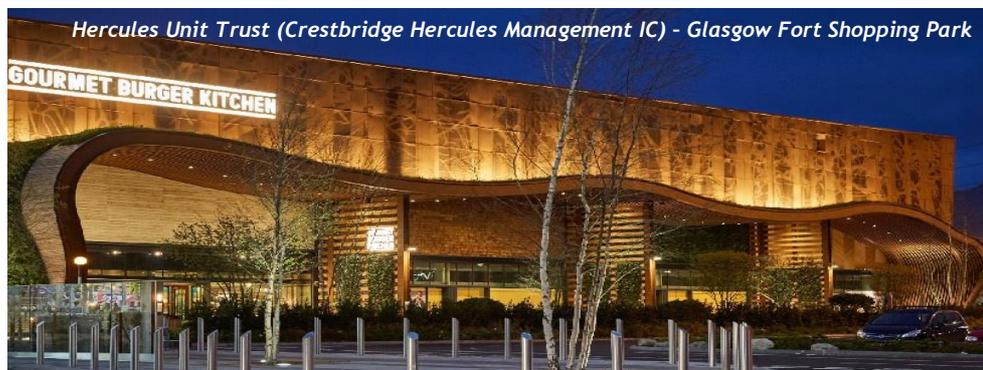


The Association of Real Estate Funds Monthly Newsletter November 2017



Hercules Unit Trust (Crestbridge Hercules Management IC) - Glasgow Fort Shopping Park

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Budget- capital gains tax for non-residents

In the Budget on 22 November 2017 the Chancellor announced changes to the taxation of capital gains on real estate disposals by non-residents. These changes are likely to impact many real estate funds. The AREF Tax Committee are currently putting together a paper which will be emailed to members over the next few days as well as organising a Member Discussion Forum for January on the subject. Details will be announced soon.

Welcome New Members

We are pleased to welcome the following new Full Members:

- KFIM Long Income Property Trust
- Royal London UK Real Estate Fund
- Tritax Property Income Fund

We are also pleased to welcome Ocorian as Affiliate Members.

Committee Matters - Corporate Governance Committee

After seven years on this Committee, and having been Chairman for the last four years, Paul Edwards has decided to stand down from this and from Management Committee. We would like to offer our thanks for his very significant contribution to our affairs, evolving both the Code and the Self-Certification process, and wish Paul a well-deserved rest from AREF matters for a while. The Board have decided to openly advertise the role of Chairman of this Committee, which also carries a seat on our Management Committee, so if you are interested and believe that you can drive our governance agenda forward please email info@aref.org.uk.

Events

12 December 2017 08:30hrs
Open Ended Fund Pricing Roundtable
Venue kindly hosted by: UBS

6 March 2018 (morning) - *Save the Date*
Disrupters in the Industry
Hosted by: Natwest Trustee & Depository Services

21 March 2018 15.30hrs
AREF Committee Day - by invitation only
Kindly hosted by: Hogan Lovells

21 June 2018 - *Save the Date*
AREF Member-only Summer Drinks Reception

26 September 2018 - *Save the Date*
AREF Annual Dinner

To book & for further info visit our website

Open End Fund Pricing Study

The Open End Fund Pricing Study is a consultation paper and the initial output from a focus group jointly commissioned by the Association of Real Estate Funds (AREF) and InRev, the European Association for Investors in Non-Listed Real Estate Vehicles. You can read more about this study and download the consultation by [clicking here](#). If you have feedback email us at info@aref.org.uk.

Performance Data

The Research & Information Committee would like to ensure the data being submitted to MSCI for the AREF/IPD UK Property Fund Index and the Property Vision Handbook is consistent across AREF members. We would appreciate it if ALL full member funds could complete [this short survey](#) (only 6 questions) for each of their AREF member funds by **Friday 8 December**.

Thank you Browne Jacobson!

We would like to thank Kevin Jones and his team at Browne Jacobson LLP for undertaking this year's on site reviews of members' compliance with the AREF Code of Practice.

The AREF Corporate Governance Committee have found their reports invaluable, not only to confirm members are complying with the Code but also, to enable the Committee to ensure the Code continues to be relevant to our members.

AREF/IPF Inducements - Working Group

This joint working group has been formed to address increasing concerns from the industry that the over-zealous application of the rules applicable to the regulated industry is a disadvantage to the real estate businesses; it held its first meeting earlier this month. Regulatory policy across the industry is seen as significantly incoherent and there are concerns that the industry is applying restrictions to the real estate market more applicable to other areas of the regulated financial services industry. Currently those outside the regulated industry find it difficult to understand the requests to monetise drinks, lunches or invitations to events, which can cause embarrassment, whilst those within it feel on the back foot compared with unregulated participants. The objective of this group is to help educate those outside the industry as to how the real estate industry works and to consider balanced policies for real estate practitioners.

- Committee Spotlight - Research & Information Committee

The Research and Information Committee has recently replaced the Indices and Data Committee. Please [click here](#) for a list of Committee members. The Committee will continue with many of its important duties including:

- Ensuring quality control around the production of the UK Quarterly Property Funds Index
- Liaise with investors and all their representatives with the objective to meet their data analysis requirements
- Liaise with MSCI concerning all performance measurement, analysis and data collection issues.

The data contained in the index is highly valuable in providing transparency to the UK property industry. The work of the Committee is vital to ensure the integrity of the index and provide users with confidence that the information contained can be used for detailed analysis.

The change in name indicates an additional responsibility that the Committee will consider in future meetings. Whilst individual users are able to analyse the information contained in the index for their own purposes, more could potentially be done to use data for industry wide research purposes. The Committee will consider specialist research projects for the benefit of AREF members or the wider property industry. There are many ideas in this respect and the Committee will focus on a selection of these. Please contact AREF if you wish to provide your own thoughts on research topics for future consideration.

Justin Brown (Head of European Portfolio Management at Blackrock & Chair of the Research & Information Committee).

Committee Vacancies

We have the following vacancies:

- Tax professional from an Investment House on our Tax Committee
- Corporate Governance Chair (this includes a seat on the Management Committee).

If you are interested in applying please email Info@aref.org.uk