



**CMS Expert Guide to Popular  
Investment Vehicles**

# Funds and Indirect Real Assets quick reference guide

This guide gives a quick review of some of the most popular fund vehicles for institutional investment in real assets. There are many different forms and this guide is selective. It includes:

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# Introduction

The selection of a vehicle has a number of common themes including the location of the assets, management and the investors. Funds targeted at local investors and markets will frequently involve suitable local vehicles.

The position changes where the assets are more spread, and investors are more international. In these cases, such as the UK and Luxembourg are popular fund jurisdictions, but the choice is not exclusive.

Structures are also selected due to structural flexibility, tax, commercial and regulatory reasons, such as the Alternative Investment Fund Managers Directive (AIFMD). They also often combine vehicles in more than one country. These aspects are reviewed in outline in this guide.

CMS can give you direct access to cutting-edge knowledge and insights into the latest trends in fund terms, tax, regulation and markets. Whether you need strategic or transactional advice, whether you are fundraising or investing, whether you are operating domestically or internationally, we can deliver effective, bespoke solutions to meet your needs.



# Austria

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Real estate investment fund (ImmoInvF)</b>									
Contractual	Exempt at fund level Tax at investor level Gains from sale / disposal of fund units taxable at investor level Double taxation treaties may apply on the fund level in case of real estate located outside of Austria	Real estate transfer tax of 3.5% (generally calculated on the basis of the consideration (e.g. purchase price)) Stamp duty on the mortgage agreement Registration fees applicable to the mortgage	Yes	Open-ended	Regulated as a licensed AIFM In addition, the management company is licensed as a credit institution	No (sanctions regulations may apply)	Final withholding tax at special rate (no inclusion into the tax return, unless opted otherwise) available in many cases  Assets are held on trust for the unitholders (and can be segregated in the insolvency of the management company)	Statutory investment restrictions Fund rules are subject to regulatory approval	Real estate

# Belgium

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>FIIS (Fonds d'investissement immobiliers spécialisés)</b>									
Investment undertaking with fixed capital (SICAF)	Derogatory tax regime (as regards the tax base and withholding tax)	No	No	Closed-ended	Subject to the supervision of the Ministry of Finance They must be registered on the list of FIIS held by the Ministry of Finance	Only institutional and professional investors	Flexible regulatory Regime Favourable tax Treatment	Obligation to have a real estate portfolio with a total value of at least EUR 10m at the end of the second financial year following the registration in the FIIS register and Real estate located in Belgium must be directly held by the FIIS (unlike foreign real estate, which may be held directly or indirectly) <i>See footnote</i>	Real estate investment for institutional Investors

Note: The only exception to this rule is that Belgian real estate may be held indirectly via a subsidiary, in which the FIIS holds directly or indirectly all the shares, and provided that the FIIS rectifies this situation within 24 months (and therefore that the Belgian real estate in question is directly included in the FIIS balance sheet)

# Brazil | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Equity investment fund (FIP)</b>									
Contractual, without legal personality, structured as a condominium of a special nature and under a closed regime, with no redemptions before its end. Aimed at qualified investors (minimum R\$1 million) or professionals (minimum R\$10 million), it allows up to 33% of assets to be invested abroad. Sub-categories: Seed Capital (revenue up to R\$ 20M), Emerging Companies (up to R\$ 400M), Infrastructure, PD&I (R&D) and Multistrategy.	Foreign investors are fully exempt from IRRF on income and capital gains from the sale of FIP shares, provided they are not residents of tax havens. For individuals in Brazil, a 15% IRRF is levied on redemptions and liquidations, and a 15% IR applies to gains from the sale of shares on the secondary market. For resident legal entities, the same rules apply as for individuals.	No	FIP can be listed on B3, but only for trading among qualified investors.	Exclusively a closed-end fund, i.e. investors cannot redeem shares before maturity.	Requires registration and supervision by the Brazilian Securities and Exchanges Commission ("Brazilian SEC")  Must be managed jointly by a fund administrator and by a portfolio manager, both approved by the Brazilian SEC  When publicly offered, the Brazilian SEC's explicit approval of its offer may or may not be required, depending on the characteristics of the issuer, the investors' investment profiles and other fund characteristics.	Restricted to qualified investors, with investments of more than BRL 1 million, and professional investors, with more than BRL 10 million, including financial institutions, portfolio managers and investment funds. The FIP can invest in shares, subscription warrants, simple debentures, commercial notes, convertible bonds, credit agreements, as well as shares in other FIPs and Equity Funds - Access Market.	<ul style="list-style-type: none"> <li>- Ideal instrument for private equity and active participation in companies.</li> <li>- Tax exemption for foreigners, making it an attractive vehicle for international capital.</li> <li>- Allows investment in strategic assets such as infrastructure, innovation and business expansion.</li> <li>- Possibility of geographical diversification, allowing investments abroad (up to 33%).</li> </ul>	<ul style="list-style-type: none"> <li>- Limited liquidity, as it is a closed-end fund.</li> <li>- Requires active governance and participation in the strategic decisions of the investees.</li> <li>- Complex regulatory process, with auditing and compliance requirements.</li> </ul>	Private Equity: Acquisition and management of stakes in private companies. Infrastructure: Financing energy, sanitation and transportation projects. Business expansion: Capitalization of emerging and innovative companies. Portfolio internationalization: Participation in Brazilian assets and up to 33% abroad. Long-term strategies: Ideal for institutional investors with a long-term vision.

