



## Property Questionnaire

**Name of Pension Scheme:**

The purpose of this questionnaire is to assist us when a pension scheme acquires commercial property, & to help us ensure that the transaction is handled correctly & any pitfalls are avoided. We will not proceed with the proposed property transaction until the questionnaire has been signed & returned to us (& we are in receipt of all supporting documentation).

It may assist you if you read (or re-read) our Property Guidance Notes before completing this questionnaire. These are available upon request.

If there are any details that you are unsure of, or unable to complete, please contact us for guidance. Where necessary, please put "TBA" (to be advised) & forward any missing information to us as soon as possible.

### Property Details

Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Description of the property (eg office, industrial, shop premises) \_\_\_\_\_  
\_\_\_\_\_

Is the title registered?                      Yes                                            No                     

Freehold or Leasehold?                      Freehold                                            Leasehold                     

If Leasehold, please confirm:-

Remaining term of the lease \_\_\_\_\_

Ground rent payable \_\_\_\_\_

Are there any onerous review provisions in relation to the ground rent? \_\_\_\_\_

Is the property being purchased with vacant possession or is there an existing tenant?

Vacant possession

Existing tenant

Is the property subject to VAT?

Yes

No

If No, is a VAT election likely?  
Eg for redevelopment

Yes

No

Who will deal with the VAT registration on behalf of the Trustees? \_\_\_\_\_

Please also confirm who will deal with the quarterly VAT returns on behalf of the Trustees, following completion?

Purchase price of the property £ \_\_\_\_\_ including/excluding VAT  
(delete as appropriate)

Estimated completion date \_\_\_\_\_

Is there any residential aspect to this property? Yes  No

If yes, please provide further details & confirm who will be occupying this part of the property.

Are there any environmental concerns relating to this property? (eg asbestos or other contamination issues)

Yes

No

If No, please indicate what evidence has been relied upon to reach this conclusion.

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If Yes, please provide further details & advise how the potential liability on the pension scheme will be mitigated.

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Is the property adjacent to any residential property?

Yes  No

If Yes, please:

- provide a diagram indicating the property which the pension scheme is to acquire & the residential property adjacent to it. Please show any existing boundaries, with a note describing those boundaries (eg brick wall 1 metre high etc)
- advise who occupies the residential property & indicate whether or not they are a connected party

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NB In some circumstances, HM Revenue & Customs could deem that the commercial property to be acquired by the pension scheme is actually to be a “taxable property” by virtue of its close proximity to residential property. In addition, **IF** the residential property is occupied by a connected party, it is necessary to rule out any benefit that the connected party could potentially receive by virtue of the pension scheme acquiring the adjacent commercial property. If you think this could apply, please contact us for further details &/or discuss the issues involved.

## Financing the Transaction

Please provide the following information relating to the financing of the proposed purchase:

Purchase price £

VAT (if appropriate) £

Please provide details as to how the pension scheme will fund the purchase of the property by completing the table below

If this is a joint purchase with another party, including another pension scheme, please complete the basic details below in relation to the co-owner's funding position. This is important, especially if the other party is intending to borrow. A separate property questionnaire must be completed by each pension scheme involved in the proposed purchase, but you need to indicate the basic funding details of the other scheme, if applicable.

	<b>Pension Scheme</b>	<b>Co-owner name (if applicable)</b>	<b>Co-owner name (if applicable)</b>
Intended % share of ownership (eg 100%, 50% etc)	%	%	%
Cost of % share	£	£	£
Current cash balance of the pension scheme		N/a	N/a
Any proposed employer contribution	*	N/a	N/a
Any proposed personal contribution	*	N/a	N/a
Any proposed transfer value from other pension arrangements		N/a	N/a
Proposed amount of borrowing			
Totals			

\*

Please indicate if any part of these payments are intended as "In-specie" payments.

## Vendor details

Name of the Vendor \_\_\_\_\_

Is the Vendor a “connected” party?                      Yes                             No      

If Yes, please state the connection \_\_\_\_\_

\_\_\_\_\_

If the Vendor is “connected”, a market valuation addressed to the trustees of the pension scheme will be required. If the valuation has been addressed to another party eg mortgage lender, the valuer will need to confirm by separate letter (addressed to the trustees of the pension scheme) that the trustees can rely on the advice given, otherwise a separate valuation report will be required addressed to the trustees.

