

Handy guide to investing in property with your pension



Step 1: Identify a property you would like to purchase using your pension fund.

This property can be commercial or residential. The cost must be within the value of the pension fund. Personal funds cannot be added to purchase the property. However, you may combine pension schemes of 2 or more people in order to purchase one property jointly. You also may be able to borrow from your bank to boost your fund to invest in a property valued higher than the value of your pension fund.



Step 2: Complete an application form

When you have identified the property that you want to buy, the next step is to advise the estate agent or the vendor that you are purchasing the property through your pension scheme. It is important to realise that your scheme is the purchaser rather than you personally. You then send a Propertyline Application Form to ITC. It is essential that all the sections on the form are fully completed, the requested documents provided, and the form submitted without delay.



Step 3: Borrow

Should you require extra funds to purchase a property, you may be able to borrow from a bank. A loan is subject to the bank's criteria and should be sourced by you or your financial advisor. ITC can then liaise with the lender to arrange the loan and to ensure compliance with pension rules.

Interest rates vary in accordance with market rates. ITC does not negotiate interest rates with the bank. It is at your or your broker/financial advisor's discretion to do so.



Step 4: Insurance

Insurance must be put in place in respect of the property. If you have a preferred insurer, please insert their details in the space provided on the Propertyline Form. Otherwise, ITC will arrange cover with AON insurance. This will cover your property from the date of closing which means you do not have to arrange any additional insurance. If the property is already covered by Block Insurance, ITC's insurance will be added on to provide contents cover and Owner's Liability Insurance.



Step 5: Legals

A solicitor will have to be engaged to carry out the conveyancing in respect of this purchase. If you have a preferred solicitor that you would like to be appointed, please insert their details in the space provided on the Propertyline Form and if possible, ITC will instruct them. Alternatively, a solicitor will be appointed by ITC.

ITC's Legal Department will liaise with the acting solicitor to ensure compliance with pension and Revenue rules, have all legal documentation signed, and complete the purchase.

Step 6: Property Manager



In order to purchase pension property, it is a requirement of the Revenue Commissioners that the property be properly managed.

To that end, we have created a Property Management Panel, where you can choose your property agent. The property agent must be selected from this panel.

VAT NOTE

Commercial properties and commercial lettings may be registered for VAT. This will enable VAT paid to be reclaimed from Revenue (or offset against any VAT liability). If you wish to register your property for VAT please include this information on the Propertyline Application Form. We will then refer all VAT issue including registration and returns to ITC's VAT agent or the VAT agent of your choice. There is a separate fee payable for this service.

Why PensionProperty.ie?

With a view to making property purchases easier we have developed a series of arrangements and procedures, known as Propertyline, to ensure the process is as smooth and as straightforward as possible.