# Brazil | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Infrastructure investment fund (FI-INFRA)</b>									
<p>Contractual, without a legal personality, characterized as a condominium of a special legal nature.</p> <p>- Closed-ended or open-ended fund, depending on the redemption policy established in the fund's bylaws.</p> <p>- Structured to finance infrastructure projects, including investments in energy, transportation, telecommunications, basic sanitation and urban mobility.</p>	<p>Exemption: Individuals and foreign investors (not located in tax havens) are exempt from tax on income received and capital gains.</p> <p>Legal Entities: A 15% withholding income tax (IRRF) applies to income earned.</p> <p>IOF: The IOF is charged at the time of sale according to a regressive table. After 30 days, the IOF rate is reset to zero.</p> <p>IOF does not apply to share transfers or trading on the secondary market.</p>	No	Yes	May be opened or closed-ended.	<p>Requires registration and supervision by the Brazilian Securities and Exchanges Commission ("Brazilian SEC").</p> <p>Must be managed jointly by a fund administrator and by a portfolio manager, both approved by the Brazilian SEC.</p> <p>When publicly offered, the Brazilian SEC's explicit approval of its offer may or may not be required, depending on the characteristics of the issuer, the investors' investment profiles and other fund characteristics.</p>	No	<p>- Tax exempt for individuals or foreign investors (not located in tax-havens) on income received and capital gains</p> <p>- Investment aimed at infrastructure, with the potential for stable and predictable returns.</p> <p>- Possibility of listing on the stock exchange, increasing liquidity for investors.</p>	<p>- In the case of a closed-ended fund, the investor is not allowed to redeem the fund's shares before the fund's established duration period has elapsed.</p> <p>- Investment concentration limit of 20% of the fund's assets per issuer.</p> <p>- The fund's financial demonstrations must be annually audited by independent auditor registered with the CVM.</p>	<p>Long-term infrastructure operations.</p> <p>Foreign and institutional investors interested in assets with tax incentives and predictable cash flow.</p> <p>Sovereign wealth funds and institutional investors seeking exposure to the Brazilian infrastructure sector with tax benefits.</p>

# Brazil | 3

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Joint-Stock Company (Sociedade Anônima)</b>									
Corporate	<p>Corporate taxes will generally be charged on profits (or presumed profits) in accordance with the following rates:</p> <ul style="list-style-type: none"> <li>Income tax (IRPJ): 15%-25%</li> <li>Social contribution on net profit (CSLL): 9%</li> <li>PIS contribution: 1.65%</li> <li>COFINS contribution: 7.6%</li> </ul> <p>After Brazilian taxes are paid, profits can be repatriated by way of dividends, which are not taxed in Brazil under Brazilian law.</p>	No	Yes	Opened or closed-ended	Opened-ended companies are subject to the Brazilian SEC's regulations.	No	Allows the use of more sophisticated investment structures not directly related with equity (ex: debentures, subscription bonuses, etc.).	<ul style="list-style-type: none"> <li>- Requires the foreign investor to keep an attorney-in-fact in Brazil.</li> <li>- Needs at least two shareholders to be incorporated.</li> <li>- Incorporation process is more bureaucratic (requires deposit of 10% of the corporate capital, publishment of incorporation documents, etc.).</li> <li>- Must publish minutes of all shareholders meetings and some Board of Directors meetings.</li> <li>- Must publish financial statements yearly.</li> <li>- Need to keep corporate books up-to-date.</li> <li>- Exploration of mining activities (as real assets) is subject to approval.</li> <li>- There are some restrictions for the acquisition of rural real estate properties, real estate properties located near borders / roads / railroads and land located near the coasts in case the company is majorly held by foreign investors.</li> </ul>	Long-term investments

