

# Guidance

## Vehicle Disclosures and Reporting Guidelines for AREF Members

Effective from:  
**December**  
**2025**

# Introduction

## Guidance objective

The Vehicle Disclosures and Reporting Guidelines aim to provide managers and investors with:

- background information into the Vehicle Disclosures and Reporting Guidelines; and
- guidance in setting and managing vehicle disclosure and reporting requirements.

## Application of guidance

Managers should utilise this guidance when establishing a vehicle's disclosures and reporting when it is launched as well as what to disclose or report through its lifespan. All vehicle documentation and details of key appointments should be supplied to existing investors on request (and to prospective investors on a confidential basis).

AREF recognises that not all disclosure and reporting requirements outlined in this guidance apply to every vehicle for regulatory, strategic, operational or other reasons. Managers should be prepared to explain their approach to disclosures and reporting.

In the cases of conflict between the provisions of this guidance and legislative/regulatory requirements, the latter will take precedence.

## Background to guidance

AREF's Vehicle Disclosures and Reporting Guidelines originate from the AREF's Code of Practice, which was launched in 1997. Its central purpose was to provide a model of practice that members and investors could refer to, as well as supporting investors to understand fund procedures more easily.

The standalone Vehicle Disclosures and Reporting Guidelines were created in 2025 from the content of the Code and refined by the Corporate Governance Committee, following the replacement of the Code of Practice by the Charter. The Charter offers a practical framework to guide members in delivering all aspects of fund management and is supported by AREF's suite of guidance documents.

## Last review date

December 2025

If you have any questions regarding the guidance contained within this document, please email AREF at: [info@aref.org.uk](mailto:info@aref.org.uk).

# 1. Disclosures

## 1.1 Management structure and accountability

Vehicles should disclose the **names, roles, responsibilities, contact details, and details of appointment and removal processes** for the following, as appropriate:

Members of the Committee of management/oversight entity	Accountants
General partner / Portfolio manager	Authorised Corporate Director
Registrar	Auditor
Bank	Valuer(s)
Trustee/Managing trustee	Property Managing agents(s)
Custodian/Depositary	Solicitors
AIFM	Operational partners
Transfer Agent / Administrator	

The following additional information should be disclosed (if appropriate):

Whether appointments are fully discretionary, non-discretionary or advisory and, if non-discretionary or advisory, where ultimately the decision-making power lies
Responsibility for appointing third party valuers, managing agents and advisors
Responsibility for setting investment policy, strategy, restrictions and income distribution policy and how adherence is monitored and reported
Responsibility for implementing investment policy and how adherence is monitored and reported
Responsibility for fund marketing
Responsibility for fund pricing and accounting
How the governance structure ensures alignment of interest between the manager and investors e.g., carried interest / performance fees
Any conflicts of interest between parties
Details of any 'key person' provisions

## 1.2 Vehicle structure and objectives

Vehicles should disclose in the appropriate documentation:

Vehicle type and structure (including chart)
Domicile, governing law
Whether or not the vehicle is authorised, by which regulator, and the authorisation category
Whether vehicle is closed-ended, open-ended or partially open-ended
Vehicle life and extension provisions
Investment objectives and policy for achieving the objectives
How vehicle policies are agreed and can be changed
Details of any feeder vehicles
Debt provision arrangements
Clawback provisions

Details of any indemnities
Tax report
Conflict of interest policies applicable to the vehicle, and who has responsibility for identifying, managing and monitoring conflicts of interests; these can be provided on request
ESG objectives and fund labels (refer to SDR for UK-domiciled funds and SFDR for European-domiciled funds, see AREF ESG Guidance ( <a href="#">link</a> ))
Accounting practice (UK GAAP, IFRS)
<b>Investment objectives:</b>
Investment restrictions: sector, geography, development, forward funding and tenant
Targets: income, performance
Gearing restrictions
Cash restrictions or other money market instrument restrictions.
ESG strategy (if not set out in vehicle objectives)
Internal approval procedures
Allocation policy
Qualifying deals
<b>End of vehicle life information:</b>
Timing of portfolio sale
Timing of vehicle liquidation
<b>Secondary trading:</b>
Confirmation of whether or not units can be traded on the secondary market and, if so, whether the manager can facilitate such trades
Details of any firm acting as broker of secondary market trades in the units
Confirmation of additional costs, e.g. commission charged (where the manager acts as a broker)
The system and process used to match/allocate units (where the manager acts as a broker)
Pro-rating of income to the trade date

### 1.3 Key Dates

The vehicle should disclosure, if appropriate:

Accounting dates
Reporting deadlines
Income distribution dates
Drawdown notice periods
Fund closes
Investment period
Valuation frequency

### 1.4 Capital and Income Distributions

The following should be disclosed:

<b>Capital distributions:</b>
Capital distribution policy (including distributions in specie and any retention schemes), with distributions issued as soon as practicable, unless vehicle permits otherwise
Capital recycling provisions
Ability to defer/suspend distributions with any suspensions reported on a regular basis
<b>Income distributions:</b>
Income distribution policy, where applicable
The frequency of distributions
Requirements for withholding tax
The timing of the distributions and the date on which the units/participations in the fund are declared 'ex' distribution
The expected timing of the payment of the distributions
The existence of a distribution reinvestment scheme
Ability to defer/suspend distributions with any suspensions reported on a regular basis

#### **Additional guidance:**

The vehicle should calculate its distribution yield by expressing the income distributions (gross of tax) per unit over the previous 12 months as a percentage of their net asset value per unit as at the end of the period.