## Details of the solicitor who will act for the pension scheme

Contact name \_\_\_\_\_

Firm \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Tel \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

Is the solicitor aware that this transaction is to take place?    Yes                             No      

Unless you advise otherwise, we will contact the solicitor copying this questionnaire & providing a standard form of instructions. We will send a copy of this letter to our usual point of contact for the pension scheme, which may be your financial advisor.

Please remember that we do not undertake to chase other professional advisors involved in a property transaction & the Member Trustee (&/or their financial advisors) has a key role in this regards. Our assistance when dealing with other professional advisors can, however, be requested at any time.

**Details of the valuer / surveyor who will act for the pension scheme**

Contact name \_\_\_\_\_

Firm \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Tel \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

Please note, we do not usually contact the valuer with instruction to prepare a report & the Member Trustee (or their financial advisors) will normally need to do this. Please ensure that the relevant sections of our Property Guidance Notes are considered when addressing the need for valuation advice. Please contact us if you have any queries, or arrange for your valuer to contact us.

Please indicate whether a valuation report is attached to this questionnaire.

Valuation report dated \_\_\_\_\_ attached / not attached.

Valuation report to follow    Yes     No     Not applicable

Please note (depending on market conditions) we will only generally rely on the content of a valuation report if it is within 6 months of the transaction date.

**Details of the lender (if appropriate)**

Contact name \_\_\_\_\_

Lender \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Tel \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

We will not usually contact the lender to request a formal lending offer & the Member Trustee (or their financial advisors) will need to arrange for a formal lending offer to be issued. Please contact us if any assistance is required.

If the scheme is being purchased jointly with another part (co-owner), including another Astute pension scheme, each party will need their own lending offers & “cross default” clauses will need to be included. Please refer to the relevant section of our Property Guidance Notes, or contact us if you have a query.

**Details of the pension scheme borrowing (if appropriate)**

<b>Amount of new borrowing</b>	
<b>Term of new borrowing (eg 5 years)</b>	
<b>Amount of monthly or quarterly repayments</b>	
<b>Total amount of any existing borrowing currently outstanding</b>	
<b>Current approximate value of the pension scheme</b>	

Please remember that any NEW borrowing will be restricted to 50% of the current NET fund value of the pension scheme, ie less the total outstanding on any existing loans. Please refer to the relevant section of our Property Guidance Notes, or contact us if you have any queries.

**Existing tenant(s) details (if appropriate)**

Tenant's name \_\_\_\_\_

Is the tenant a “connected” party?                      Yes                                            No                     

If Yes, please state the connection \_\_\_\_\_

Amount of rent payable & frequency of payments \_\_\_\_\_

Is rent paid up to date?                                      Yes                                            No                     

Remaining term of the Lease \_\_\_\_\_

If there is more than one tenant, please provide details for each tenant separately.

Please indicate whether a copy of the existing lease(s) is / are:

- i. enclosed with this questionnaire
- ii. being obtained & will be sent to Astute Trustee Services shortly
- iii. Astute Trustee Services should request the solicitor to provide copies of any existing leases

Astute Trustee Services will not allow a property to be acquired until copies of all existing leases are received by Astute.

### New tenant(s) details (if appropriate)

Tenant's name \_\_\_\_\_

Is the tenant a "connected" party?      Yes            No     

If Yes, please state the connection \_\_\_\_\_

Amount of rent to be paid & frequency of payments \_\_\_\_\_

Proposed term of lease \_\_\_\_\_

**If there is more than one tenant, please provide details for each tenant separately.**

If any tenant, is "connected", a market rental valuation addressed to the trustees of the pension scheme will be required. If the valuation has been addressed to another party eg mortgage lender, the valuer will need to confirm by separate letter (addressed to the trustees of the pension scheme) that the trustees can rely on the advice given, otherwise a separate valuation report will be required addressed to the trustees.