# Brazil | 4

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Limited Liability Company (Sociedade Limitada)</b>									
Corporate	<p>Corporate taxes will generally be charged on profits (or presumed profits) in accordance with the following rates:</p> <ul style="list-style-type: none"> <li>- income tax (IRPJ): 15%-25%</li> <li>- social contribution on net profit (CSLL): 9%</li> <li>- PIS contribution: 1.65%</li> <li>- COFINS contribution: 7.6%</li> </ul> <p>After Brazilian taxes are paid, profits can be repatriated by way of dividends, which are not taxed in Brazil under Brazilian law.</p>		No	Closed-ended	No	No	<p>Simpler to be incorporated.</p> <p>Requires one sole investor to be incorporated.</p> <p>The most common corporate vehicle adopted in Brazil.</p>	<p>Requires the foreign investor to keep an attorney-in-fact in Brazil.</p> <p>Exploration of mining activities (as real assets) is subject to approval.</p> <p>There are some restrictions for the acquisition of rural real estate properties, real estate properties located near boarders / roads / railroads and land located near the coasts in case the company is majorly held by foreign investors.</p>	Long-term real estate investments

# Brazil | 5

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Investment fund in agribusiness production chains (FIAGRO)</b>									
Contractual structure without legal personality, characterized as a condominium of a special legal nature. It must include "Fundo de Investimento nas Cadeias Produtivas do Agronegócio" or "FIAGRO" in its name. It is intended for investment in agribusiness, including rural real estate, shares in companies in the sector, financial assets, credit rights, securitization bonds (CRAs, CRIs,), FIAGRO shares, carbon credits and CBIOS.	<p>Exemption: Individuals are exempt from tax on distributed income, provided the fund has at least 100 shareholders and the individual holds no more than 10% of the shares or receives no more than the distributed profits.</p> <p>Legal Entities &amp; Foreign Investors: A 15% withholding income tax (exclusive final taxation) applies to accumulated earnings.</p> <p>Capital Gains &amp; Income: Capital gains and income from the sale or redemption of FIAGRO shares are subject to a 20% income tax.</p>	No	Yes	May be opened or closed-ended, depending on the characterization of the fund according to the nature of the assets in its portfolio.	<ul style="list-style-type: none"> <li>- Requires registration and supervision by the Securities and Exchange Commission ("SEC").</li> <li>- Must be managed jointly by a fund administrator and a portfolio manager, both approved by the Brazilian SEC.</li> <li>- When offered publicly, the explicit approval of the Brazilian SEC for its offering may or may not be necessary, depending on the characteristics of the issuer, the investment profiles of the investors and other characteristics of the fund.</li> </ul>	<p>FIAGRO is accessible to any type of investor, including professional, qualified and retail investors, with no minimum equity requirement. Income tax exemption for individuals, provided that:</p> <ul style="list-style-type: none"> <li>The fund has at least 100 shareholders.</li> <li>The investor does not hold more than 10% of the shares.</li> <li>The investor does not receive more than the corresponding proportion of the profits distributed by the fund.</li> </ul>	<ul style="list-style-type: none"> <li>- Tax benefits for individual investors who meet CVM requirements.</li> <li>- Diversification in the agribusiness production chain.</li> <li>- Access to different financial instruments, including rural real estate and agribusiness bonds.</li> <li>- Financial statements must be audited annually.</li> </ul>	<ul style="list-style-type: none"> <li>- Taxation rules may be changed, as it is still under discussion.</li> <li>- Limited redemption of shares in closed-end funds, as the investor must wait until the end of the fund's term.</li> <li>- Investments require strict regulatory monitoring, with specific requirements for assets.</li> </ul>	<p>Investors interested in passive income with tax exemption for distributed income.</p> <p>Funds focused on agribusiness, including investments in farmland, companies in the agricultural sector and financial assets linked to rural production.</p> <p>Financial institutions and institutional investors seeking diversification in the Brazilian agricultural sector.</p>

