

Commercial Property Application Form

Please complete this form if you would like us to:

- Purchase a commercial property as an investment in your OneSIPP or Transfer Pension Portfolio (Section 32).
- Transfer an existing commercial property, held personally or already in a pension fund to your OneSIPP or Transfer Pension Portfolio (Section 32) (an in-specie contribution or transfer).

Please note that the commercial property to be acquired will normally be purchased as an asset of an insurance fund linked to a pension policy issued by Sanlam Life & Pensions UK Limited (SLP). The legal and beneficial title to the property will also be held by SLP. In certain circumstances, in connection with investments via the OneSIPP, the legal ownership of the property may be held directly by Sanlam Trustee Services UK Limited (STS), the scheme trustee. Reference in this application form to Sanlam Investments and Pensions can mean SLP or STS dependent upon ownership of the property.

Please read the Guide to Commercial Property and the Financial Feasibility Report before completing this form.

Please complete this form as fully as possible and sign the application and declaration at the back. By signing Section 7, you are authorising Sanlam Investments and Pensions to acquire the commercial property as an asset of your OneSIPP or Transfer Pension Portfolio (Section 32), and to debit your pension fund with the costs incurred in connection therewith. If you have any questions, then please speak to your Financial Adviser or call our Property Services Team on 0117 975 2289.

Please complete this form in BLOCK CAPITALS.

Section 1. Applicant's details

Fund name	<input type="text"/>	(the fund)
Applicant name(s)	<input type="text"/>	
OneSIPP Account Number(s) (if known)	<input type="text"/>	
Transfer Pension Portfolio (Section 32) Account and Sub Account Number(s) (if known)	<input type="text"/>	
Financial Feasibility Report Reference Number	<input type="text"/>	

Have any of the details provided in the above referenced Financial Feasibility Report and any previously submitted Commercial Property Enquiry Forms changed? Yes No

If yes, please complete a new Commercial Property Enquiry Form, or provide details of the changes below.

The Commercial Property Enquiry Form will form an integral part of this application, and will be relied upon by Sanlam Investments and Pensions.

Section 2. Property to be purchased

Please attach a valuation of the property if available (see Notes in Section 6).

Property address

	Postcode

Purchase Price (excluding VAT)

£

Is the property currently VAT elected?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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VAT on Purchase Price (if applicable)

£

Is Sanlam Investments and Pensions VAT option to be used?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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Note: The VAT option is not available if the property is to be held as a trustee asset.

Is there a deadline for completion?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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If yes, please state date

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Please note that we will try to ensure that any deadline is met, but we cannot guarantee this.

If the property is to be purchased on a shared ownership basis:

% to be held by Sanlam Investments and Pensions

%	£
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% to be held by co-owner

%	£
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Name of co-owner

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Is the co-owner to have a loan on their share of the property?

We will contact you for more information if yes

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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Section 3. Seller's details

Please provide details below and/or attach a copy of the sales particulars.

Name

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Address

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	Postcode
--	----------

Solicitor acting for the seller

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Address

--

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	Postcode
--	----------

Telephone number

--

Contact name at solicitors

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Section 4. Tenant(s)/Proposed tenant(s) details

If there is more than one tenancy, please give the details below for each on a separate sheet.

Will we acquire the property subject to an existing lease?

Yes No

If yes, please provide a copy of the lease and any subleases. If no, please provide the following details.

Name of proposed tenant(s)	<input type="text"/>
Current address of proposed tenant(s)	<input type="text"/>
	<input type="text"/>
	<input type="text"/> Postcode <input type="text"/>
Solicitor acting for the tenant	<input type="text"/>
Address	<input type="text"/>
	<input type="text"/>
	<input type="text"/> Postcode <input type="text"/>
Telephone number	<input type="text"/>
Contact name at solicitors	<input type="text"/>
Direct dial telephone number	<input type="text"/>

Section 5. Borrowing

Is borrowing required?

Yes No

(If yes, please attach loan facility letter or indicative loan terms, if available.)

