



# 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 via our block policy

### 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
- Appoint 3rd party reputable Property Manager.

## 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 and are required to appoint a professional property management firm to provide this service. Embark does not provide this service.



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