responsible for pension property management. Embark does not provide this service.



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