# Brazil | 6

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Real estate investment fund (FII)</b>									
Contractual, without a legal personality, configuring itself as a condominium of a special legal nature for investment in the real estate market. It must include "Real Estate Investment Fund" (FII) in its name. It can invest in real estate rights, securities of companies registered with the CVM, shares in companies in the sector, CEPACs, shares in real estate FIPs and FIAs (shares investment funds), other FIIs, CRIs, FIDCs in the sector, as well as LH, LCI and LIG.	<p>For individuals:</p> <p>Income tax exemption on distributed income, provided that: (i) The fund has at least 100 shareholders. (ii) The individual investor does not hold more than 10% of the fund's shares or receives income in excess of their proportional share.</p> <p>For legal entities: 15% Withholding Income Tax (IRRF) on income and capital gains.</p> <p>Capital Gains: The sale of shares is subject to a 20% on capital gains, for both individual and corporate investors.</p>	No	Yes	Closed-ended	<p>Requires registration and supervision by the Brazilian Securities and Exchanges Commission ("Brazilian SEC").</p> <p>Must be managed jointly by a fund administrator and by a portfolio manager, both approved by the Brazilian SEC.</p> <p>When the fund's investment policy requires that at least 95% of its assets are not securities, but real estate assets, the fund administrator may also manage its portfolio, rendering the portfolio manager dispensable.</p> <p>When publicly offered, the Brazilian SEC's explicit approval of its offer may or may not be required, depending on the characteristics of the issuer, the investors' investment profiles and other fund characteristics.</p>	No	<ul style="list-style-type: none"> <li>- IR exemption for individuals on distributed income, provided regulatory requirements are met.</li> <li>- Possibility of investing in real estate assets in a diversified manner and with greater liquidity than traditional real estate.</li> </ul>	<ul style="list-style-type: none"> <li>- No early redemption of quotas before the fund closes.</li> <li>- Investment subject to real estate market volatility.</li> </ul>	<p>Investment in real estate developments, such as:</p> <ul style="list-style-type: none"> <li>Acquisition of rental properties.</li> <li>Development of real estate projects.</li> <li>Real estate securities such as LCI, LH, CRI and shares in other FIIs.</li> </ul>

# Brazil | 7

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Credit Rights Investment Fund (FIDC)</b>									
<p>A contractual structure without legal personality, characterized as a condominium of a special legal nature aimed at securitizing credits. It must include "Fundo de Investimento em Direitos Creditórios" (FIDC) in its name. It can acquire credit rights from a variety of activities, including trade bills, checks, promissory notes, credit card installments, rental contracts, leases, financing, energy, telecommunications and services.</p>	<p>Individual and foreign investors are taxed according to the regressive IR table, between 22.5% and 15%, depending on the term.</p> <p>Foreigners follow the rules for fixed-income funds, which may be reduced or exempted by international agreements.</p> <p>For legal entities, there is a 15% withholding tax on income and capital gains.</p> <p>Open-ended FIDCs are subject to a semi-annual taxation 'come-cotas' (15% to 20%); and closed-ended FIDCs were included in this rule by Law 14.754/2023.</p> <p>IOF applies to redemptions within 30 days.</p>	No	Yes	May be opened or closed-ended.	<p>Requires registration and supervision by the Brazilian Securities and Exchanges Commission ("Brazilian SEC").</p> <p>Must be managed jointly by a fund administrator and by a portfolio manager, both approved by the Brazilian SEC.</p> <p>When publicly offered, the Brazilian SEC's explicit approval of its offer may or may not be required, depending on the characteristics of the issuer, the investors' investment profiles and other fund characteristics.</p>	<p>Open to institutional, qualified and retail investors, provided they meet regulatory requirements.</p> <p>Funds that invest in non-standardized credit rights may have restrictions on qualified investors.</p>	<ul style="list-style-type: none"> <li>- Fixed income with potentially higher returns than other products on the market.</li> <li>- Anticipation of receivables for companies, improving cash flow.</li> <li>- Portfolio diversification and regulatory transparency.</li> <li>- Possibility of access to qualified and retail investors.</li> </ul>	<ul style="list-style-type: none"> <li>- Risk of default, as the fund's return depends on payments from the debtors of the credit rights acquired.</li> <li>- Reduced liquidity in closed-end funds, which require permanence until the end of the fund's term.</li> <li>- Impact of the "come-cotas" on closed FIDCs since 2023, reducing tax efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>- Companies that need immediate liquidity through the anticipation of receivables.</li> <li>- Investors looking for diversification and higher returns than traditional fixed-income instruments. Management of assets backed by credit rights, enabling debt securitization.</li> <li>- Access to the private credit market with different risk and return profiles.</li> </ul>

