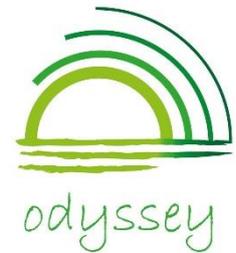


# case study



## commercial property purchase

Following a period of business expansion, Hannah is considering the benefits of moving her company to a new commercial unit. This will allow her to expand production, hire new staff and develop further business leads. She contacts her financial adviser for assistance as she has identified a potential property valued at £250,000.

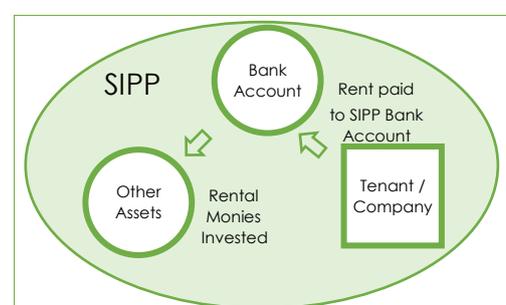
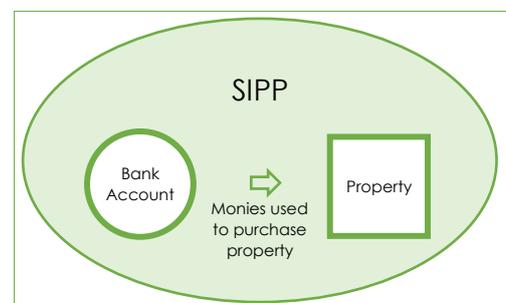
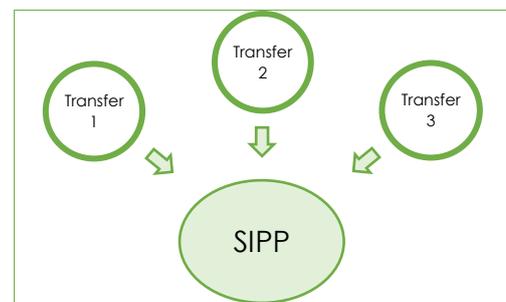
Hannah's Financial Adviser discusses various options with her regarding funding of acquisition. Although there is some financial resource available in the business, Hannah is keen to retain the money for other development purposes.

Her Financial Adviser advises her that it would be possible to consider the purchase through a Self-Invested Personal Pension (SIPP). The SIPP would acquire the property as an asset, and it would form part of her pension scheme.

Hannah's adviser identifies that she has a number of previous personal pension plans that she contributed to. There are three plans worth approximately £130,000, £95,000 and £50,000. He advises her to transfer these plans into a new SIPP and use the funds to purchase the property.

The total funds available are £275,000 which are more than sufficient to pay for the property and the initial costs: stamp duty, legal fees, adviser fees and the SIPP administration fees.

The solicitors arrange for a lease to be drawn up for five years, and Hannah's company pays a commercial rent back to her SIPP. As monies accumulate in the bank account, her adviser arranges for them to be invested.



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Odyssey Pensions Limited. Registration Number 11034559. FRN 796417.  
Administration Office: 15 Penybont Road, Pencoed CF35 5PY

Registered & Head Office: Celtic House, Caxton Place, Pentwyn, Cardiff CF23 8HA

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