Income distributions should be paid on fixed dates within two months of the end of the related distribution period, unless otherwise agreed with investors.

## **1.5 Management fees and other expenses**

Information should be provided on request:

Annual management fees (for manager/trustee/other related parties, including the manager of indirect property investments) and the basis of payment (percentage of capital or income and actual percentage)
Details of performance fee or carried interest, where applicable, including how the fees are calculated and paid, and any claw-back arrangements (any performance fees which relate to but are not paid during the period should be estimated and accrued in accordance with applicable accounting standards)
Acquisition and disposal fees
Development management fees
Vehicle operating expenses
Accounting fees
Establishment fees and caps
Abortive cost provision
Independent adviser costs
Agency fees
Fee rebates (e.g., where one fund invests in another fund run by the same management company)
Disclosures should include a statement of the vehicle's policy on which costs are borne by the vehicle and whether they are paid from capital or income.

### Additional guidance:

All vehicles should comply with the AREF Guidance on Expense Ratios ([link](#)) and reporting should be in line with Cost Transparency Initiative (CTI) Reporting Guidance ([link](#)).

## 1.6 Pricing and dealing (subscriptions and redemptions)

Fund prospectus, documentation and placement documentation should contain clear and explicit description of subscription and redemption policies. Such disclosure should include, if appropriate:

Subscription process and expected timeframe for an investor to become fully invested
Redemption process and expected timeframe for an investor to be fully disinvested
Full details of how subscription/redemption prices are calculated and by whom, including the basis of valuation for the real estate assets and any special instructions given to the valuer
All subscription/redemption premiums/discounts, the size of the subscription/redemption queue, changes in market prices and timing of redemptions
Details of multiple unit classes with different terms (subject to confidentiality)
Whether subscription/redemptions are revocable and the basis of such decisions

### Additional guidance:

The manager should disclose to investors if the fund is priced at the AREF NAV for all investors and, if not, provide an explanation of the key differences and accounting rules being applied (e.g., IFRS, UK GAAP). The Open End Vehicle Pricing Guidelines provides supporting guidance ([link](#)).

The manager should disclose how the subscription and redemption policy, process and pricing may be varied and with what investor consent and, on request, the circumstances under which the subscription or redemption process was last used to suspend or defer redemptions or subscriptions.

Subscription/redemption policies should be fit for purpose and able to meet demands of the entire property cycle for the relevant vehicle strategy. These policies should only be amended with investor consent or notification, as applicable.

## 1.7 Investor information

The vehicle should disclosure, if appropriate:

Type of investors that are eligible to invest in the vehicle
Details of the investment advisory committee and voting arrangements
Presence of chairperson / independent oversight
Details of investor voting matters
Investor voting thresholds
Availability of co-investment opportunities
The existence of parallel vehicles
The existence of a favoured nation clause
The existence of side letters

## 1.8 Additional Disclosures

Vehicle documentation should include, where appropriate:

<b>Termination of manager appointment</b>
A disclosure of who can terminate the manager instruction
The grounds for termination
The process for termination including notice, compensation and conflict voting
The manager's right to challenge notice/appeal, if applicable
Treatment of manager's co-investment and carried interest
<b>Confidentiality</b>
A disclosure of the policy for the management and dissemination of confidential information
<b>Disaster recovery</b>
A disaster recovery plan, to enable quick recovery and resumption of normal operations following an incident.

## 2. Reporting and Communication

### 2.1 Regular reporting

#### 2.11 Annual statement

Any annual statement should incorporate a manager's report including the following, where applicable:

Vehicle objectives
Vehicle strategy
Manager's policy for achieving the objectives
Any investment/compliance restrictions
A review of the investment activities during the period under review
A statement of any consolidation or subdivision of fund units
The vehicle's ESG performance against its own strategy
Changes in key personnel during the period under review
Any other significant information that should reasonably be disclosed

#### 2.12 Performance reporting

A summary of performance and vehicle activity should be supplied to investors quarterly (or other agreed frequency), which should include details of performance relative to vehicle benchmarks, objectives, targets and vehicle operating constraints (as applicable).

##### Additional guidance:

The manager should ensure that any annual/periodic statements as required under legislative / regulatory requirements are completed in a timely fashion.

Vehicle documentation should disclose the AREF NAV calculated in accordance with AREF's Open End Fund Pricing Guidelines ([link](#)). Any distributions not already deducted as a liability in the accounting NAV should be deducted in determining the AREF NAV.