# Bulgaria

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Special purpose investment company (дружество със специална инвестиционна цел or АДСИЦ in Bulgarian)</b>									
Corporate: Joint-stock public special purpose investment company or <i>акционерно публично дружество със специална инвестиционна цел (АДСИЦ) in Bulgarian</i>	Exempt at company level Pass-through entity subject to distribution requirements Tax at investor level Capital gains exempt, If the sale of company shares is made on a regulated market or as a result of a tender offer	Real estate transfertax between 0.1% and 3.00% depending on the location of real estate (generally calculated on the basis of the consideration (e.g. purchase price)) Registration fees applicable to the registration of transfer of real estate No transfer tax in respect of the acquisition of interest in the special purpose investment company	Yes	Closed-ended	Regulated as a licensed special purpose Investment company	No	Pass-through tax status at company level Capital gains exempt Acquisition of real estate by the company, if made in accordance with the special legal requirements applicable to the company, cannot be invalidated in case of insolvency of the seller	Regulatory approvals, incl. of the articles of association, Board members, appointment or replacement of servicing or managing companies Minimum real estate requirement (70%) Minimum capital requirement (BGN 500,000, app. equal to EUR 255,646) Minimum gross income (70%) from main activity (acquisition, management and disposition of real estate) requirement	Real estate

# France

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>(OPCI) Fonds de placement Immobilier (FPI)</b>									
Contractual (FCP) No legal personality	Pass-through entity subject to distribution requirements Tax at investor level No access to double tax treaties or EU Directives	Acquisition of interest in an OPCI is exempt from RETT where the acquirer holds less than 10% (individual) or 20% (corporate) of the OPCI following the acquisition	No	Open- or closed-ended	Requires regulatory approval and supervision by the AMF and a regulated manager (AIFM licensed to manage real estate funds)	No However, professional OPCIs (OPPCIs) are open to professional or sophisticated clients only	Pass-through tax status at fund level	Regulatory approvals Minimum real estate requirement (60%) Minimum capital and liquid asset requirements Professional OPCIs (OPPCIs) are more flexible in terms of liquid asset requirements	Long-term real estate investments
<b>(OPCI) Société de placement à prépondérance Immobilière (SPICAV)</b>									
Corporate Usually SA or SAS	Opaque Exempt at fund level but subject to distribution requirements Tax at investor level No access to double tax treaties or EU Directives	Acquisition of interest in an OPCI is exempt from RETT where the acquirer holds less than 10% (individual) or 20% (corporate) of the OPCI following the acquisition	No	Open- or closed-ended	Requires regulatory approval and supervision by the AMF and a regulated manager (AIFM licensed to manage real estate funds)	No However, professional OPCIs (OPPCIs) are open to professional or sophisticated clients only	Corporate vehicle Tax exempt status at fund level One of the most popular French real estate funds	Regulatory approvals Minimum real estate requirement (60%) Minimum capital and liquid asset requirements Professional OPCIs (OPPCIs) are more flexible in terms of liquid asset requirements Dividend distribution requirements (rental income 85% and gains 50%)	Long-term real estate investments

