

Your 10-point in-specie property transfer checklist



Here are the 10 steps you should consider when transferring a property from a SIPP or SSAS to another provider.

1. Know the reason for transfer

- Is it a short-term issue that might blow over, or something more significant?

2. Identify the new provider

- Will the new provider alleviate the client's problem? If so, how?

3. Set the client's expectations

- Prepare clients that a transfer in-specie of property will be expensive, take significant time and will require their involvement along the way.

4. Make sure the client understands the costs involved

- Consider the costs involved. These may include fees levied by the current provider, the costs of the new provider, solicitors to act for both providers as well as any surveyor's costs. Our cost-effective fee structure means the fee savings may offset the cost of transfer over time.

5. Are there any tenants involved?

- Upon transfer, the receiving scheme will usually adopt any existing leases in place on the property, subject to a review from the solicitors. This aims to minimise disruption to the tenants. All rental payments must be up to date prior to transfer.

6. Set up the new SIPP and instruct solicitors

- We can instruct solicitors to act on the transfer once the SIPP is established, all our requirements have been met and there is at least £750 in the trustee bank account. The sooner this is in order, the sooner we can commence the process.

7. Arrange a valuation

- A valuation will need to be provided by a RICS surveyor of the client's choice, or IPM can consider one that has recently been prepared.

8. Speak to the current lender regarding any borrowing

- It is unlikely a bank will simply port a mortgage between pension providers. The client should therefore speak to their existing lender regarding early redemption of the existing loan, new terms agreed on the deal, and possibly a new arrangement fee.

9. Consider VAT issues

- Where a property is VAT-registered, VAT will not usually be due on a transfer of property if there is an existing lease in place which continues upon completion. The SIPP also needs to be registered for VAT, which can take several weeks. IPM is not a VAT expert and specialist advice should be sought in this area.

10. Complete

- IPM, the adviser, and the client can all work together to ensure the transaction is completed in the timeliest manner. At this point we can then take over the day to day running of the SIPP and property.

Get in touch

We always recommend speaking with us when considering a transfer in-specie of property so as we can provide you with assistance based on your client's specific circumstances.

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