Name and branch office of lender	<input type="text"/>
Contact at lender	<input type="text"/>
Telephone number	<input type="text"/>
Email address	<input type="text"/>

Commercial Property as an asset of a Customised Fund

1. Before deciding to invest in a property, you should consider the costs associated with buying, valuing, maintaining and selling a property, all of which are deducted from your fund. The costs incurred in a property transaction will be deducted, even if a purchase does not proceed. You should also consider the eventual disposal of the property or how benefits will be paid from your pension fund(s), if the main, or only, asset is a property. This may occur earlier than anticipated, for example, should the fund need to pay death benefits, a pension credit to a former spouse or civil partner, or provide pension benefits.
2. We will need an independent valuation and reports giving:
 - a. open-market sale value, based on existing use, any planning consent already granted (not prospective) and subject to any existing leases;
 - b. open-market rental value on a tenant's full repairing and insuring basis with upward-only rent reviews (unless there is a lease in place and the tenants will be remaining in occupancy);
 - c. a description of the property and comment on its condition, including any possibility of environmental contamination, the effect of any deleterious materials (e.g. asbestos) and marketability;
 - d. an insurance value.

These must be carried out by a surveyor and valuer acceptable to us and any lender, and normally be addressed to Sanlam Life & Pensions UK Limited; we will advise you if this is not the case. The fees for the reports will be charged to the fund, even if the purchase does not proceed, for any reason.

3. Provided that the property meets the criteria on pages 9 - 11 and that the proposals comply with HM Revenue & Customs' (HMRC) conditions, so that the investment is neither subject to tax charges nor classed as 'taxable property', we will instruct our solicitors (more information about 'taxable property' can be found in the Guide to Commercial Property). Acceptance of your request may be subject to certain conditions being met. Please note, however, that Sanlam Investments and Pensions reserves the right to decline to purchase a property, at any stage, whether or not it meets our criteria. In particular, if we have given a preliminary view, based on limited information, it must not be assumed that the property will still be acceptable, once fuller information becomes available. As an investment of your fund, the legal and beneficial interest in the property will normally be registered in the name of SLP. If the property is held directly by the scheme trustee, STS will be registered as the legal owner of the property. You will have a contractual right to the payment of benefits in accordance with the Terms and Conditions of the OneSIPP or Transfer Pension Portfolio, the value of such benefits being calculated by reference to the value of the fund from time to time. SLP or STS will grant a lease to the proposed tenant or become the landlord under an existing lease. If you are the seller and/or the proposed tenant, you should instruct your solicitor (on receipt of confirmation from us) that we are instructing ours.
4. We can hold a property with good title only and require our solicitor to make all the usual enquiries and searches which apply, when acquiring a property. This applies regardless of whether the property is being acquired from an unconnected third party, the member or by a transfer from another scheme, insurer or from the employer. The time scale for acquisition will therefore be no different from that for any other property purchase.
5. Please note that, in the absence of an existing asbestos management plan, we will require an asbestos survey and report to be conducted in compliance with the Control of Asbestos Regulations (2012), immediately following completion if one is required. If not carried out before completion, the cost of this report and any work resulting from it must be met by the tenant.
6. It is your responsibility to ensure that you obtain any tax and legal advice you consider necessary in connection with the purchase, maintenance and sale of the property. Should any liability to a tax charge arise due to the property becoming 'taxable property' (as referred to in point 3), or if any other property related tax charge (e.g. SDLT) becomes payable to HMRC for any reason, all such costs will be met from the fund. If there is insufficient cash to meet these costs, contributions will be required to be paid into the fund to cover any shortfall.

Commercial property as an asset of a Customised Fund

Commercial property is generally acceptable as an investment of a Customised Fund. As the property would be owned by SLP or STS (as defined previously) we have to apply some conditions to ensure that the property would be an acceptable asset, as well as comply with HMRC requirements, so that it is not subject to any tax charges. Some of the principal rules are summarised below. Our prior agreement must therefore be obtained to any real property purchase to ensure that it does not infringe any legislative requirements or leave us exposed to any abnormal risk, and you should agree any proposals with us at an early stage.