# Germany | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Sondervermögen (fund in contractual form)</b>									
Contractual (so-called chapter 3 fund under German Investment Tax Act)	(semi) transparent	Sale of fund units does arguably not trigger RETT even if German property is held by the fund	No	Open-ended	AIFM supervised by BaFin	(Semi) professional investors	Tax transparency (depending on structure) Single line balance sheet item (depending on structure)	<ul style="list-style-type: none"> <li>• Conclusive list of eligible assets</li> <li>• Risk diversification requirements</li> <li>• Limitation on leverage</li> </ul>	Investments by German tax-exempt institutional investors (e.g. pension schemes) Commonly implemented using a German service AIFM
Contractual (so-called chapter 2 fund under German Investment Tax Act)	Opaque Not tax transparent but solely subject to tax with domestic real estate income	Sale of fund units does arguably not trigger RETT even if German property is held by the fund	No	Closed-ended	AIFM supervised by BaFin	(Semi) professional investors	Single line balance sheet item (depending on structure) Generally no limitation on leverage Generally no list of eligible assets	Opaque tax treatment	Investments by German tax-exempt institutional investors (e.g. pension schemes) Higher leverage possible Single asset club deals Commonly implemented using a German service AIFM

# Germany | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Investment Kommanditgesellschaft (InvKG) (limited partnership)</b>									
Limited partnership	Transparent	3.5 – 6 % RETT depending on the location of real estate in Germany RETT-Blocker structures possible, but require greater share of blocking entity*	No	Closed-ended /open-ended	AIFM supervised by BaFin	(Semi) professional investors	Tax transparency Trade tax may be avoided subject to appropriate structuring. No limitation on leverage No risk diversification requirements (closed-ended) Highly flexible	No access to tax treaties and EU PSD at fund level Sale of LP interest may trigger RETT	Higher leverage possible Single asset club deals (closed-ended) Commonly implemented using a German service AIFM

\*This tax privilege is debated but remains in place for the time being.

# Italy

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Real estate investment fund (REIF)</b>									
Contractual	Exempt at fund level Tax at investor level See footnote	VAT, registration tax, mortgage and cadastral tax and stamp duty	Yes	Closed-ended	Requires regulatory Approval Supervised by Bank of Italy	Limited to professional investors (and to non-professional investors provided that the conditions set forth by the Decree of the Ministry of Economy and Finance no. 30/2015 are met) if structured as "Reserved" funds	Tax exempt status at fund level	Regulatory Approvals Minimum real estate investment (66,6% in real estate assets, including inter alia, those arising from financial leasing contract, real estate companies (società immobiliari) and other real estate AIFs. Such percentage may be reduced to 51% when at least 20% of the AIF's total asset is invested in financial instruments issued in connection with securitisation transactions involving real estate assets/rights and/or receivables guaranteed by mortgages	Real estate
<b>Società di investimento a capitale fisso (SICAF)</b>									
Corporate	Exempt at fund level Tax at investor level See footnote	VAT, registration tax, mortgage and cadastral tax and stamp duty	Yes	Closed-ended	Requires regulatory Approval Supervised by Bank of Italy	Limited to professional investors (and to non-professional investors provided that the conditions set forth by the Decree of Ministry of Economy and Finance no. 30/2015 are met) if structured as "Reserved" funds	Corporate vehicle Tax exempt status at SICAF level	Regulatory Approvals Minimum real estate investment (66,6% in real estate assets, including inter alia, those arising from financial leasing contract, real estate companies (società immobiliari) and other real estate AIFs. Such percentage may be reduced to 51% when at least 20% of the AIF's total asset is invested in financial instruments issued in connection with securitisation transactions involving real estate assets/rights and/or receivables guaranteed by mortgages	Real estate

Note: Proceeds distributed to certain categories of institutional investors (such as pension funds, and collective investment undertakings established in countries which allow adequate exchange of information, sovereign funds,) are exempted from withholding tax.