### Property Management

Will independent property managers be appointed to manage the property investment for the trustees of the pension scheme?      Yes            No     

If Yes, please provide relevant contact details



If No, the Member Trustee(s) must ensure that they actively take all action necessary & make all necessary arrangements, on behalf of the trustees of the pension scheme, so the property asset is effectively managed. The management of the property includes amongst other things, the collection of rents & consideration of all statutory requirements that may be placed on the pensions scheme as a property owner / landlord (whilst ensuring that tenants meet their obligations under leases eg maintaining, repairing, decorating requirements etc)

When independent property managers are not appointed, the Member Trustee can arrange for any professional advice or assistance necessary from suitably qualified people to satisfy the property management requirements on an ad hoc basis.

**Please remember that Astute Trustee Services Ltd does not charge an additional annual fee for property investments held by the pension scheme.**

### Rental reconciliation requirements

Rental information must be reported to the HM Revenue & Customs (HMRC) at their request. Usually this forms a series of questions on their annual Pension Scheme Tax Return or Event Report form. Such information can include details of unpaid rents by connected parties (outstanding rent can involve onerous tax charges) & details of rent receipts from properties which were originally acquired from both connected & unconnected parties.

The Member Trustee(s) (as the “property manager” for the trustees) will have various responsibilities in relation to the provision of information required by HMRC & Astute Trustee Services Ltd, as scheme administrators. As scheme administrators, Astute Trustee Services Ltd will deal with the annual reporting requirements to HMRC on the Member Trustee’s behalf, but to do this we will need the following information from the Member Trustee on an annual basis (the Member Trustee may obtain this information from the Independent Property Manager, if one has been appointed).

- Confirmation of rent which fell payable in the tax year in question
- Confirmation of the amount of rent received in the tax year
- Confirmation that the Member Trustee holds (& will provide copies upon request) bank account statements confirming the rent paid in a given year
- Confirmation of the current tenancy details

For this purpose, Astute Trustee Services Ltd will require an **annual declaration** to be completed & signed by the Member Trustee. Please note that the Member Trustee agrees to provide this information by signing the attached Member Trustee’s declaration.

### Member Trustee’s Declaration

I/we declare that I/we have read & understood Astute Trustee Services Ltd’s Property Guidance notes & have raised any queries with Astute Trustee Services Ltd, or my/our professional advisors, in order to accurately complete the details required.

I/we agree that where I/we have indicated information to follow, this will be provided as soon as possible & I/we understand that the transaction may not proceed until the information is provided.

I/we understand that before a property is acquired by my/our pension scheme, I/we will need to sign a Trustees Resolution, which Astute Trustee Services Ltd will then countersign, whereby I/we acknowledge the position as regards property management.

I/we confirm that I/we will not allow any alteration to be made to the property asset whilst it is owned by the pension scheme without the prior consent of Astute Trustee Services Ltd.

I/we confirm that, if any Tenant of the property is connected, I/we will advise Astute Trustee Services Ltd (or arrange for any Independent Property Manager appointed to advise Astute Trustee Services Ltd) as soon as rent becomes outstanding (I/we understand that unpaid rent by a connected party can lead to onerous tax charges if the non-payment is not correctly managed & I/we will obtain the assistance of Astute Trustee Services Ltd as soon as any arrears arise to seek to remedy the problem & mitigate the likelihood of any subsequent tax charges).

I/we confirm that Astute Trustee Services Ltd may sign any resolution necessary on behalf of the trustees to formally appoint either the solicitor or valuer involved in the transaction. (I/we understand that this will usually only be necessary if connected parties are involved & the valuer / solicitor is acting for both sides).

I/we understand that Astute Trustee Services Ltd does not necessarily chase the professional advisors involved in arranging completion of the transaction. As Member Trustee, I/we understand that I/we have a hands-on role to play, although I/we may seek the assistance of any one of my/our professional advisors to co-ordinate matters.

I/we confirm & agree that each year I/we will arrange for the **annual declaration** to be completed in a timely manner. If necessary, I/we will obtain the required information from the Independent Property Manager that I/we have appointed.

**Each Member Trustee to sign:**

Signed ..... Date .....

Name .....

Signed ..... Date .....

Name .....

Signed ..... Date .....

Name .....

Signed ..... Date .....

Name .....

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Astute Pensions is a trading name of Astute Trustee Services Limited which is registered in England and Wales with number 07944236 and whose registered office is at 87 Watling Street Road, Fulwood, Preston, PR2 8BQ. Astute Trustee Services Limited is authorised and regulated by the Financial Conduct Authority.