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Newsletter

August

2018



The Association of Real Estate Funds (AREF) is the body that represents the interests of its fund managers, those firms that advise and support them and the end customers that invest in our member funds. For further information, please visit our [website](#).

Welcome to our new members.

- [First Names Group](#) have joined AREF as an affiliate member as of 1 September 2018.
- We are pleased to welcome [Canada Life's](#) LF Canlife UK Property Authorised Contractual Scheme as a Full Fund Member from 1 September 2018.

Scottish Land and Building Transaction Tax Consultation.

On Thursday 2nd August the AREF Tax Committee submitted [a response](#) to the Scottish Land and Building Transaction Tax consultation from Scottish Parliament, [click here](#) to view the consultation.

The response is aimed at flagging key points particularly around the need to ensure consistency of treatment across the UK. As the response needs to be submitted online (not by way of a letter), it has been deliberately formatted to including the key messages in response to few questions instead of answering every single question. For more information on our Tax Committee, [click here](#).

First funds are awarded the 2018 AREF Quality Mark.



Congratulations to the Schroder UK Real Estate Fund, the West End of London Property Unit Trust and the M&G Property Portfolio for obtaining the 2018 AREF Quality Mark, after confirming compliance with the AREF Code of Practice for this year.

A reminder to all our members that the Self Certification Forms and Templates are due in by 31 December 2018 (details can be found on our website [here](#)). If you have any questions relating to the Code of Practice, please email: code@aref.org.uk.

Events.

26 September 2018

AREF Annual Dinner

Gold Sponsor - Aztec Financial Services
 Silver Sponsor - RBC Investor & Treasury Services
 All tables are now booked.
 Hosted tables still available - contact us to book.

October 2018

FutureGen Network
 'Retail:Dead or Alive?'
 Details announced soon

November 2018

F-O-R-T Training Series 'Capital Gains Tax'

Kindly hosted by Link Asset Services
 Details announced soon

November 2018

FutureGen Network Christmas Drinks

7 February 2019

F-O-R-T Training Series 'Fund Structures'

Cass Business School

February 2019

FutureGen Network Fund Lifecycle Training Series

All our events are open to our Full, Affiliate and Associate members, as well as Professional Investors and Fund Non-Executives

Email us at: info@aref.org.uk to book.

[For more info on our events click here](#)

[Click here to view Sponsorship Opportunities](#)

AREF Board Vacancies.

One of the outcomes of [the Board evaluation](#), covered in the July Newsletter, was the decision to increase the size of the current, 8-strong, Board by up to two Directors. The drivers for this decision include effective succession planning, enabling the adoption of a formal rotation policy and to broaden diversity in terms of the characteristics of the individual Directors (e.g. gender, ethnicity, age/seniority etc.) and in terms of corporate and professional/ technical background.

The Board covers the strategic direction of AREF, taking into account current and anticipated industry evolution; governance issues, including the financial well-being of AREF; and resourcing and business partnerships. Executive issues such as management of committees and working groups, lobbying and events are overseen by Management Committee.

We are looking for individuals interested in getting involved in AREF. Candidates may be representatives of member funds, employees of affiliate or associate members, employees of investor organisations or Non-executive/ Independent fund "Directors".

Please email John Cartwright directly at jcartwright@aref.org.uk.

Impact Investment & ESG. Committee Appointments.

With the growing focus on impact investment in the asset management community, and the shifting expectations that savers are beginning to have in how their advisors and managers deploy their capital, we wish to put together a working group to consider and advise AREF on how best to focus on this important area and how to embed it into our Committee structure. In doing so it will clearly be important to reflect on the particular issues that real estate investment raises and how to ensure that we engage with other relevant industry bodies without duplicating work already being done elsewhere in the industry. We would therefore like to hear from individuals willing to get involved in the group which may lead to a longer-term involvement. Please email info@aref.org.uk giving brief details of your background and experience.

Competition & Website Survey

We are working on a new website to be launched next year and would appreciate you completing a 5 min survey about the existing AREF website. You could win a bottle of champagne! [Link to survey](#).

- We are delighted to announce that Christopher Austin, Head of Tax, Private Assets at Schroders has accepted the Board's invitation to take over as Chairman of the Tax Committee with immediate effect, this position also carries a seat on the Management Committee.
- Will Chetwood is standing down as Chairman of the Tax Committee, and a member of Management Committee, for a well-deserved rest after more than 8 years and leaves with our grateful thanks for guiding us through a number of difficult tax issues. Will has kindly agreed to remain a member of the committee for a while to ensure a smooth transition.
- In addition, John Powlton, Head of Real Estate Tax at Prudential M&G is joining the Tax Committee.

Capital Gains Tax.

For the latest news on AREFs continued work on Capital Gains Tax [click here](#).

AREF are planning to hold a member event on CGT in November 2018, kindly hosted by [Link Asset Services](#). Details for this event will be sent out in September once we have a clearer idea of when the legislation will be released.

Committee Corner

A high level summary of what's being discussed in each Committee:

CORPORATE GOVERNANCE (next meeting 5th Sep 2018):

- Members of this Committee are working hard to promote AREF and the Code of Practice to both consultants and investors - encouraging them to use the Matrix and Quality Mark in their due diligence.
- The Committee also discussed: the implementation of a new AREF award for outstanding governance; new Guiding Principles; sustainability & ESG in relation to the Code and Fund Liquidity principles.

EDUCATION AND TRAINING (next meeting 19th Sep 2018):

- The Committee is preparing to launch the new F-O-R-T Training Series (fund structures, operations, regulation, and tax). It will kick off with a Capital Gains Tax event in November (jointly organised with the Tax Committee), followed by a Fund Structures event in February 2019 - which will include a report, written by an independent consultant.

FUTUREGEN (next meeting 19th Sep 2018):

- Committee members are finalising speakers for the 'Retail: Dead or Alive?' event in Oct/Nov as well as preparing to launch a new training series in 2019 called the 'Fund Life Cycle'.

INVESTOR (next meeting Oct 2018):

- Committee members are liaising with Corporate Governance Committee regarding the AREF Quality Mark.
- The Committee is focusing on investor engagement and looking to launch a new Investor Series of events in 2019 as well as discussing: GRESB; AIFMD review by KPMG and Fire safety practices.

PUBLIC AFFAIRS (next meeting 26th Sep 2018):

- Committee members are discussing cross-border distribution of collective investment funds; engagement with FCA, Bank of England and Government; a new AREF Brexit Working Group is being formed; AREF's response on the UK Limited Partnerships Law Reform; LTT consultation; CGT changes and Social impact investment and issues with CVAs.

RESEARCH & INFORMATION (next meeting 21st Sep 2018):

- Committee members have been discussing: The PFI rules, as well as debating the process of adding funds to the index; the MSCI production of the Index and PFV and benchmark regulations.

TAX (next meeting 17th Oct 2018):

- Tax committee members have been discussing the new CGT rules at length and are preparing a member event, along with the E&T committee for November.