# Luxembourg | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Luxembourg SICAV-SIF SCA</b>									
Corporate partnership limited by shares with the form of an investment company with variable capital and subject to SIF law	Not tax transparent Not subject to Luxembourg income taxes (i.e., corporate income tax (CIT) and municipal business tax (MBT)) and net wealth tax Subject to an annual subscription tax of 0.01% of its NAV	No	Yes	Open or closed-ended	Subject to CSSF supervision: must be approved by the CSSF and comply with SIF Law and AIFMD if AIF full scope	Only well-informed investors: institutional, professional or EUR 100,000 minimum	Umbrella structure available and well known structure by investors	Diversification Requirements Direct CSSF supervision (less flexible re time to market)	All strategies – commonly used for PE/RE/Infra
<b>Luxembourg SICAV-RAIF SCA</b>									
Corporate partnership limited by shares with the form of an investment company with variable capital and subject to RAIF law	Not tax transparent Not subject to Luxembourg income taxes and net wealth tax Subject to an annual subscription tax of 0.01% of its NAV	No	Yes	Open or closed-ended	Light touch regulation and compliance with full requirements under AIFMD	Only well-informed investors: institutional, professional or EUR 100,000 minimum Not open to the retail market	Flexible, umbrella structure available and no direct CSSF supervision (time to market)	Diversification requirements	All strategies – commonly used for PE/RE/Infra

# Luxembourg | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Luxembourg SICAV-RAIF SCSp</b>									
Special limited partnership without legal personality with the form of an investment company with variable capital and subject to RAIF law	Tax transparent Not subject to Luxembourg income taxes and net wealth tax Subject to annual subscription tax of 0.01% of its NAV	No	Yes (but complicated)	Open or closed-ended	Light touch regulation and compliance with full requirements under AIFMD	Only well-informed investors: institutional, professional or EUR 100,000 minimum Not open to the retail market	Tax and legal Transparency Flexible, umbrella structure available and no direct supervision by CSSF (time to market)	Diversification requirements	All strategies – commonly used for PE/RE/Infra
<b>Luxembourg unregulated SCSp</b>									
Special limited partnership without legal personality	Tax transparent Not subject to Luxembourg CIT and net wealth tax. Not subject to MBT provided it does not (or is not deemed) to pursue a commercial activity Not subject to subscription tax	No		Open or closed-ended	Not regulated and compliance with AIFMD if AIF full scope	Only professional investors in the EEA Not open to the retail market	Tax and legal Transparency Very flexible, no direct CSSF supervision (time to market) and no diversification requirements	No umbrella structure	All strategies – commonly used for PE/RE/Infra

# Mauritius | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Variable Capital Companies (VCC)</b>									
Company	<p>VCCs, sub funds and SPVs set up under the Variable Capital Companies Act 2022 are treated similarly to companies under the Income Tax Act 1995 and are generally taxed at 15%.</p> <p>Additionally, if the VCC has a turnover of more than MUR 50 million in any year of assessment, then a Corporate Climate Responsibility Levy of 2% on its chargeable income may be applicable.</p> <p>VCCs may be entitled to partial exemptions of 80% on certain types of income (subject to meeting substance requirements). They may alternatively apply for certain tax credits on foreign-sourced income.</p> <p>If a VCC presents separate financial statements for each of its sub-funds or SPVs, then each sub-fund or SPV is liable to income tax individually.</p>	<p>If the transfer of shares in a company or issue of new shares by a company gives rise to a right of ownership, occupation or usage in an immovable property in Mauritius, registration duty and land transfer tax of 5% on the value of the immovable property are payable to the Registrar General</p> <p>Should there be no immovable property involved as set out above there are no transfer taxes</p> <p>Where the company holds a global business license and does not reckon any immovable property as asset, the transfer shall be exempted from any registration</p>	Yes	Open and closed-ended	The Registrar of Companies of Mauritius, the Financial Services Commission of Mauritius and the Mauritius Revenue Authority	None	<p>No restriction on the number of sub-funds and SPVs that can be created under the VCC structure.</p> <p>Each sub-fund may opt to have a legal personality distinct from the VCC</p> <p>Each sub fund or SPV incurs liability on its own and are segregated ensuring ring-fencing of the assets and liabilities of each sub fund in case of insolvency</p> <p>Cross sub-fund investments and cross SPV investments are permitted within the same VCC</p>	As a relatively new vehicle, the market is only starting to discover the vehicle although there are already several VCCs which have been incorporated	All strategies