### 2.2 Additional Reporting

#### 2.21 Investor analysis

The following information, or similar, should be disclosed either in the banding set out below or as deemed appropriate to illustrate the profile of the beneficial ownership of the entity:

Ownership Band	Number of Beneficial Owners	Total Percentage Holding
Less than 3% of the units in issue		
3% or greater but less than 10%		
10% or greater but less than 20%		
Greater than 20%		
Total number of units in issue at the end of the period		
Percentage held by largest investor		

##### Additional guidance:

Reporting should include an analysis of the percentage of units held by top five investors and the percentage held/controlled where an investment manager acts on behalf of underlying clients.

## 2.22 Cash and money market instruments

Counterparty exposures for all financial instruments (i.e. for cash, swaps, debt etc.) should be disclosed in the annual report together with other financial risks such as foreign exchange.

Vehicles should report details of any derivatives used at time of property valuation, including details of exposure and counterparties.

## 2.23 Gearing

This section only applies to vehicles which are permitted to use and are currently using gearing.

Each vehicle should report the following gearing metrics:

Current and maximum permitted level of gearing
Compliance with LTV and interest cover / debt yield ratios in current loan agreements
Debt maturity dates
Cost of debt

Each vehicle should report details of:

Variable and fixed rate loans
The counterparty
Interest rates (and where relevant, rate breakage costs)
Details of interest rate swaps including their value, rates and maturity dates

### Additional guidance:

All financial instruments should be accounted for at fair value in accordance with the appropriate accounting standards adopted.

## 2.25 Indirect property investments

This section only applies to vehicles which are permitted to use and are currently using indirect property investments.

Vehicles should report:

For each indirect investment, how they are valued and how often
Policy rationale for investing in indirect property
Exposure to indirect investments
Details of any internal (in-house) managed investments

## 2.26 Insurance and service charge rebates

The policy on insurance and service charge rebates may be reported to investors. In addition, vehicles should report if they have retained the commission and/or service charge rebates and amounts retained on a gross basis.

## 2.27 Secondary market

The manager should disclose whether or not units can be traded on the secondary market and, if so, whether the manager can facilitate such trades.

Details of any secondary market dealing in the vehicle's units may include:

Details of any firm acting as broker of secondary market trades in the units
Confirmation of additional costs, e.g. commission charged (where the manager acts as a broker)
The system and process used to match/allocate units (where the manager acts as a broker)

Pro-rating of income to the trade date

## 2.3 Communications

### 2.31 Investor communications

The following should be undertaken by the manager.

Investors should receive standardised vehicle information updates to all investors at the same time to ensure fairness

Annually (or as otherwise agreed), the manager should update investors on the strategy or business plan to achieve vehicle objectives, highlighting any risks to achievement and the managers' proposals to mitigate or manage them

Material matters that arise outside of the reporting cycle should be communicated to investors as appropriate on a timely basis and may cover significant regulatory, governance or constitutional matters but not matters that would ordinarily be captured within the reporting on normal vehicle activities

Investor feedback on information requirements should be taken into account in determining information provision for all investors where reasonable to do so.

Investors should be able to see the procedures for management of conflicts of interest, which should be provided in a timely manner and be relevant to the actual conflict of interest policy of the fund.

End of vehicle life communications should clarify the safeguarding of all investors to ensure the disposal of assets is in the best interest of all investors. You can find more information in the End of Vehicle Life Guidance [\(link\)](#).

The manager should disclose their Diversity, Equity and Inclusion (DEI) policy, as per AREF's Guidance note on DEI [\(link\)](#).

Assurance audits on the manager's internal controls may be undertaken annually and the results supplied to investors - to the extent that no such controls assurance review takes place, the manager should supply details to investors setting out how a robust control framework is monitored and maintained.

### 2.32 Pricing and dealing communications

Communications to investors should be in the form of:

Clear and comprehensive subscription/redemption policies which are readily supplied to existing and potential investors, even if the policies are also specified, in whole or in part, in the original vehicle documentation

At least a quarterly report and more frequently at times of high subscription and redemption activity

- Liquidity, current and potential, taking into account the purchase/sale transaction pipeline by level of certainty
- Current subscription and redemption queues by amounts and timescales should be reported or shared on request
- Investor concentration by unit class, in the case of funds with multiple unit classes having differing terms

Where applicable, it should include a statement as to the total number of units or value of units, in the last accounting period, that were created, redeemed and matched.

Communication to new and existing investors may explain:

The liquidity (or illiquidity) of the underlying investments within the portfolio, including the percentage of the vehicle invested in closed-ended structures, the terms for liquidation of those assets and any consents required.

If an investors' waiting list is in operation. Each vehicle is encouraged to adopt and disclose clear policies detailing the approach to managing the investors' waiting list for both subscriptions and redemptions and explain any circumstances where the vehicle has been unable to meet its subscription and redemption policy processes or obligations.

How many redemption notices were received and not settled at the date of the report. Information should be presented in such a way that investors can clearly see current and future subscription and redemption liabilities of the vehicle.

If appropriate, confirmation that the vehicle's bid and offer prices have been determined in accordance with AREF's Open End Fund Pricing Guidelines ([link](#)). If not, an explanation of the key differences should be supplied.

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