The conditions are:

- i. It must be a commercial property for example an industrial unit, warehouse, office, shop, or hotel. If land is to be purchased it must be used solely for commercial agricultural purposes. The property should not be used for residential purposes. If there is any residential element, you should check with us (at an early stage) whether this is permissible under HMRC requirements in order to be held as an investment of a registered pension scheme.
- ii. We will normally only buy property in England, Wales or Scotland, which must be freehold, long-term leasehold at nominal rent (e.g. peppercorn rent), or Feuhold (in Scotland), carry no onerous restrictions or obligations or leave Sanlam Investments and Pensions exposed to any abnormal risk.
- iii. The property must be purpose built or a quality conversion with all consents.
- iv. The property must be in good repair, unless arrangements satisfactory to us can be made to remedy the defects. All usages, alterations and extensions must be with the appropriate planning consents and (where appropriate) comply with contemporary building regulations and in accordance with professional standards.
- v. We cannot accept a property with a potential liability consequent upon environmental contamination on, or near, the property to be acquired, unless arrangements satisfactory to us can be made to remove the liability.
- vi. The entire property should generally be leased to one tenant on commercial terms, and on a tenant's full repairing and insurance basis, normally for five years or more, but must cover as a minimum any loan term, with upward-only rent reviews. We may agree to multiple tenancies in some circumstances, in which case a managing agent must be appointed, and the leases must meet our usual criteria. Any new lease must come into force at the same time as our acquisition of the property, unless otherwise agreed prior to purchase. If an existing lease does not meet these criteria, it may be possible to vary the lease (subject to tenants agreement) or grant a superior lease which does, subject to HMRC conditions. Where a lease is to a limited company we shall require a credit check to ascertain their financial status, the cost of which will be charged to your fund. These credit reference agencies may keep a record of the enquiry.
- vii. The property must be easily resaleable. Therefore, property of restricted usage is not acceptable, e.g. petrol stations or properties in a difficult geographic location.
- viii. The sale to the fund must be without any special clauses, i.e. no covenants to sell back to the seller or options.
- ix. The purchase, sale, letting and insurance of the property must be at the values determined by a qualified surveyor. We currently require valuations to be carried out at no less than three-yearly intervals and also when:
 - a. benefits are to be provided;
 - b. the fund is to be closed for any reason;
 - c. we are required to obtain an open market valuation of the property for legislative purposes. If there is more than one policy invested in the fund, the property will be valued whenever necessary to ensure equity among participating account holders.
- x. We prefer completion to immediately follow exchange of contracts but can arrange to contract in advance subject to additional criteria.
- xi. If there is more than one tenant, we cannot normally take responsibility for any common parts.
- xii. A managing agent will be required to manage the property, where it is tenanted by a third party, in multiple occupancy or an agricultural/forestry land purchase.
- xiii. Sanlam Investments and Pensions reserve the right to decline to purchase any property at their sole discretion. For OneSIPP the decision as to whether the property shall be held as an asset of Sanlam Life & Pensions UK Limited or Sanlam Trustee Services UK Limited, will be at the discretion of the scheme administrator, Sanlam Financial Services UK Limited (SFS).

Section 7. Application and declaration

General Declaration

I/We request that Sanlam Investments and Pensions purchase the property for the fund or, where applicable, accept an in-specie transfer or contribution of the property, as described in this application and grant a lease, if required, to the proposed tenant as described in the Commercial Property Enquiry Form.

I/We authorise Sanlam Investments and Pensions to pay the following and deduct the cost from my/our fund without any further instruction being required insofar as they are to be met from the fund or have not otherwise been settled:

- a. legal expenses;
- b. fees charged by my/our Financial Adviser;
- c. loan fees charged by lender;
- d. valuation, surveys, indemnity insurance and environmental report fees (including any subsequent valuations and specialist reports (e.g. asbestos survey) which may be required);
- e. fees of agents acting for Sanlam Investments and Pensions in the purchase and grant of any lease;
- f. fees of agent appointed by Sanlam Investments and Pensions to manage the property and any necessary expenses (e.g. insurance or for emergency repair);
- g. Sanlam Investments and Pensions' charges in connection with the acquisition, management and sale of the property;
- h. all tax charges due to HMRC and/or a local authority, any penalties, fines, fees, charges, the cost of any legal costs, judgements and any other benefits that may be imposed as a consequence of owning the property;
- i. all costs related to remediation of contamination of the property and any other expenditure which is necessary as a consequence of owning the property.

