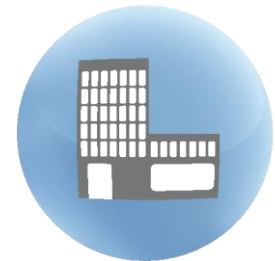


TAYLOR PATTERSON

PART OF MATTIOLI WOODS PLC



COMMERCIAL PROPERTY OUR GUIDE TO PROPERTY MANAGEMENT

Once you have purchased a property it is essential that it is properly managed. One of the advantages of The Taylor Patterson SIPP and SSAS is that the member can act as the Property Manager.

Members who are valuers, surveyors or property managers may, of course, appoint their own firm as the Property Manager. Should members wish to manage properties personally rather than appoint a firm, Taylor Patterson's policy is to formally appoint the member(s) as the Property Manager.

Property Manager Responsibilities	
Leases	<ul style="list-style-type: none">• Arranging lettings and ensuring leases are current.• Ensuring the tenant complies with the terms of the lease.• Acting as a point of contact for the tenant on behalf of the pension fund trustees, dealing with tenant enquiries and any property related disputes.• Ensuring all legal requirements are met in relation to environmental and asbestos issues.• Liaising with the tenant at the end of the lease either to renew the lease or to leave the property (including ensuring the property is left in a suitable condition or overseeing dilapidations).• Such other duties as a property management firm would undertake.
Rent	<ul style="list-style-type: none">• The timely collection of rents to ensure that the pension fund trustees have sufficient cash flow to service any mortgage and other pension related costs.• Providing Taylor Patterson as the pension fund administrator with a rental statement and invoices for VAT purposes.• To provide Taylor Patterson with regular updates where a tenant is not paying rent. Any renegotiation of terms will require approval of Taylor Patterson Trustees.• Arranging rent reviews per the terms of the lease.• Reviewing rent where improvements are made to the commercial property outside of the tenant repairing clause.• Ensuring valuations are prepared periodically or at important dates as per HMRC requirements e.g. benefit reviews

Property Manager Responsibilities

Insurance	<ul style="list-style-type: none"> • Ensuring that the property is adequately insured and that the Trustees interest is duly noted on the policy document. • Providing copies of insurance certificates to the pension fund trustees on an annual basis. • Ensuring property insurance premiums are paid. • Ensuring that when a property no longer has tenants that insurers are notified and any policy conditions are met. • Where a property is untenanted ensuring that the property is secure and to regularly inspect it. • If applicable per the terms of the lease, raise the insurance rent invoice to the tenant. Please note that although insurance is exempt from VAT, a re-charge of insurance cost is not exempt from VAT if passed to a tenant of a commercial property that is subject to an option to tax.
Purchase / Sale / Development	<ul style="list-style-type: none"> • To provide the trustees with all relevant paperwork in relation to these property transactions, in particular, VAT invoices where the property is subject to VAT.

Please note: Taylor Patterson does not act as Property Manager and therefore does not have any direct dealings with tenants, however the appointed Manager should keep Taylor Patterson informed of any developments at the property that requires the input of Taylor Patterson as the professional trustee. For example, changes in tenant, planned landlord improvements and any planned change of use.

Where the Manager is appointing a legal adviser, surveyor or other property professional to act for the pension fund trustees, Taylor Patterson should be notified at such time. The appointed member(s) will also be responsible for negotiating with lenders in respect of establishing commercial mortgage loans and any subsequent variation to the terms, although they can of course appoint a commercial mortgage broker or other professional adviser to act on their behalf.

If a property no longer has a tenant there will be costs to the pension fund e.g. business rates, insurance. It is the responsibility of the Property Manager to ensure that there is sufficient cashflow to meet these expenses as Taylor Patterson cannot be liable for such costs.

The guidance notes are aimed at financial advisers and do not constitute advice. If you are a private investor, you should always seek independent financial advice.

Taylor Patterson Trustees Ltd is the Principal Trustee of the Taylor Patterson SIPP and is the Professional Trustee and Scheme Administrator of the SSAS. Mattioli Woods plc is the Provider, Operator and Administrator of the Taylor Patterson SIPP.

Taylor Patterson is a trading name of Mattioli Woods plc which is authorised and regulated by the Financial Conduct Authority. A SSAS is not a FCA regulated product and does not come within the remit of the FCA.

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