

SSAS COMMERCIAL PROPERTY PURCHASE

One of the most popular features of a Small Self-Administered Scheme (SSAS) is the ability to own commercial property, including your own company premises. Once inside your SSAS, any increase in the value of the property, and the rental income is tax-free.

Doherty Pension Administration (DPA) have been involved in pension fund property purchase since 1994, and have built up a wealth of experience in this specialist area. We have a dedicated professional team who can support and guide you every step of the way.

A wide variety of commercial properties can be owned by a SSAS:

- Retail properties including shops and restaurants
- Office buildings or floors
- Industrial units and warehouses
- Car parks, petrol stations and garages
- Hospitality properties including hotels and pubs
- Nursing homes and childcare/nurseries
- Doctor and dental surgeries
- Legal and veterinary practices
- Agricultural land and building sites

The main “no go” area is residential property, with very few exceptions. Other than that, a DPA SSAS will allow you to buy any property that is permitted under HMRC rules, unlike some traditional SSAS providers which will insist on vetting the property to ensure it meets their strict requirements.

A SSAS property purchase can be funded using existing pension funds, new contributions and also borrowing. A SSAS is permitted to borrow up to 50% of the net value of its assets, either from a Bank or from you or your company, if you prefer, provided it is arranged on full commercial terms.

The property must of course be a viable investment for the trustees to make, and a formal lease will be required on normal commercial terms. Where the parties involved are connected with each other, the purchase price and/or rent must be supported by an independent valuation to ensure the transaction is done on a normal arms-length basis.

SSAS property purchase is a complex financial transaction and one which needs to be handled with care. Working with either your own appointed professionals, or using our hand-picked local experts (including solicitors, surveyors, and VAT specialists), we can help with every aspect of the purchase.

A SSAS offers a very tax-efficient and cost-effective way of buying commercial property especially where there are multiple members. It can work out considerably cheaper than an equivalent multi-member Self-invested Personal Pension property purchase.

As the only local firm offering both the technical financial advice as to how best structure a commercial property purchase, and the in-house SSAS set-up and administration services, we can help turn your business and retirement plans into reality.