I/We understand that any expenses/fees properly incurred by Sanlam Investments and Pensions will be debited to the fund, whether the proposed property purchase, or in-specie transfer or contribution, completes or not, including a refusal by Sanlam Investments and Pensions to proceed with the purchase, or in-specie transfer or contribution, at any time, whether or not giving a reason.

I/We understand that if real property is being transferred in specie, and in the event that the transaction does not proceed for any reason, I authorise any fees or costs incurred by Sanlam Investments & Pensions in connection with giving effect to this transfer, to be paid from the transferring scheme, where there is insufficient cash in my/our fund to meet such fees or costs.

Where I/we have requested that any VAT liability in connection with the acquisition of the property be paid by Sanlam Investments and Pensions and once reclaimed is retained by them, I/we agree to the terms of the VAT declaration overleaf. I/We have taken such professional advice (if any) as I/we consider appropriate.

I/We confirm that where Stamp Duty Land Tax (SDLT) is payable, I/we have taken such professional advice as I/we consider appropriate and agree that all SDLT will be paid from the fund.

The information given in this application, the Commercial Property Enquiry Form and the information on which the Financial Feasibility Report is based is true and complete to the best of my/our knowledge and belief, and I/we consent to information being released to third parties (ie. solicitors and lenders) if required.

The following documents are enclosed or will follow:

- a. open-market sale valuation, including a description of the property, comment on its condition, marketability and its insurance value;
- b. valuation of the current open-market rent (unless the property is to be purchased subject to an existing tenancy which we have accepted);
- c. copies of any specialist reports carried out on the recommendation of the valuer;
- d. copies of any existing leases/subleases/licences to which the property to be purchased is subject;
- e. loan facility letter, if borrowing is required to facilitate the purchase;
- f. if not previously submitted, or if details changed, a Commercial Property Enquiry Form and a Financial Feasibility Report.

Items (a), (b), (c) and (e) above should be addressed to Sanlam Life & Pensions UK Limited unless the property is to be held by the scheme trustee, in which case they should be addressed to Sanlam Trustee Services UK Limited.

Declaration for VAT elected properties

Where the property, details of which are given in Section 2, is being acquired by Sanlam Life & Pensions UK Limited (SLP), or by Sanlam Trustee Services UK Limited (STS), and is to be held either as an insured asset or a trustee asset, and is not exempt from Value Added Tax (VAT), or the exemption is to be waived, it is expected that a purchase of the Property (subject to contract) will give rise to a charge on SLP or STS for VAT. This will be subject to your acceptance of the appropriate terms of this declaration for VAT elected properties.

Purchase by SLP

Where the property is to be purchased by SLP, and subject to your acceptance of the terms of this declaration, SLP agrees that :

- a. It will elect to opt to tax the property;
- b. Where the VAT option has been selected in Section 2, it will not debit the Fund's cash account with the VAT on the purchase, save as stated below; and
- c. In accordance with the Value Added Tax Act 1994 as amended, the VAT payable by SLP on the purchase will, so far as permitted, be recovered from HM Revenue & Customs (HMRC) for the SLP VAT accounting period during which the purchase is made and be retained by SLP. In default of your acceptance of the terms of this declaration, that liability to VAT will constitute an expense of the purchase and will be charged to the Fund.

However, if at any time and for any reason, SLP is unable to recover the VAT on the purchase, or this VAT subsequently becomes payable or repayable to HMRC, SLP will give you written notice of that fact. Upon the giving of such notice, the VAT on the purchase shall then be charged to the Fund as an expense of the purchase. If, in the event, SLP subsequently becomes able to recover any or all of the VAT on the purchase, SLP will thereupon account to the Fund for the amount so recovered.

If the property is to be treated as a Transfer of Going Concern (TOGC), SLP agrees that it will elect to opt to tax the property. If the property is not accepted by HMRC as a TOGC, SLP will give you written notice of that fact. Upon the giving of such notice, the VAT on the purchase shall then be charged to the Fund as an expense of the purchase. If, in the event, SLP subsequently becomes able to recover any or all of the VAT on the purchase, SLP will thereupon account to the Fund for the amount so recovered.

Shared Ownership

Where the purchase of the property is to be shared between SLP, and another party or parties (the Other Party), SLP (or its agent) will register the property for VAT on behalf of all owners. The Other Party will be responsible for payment of their share of the VAT payable in accordance with the percentage of the Property they are to acquire. If the VAT is not recoverable, SLP will recoup their share of the VAT paid, from the Fund as described above, but the VAT paid by the Other Party may not be so recovered. If the VAT subsequently becomes repayable to HMRC, SLP or its agent will give you and the Other Party written notice of that fact. The VAT payable on the purchase shall then be recoverable from the Fund and the Other Party in accordance with the share of the property being acquired by SLP and the Other Party respectively. Failure to recover the sum from the Other Party will mean that it will be charged to the Fund as an expense of the purchase, and could be reportable to HMRC as an unauthorised payment. If SLP subsequently becomes able to recover any or all of the VAT on the purchase, SLP or its agent will thereupon account to the Fund and the Other Party for the amount so received.

Purchase by STS

Where the property is to be purchased by STS and subject to your acceptance of the terms of this declaration, Sanlam Financial Services UK Limited (SFS), on behalf of STS, agrees that:

- a. It will elect to opt to tax the property;
- b. VAT will constitute an expense of the purchase and will be charged to the Fund;
- c. In accordance with the Value Added Tax Act 1994 as amended, the VAT payable on the purchase will, so far as permitted, be recovered from HM Revenue & Customs (HMRC) and remitted back to the Fund.

However, if at any time and for any reason, SFS is unable to recover the VAT on the purchase, or this VAT subsequently becomes payable or repayable to HMRC, SFS will give you written notice of that fact.

If the property is to be treated as a Transfer of Going Concern (TOGC), SFS agrees that it will elect to opt to tax the property on behalf of the trustee/s. If the property is not accepted as a TOGC by HMRC, SFS will give you written notice of that fact. The VAT would then be deducted from the Fund.

In consideration for the services rendered by SLP or SFS in paying and recovering VAT on the purchase, as well as for all related correspondence and administration, a fee will be charged to the Fund as described in the Guide to Charges.

If the recouping of the VAT, costs or any other expenses associated with the purchase of the Property from the Fund results in an unauthorised payment being created, this will incur penal tax charges which are payable to HMRC. Any such tax charges will be met from the Fund in the first instance.

If you are uncertain as to the meaning or effect of this declaration, or as to what action to take, you should consult your professional adviser/s.

I/We confirm I/we have read:

Guide to Commercial Property

Please tick

Financial Feasibility Report

Please tick

Please arrange for all investors who wish to invest in the Commercial Property within their pension arrangement to sign below.

Signed

Date

Signed

Date

Signed

Date

Signed

Date

Please provide your email address for contact purposes:

Where there are more than four investors, please photocopy the application form and ensure that all signatures are captured.

Thank you for completing this application form. Our Property Procurement Team will be in touch with your Financial Adviser shortly.

Section 8. Financial adviser details

Name	<input type="text"/>
Firm reference number	<input type="text"/>
Position	<input type="text"/>
Full name of regulated firm	<input type="text"/>
Address	<input type="text"/>
	<input type="text"/>
	<input type="text"/> Postcode <input type="text"/>
Contact number	<input type="text"/>
Email	<input type="text"/>
Agency number	<input type="text"/>

(If new agency, please attached terms of business).



Sanlam & Sanlam Investments and Pensions are trading names of Sanlam Life & Pensions UK Limited (SLP (Registered in England and Wales 980142)) and Sanlam Financial Services UK Limited (SFS (Registered in England and Wales 2354894)). SLP is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. SFS is authorised and regulated by the Financial Conduct Authority. Registered Office: St. Bartholomew's House, Lewins Mead, Bristol, BS1 2NH.

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