# Mauritius | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Variable Capital Companies (VCC)</b>									
	<p>Where the VCC presents consolidated financial statements, the VCC fund will be liable for income tax on the aggregate income of its sub-funds and SPVs.</p> <p>Tax-resident VCCs also have access to double tax treaties of Mauritius</p>								
<b>Collective Investment Scheme (CIS)</b>									
(i) Company; (ii) Trust; (iii) Limited Partnership; or (iv) Foundation	<p>Liable to income tax on its chargeable income at the rate of 15%</p> <p>Additionally, if the VCC has a turnover of more than MUR 50 million in any year of assessment, then a Corporate Climate Responsibility Levy of 2% on its chargeable income may be applicable.</p> <p>CIS may however benefit from an exemption of (i) 80% on their income (other than interest income); and (ii) a 95% exemption on their interest income,</p>	<p>If the transfer of shares in a CIS or issue of new shares by a CIS gives rise to a right of ownership, occupation or usage in an immovable property, located in Mauritius, a duty of 5% on the value of the immovable property is payable to the Registrar General</p> <p>Should there be no immovable property involved as set out above there are no transfer taxes</p>	Yes	Open-ended	The Registrar of Companies of Mauritius, the Financial Services Commission of Mauritius and the Mauritius Revenue Authority	This will depend on whether the CIS is a retail scheme, a professional CIS, an expert CIS or a specialised CIS	<p>Suitable for a large number of investors</p> <p>Flexible structure</p> <p>Can apply for authorisation to the Financial Services Commission of Mauritius to act as an expert fund, a specialised collective investment scheme or professional collective investment scheme</p>	Regulated framework and statutory requirements (this is also a positive aspect depending on the investors targeted)	All strategies

# Mauritius | 3

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Collective Investment Scheme (CIS) - continued</b>									
	subject to the satisfaction of the relevant substance requirements, subject to the satisfaction of the relevant substance requirements	Where the CIS holds a global business license and does not reckon any immovable property as asset, the transfer shall be exempted from any registration							
<b>Closed-End Fund (CEF)</b>									
(i) Company; (ii) Trust; (iii) Limited Partnership; or (iv) Foundation	<p>Liable to income tax on its chargeable income at the rate of 15%</p> <p>Additionally, if the VCC has a turnover of more than MUR 50 million in any year of assessment, then a Corporate Climate Responsibility Levy of 2% on its chargeable income may be applicable.</p> <p>CEFs may benefit from partial exemptions of (i) 80% on their income (other than interest income), and (ii) 95% on their interest income, subject to the satisfaction of the relevant substance requirements</p>	<p>If the transfer of shares in a CEF or issue of new shares by a CEF gives rise to a right of ownership, occupation or usage in an immovable property a duty of 5% on the value of the immovable property is payable to the registrar general (the property has to be situated in Mauritius)</p>	Yes	Closed-ended	The Registrar of Companies of Mauritius, the Financial Services Commission of Mauritius and the Mauritius Revenue Authority	None	<p>No requirement to conduct daily valuations</p> <p>No such requirement as to minimum funding</p> <p>No need to appoint a custodian</p>	<p>Compared to a CIS, the holder of securities in a CEF cannot redeem them at their net assets value</p> <p>Participants in a CEF do not have day to day control over the management of the property</p>	All strategies

# The Netherlands | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Fonds voor gemene rekening (FGR)/Transparent Fund</b>									
Contractual	<p>Two variants exist: the FGR and the Transparent Fund. In each case, the vehicle must be a fund established to secure benefits for its participants by investing or otherwise deploying assets for their joint account.</p> <p><b>1. FGR (opaque)</b></p> <p>The vehicle must satisfy two further conditions: it must qualify as an investment fund (AIF or UCITS) as defined in the Dutch Financial Supervision Act (Wft), and admissions and substitutions of participants must not be effected solely through the redemption and issuance of units.</p> <p>Tax is levied at the FGR level and the FGR should generally have access to double tax treaties and, in certain cases, to EU Directives.</p> <p>ATAD 2: FGR cannot be a reverse hybrid entity</p> <p><b>2. Transparent Fund (transparent)</b></p> <p>A fund that does not qualify as an FGR is treated as a transparent..</p> <p>Tax is levied at investor level and the fund has no access to double tax treaties or EU Directives.</p> <p>Such a fund may still constitute a reverse hybrid entity for ATAD 2 purposes and, as a result, become subject to Dutch tax.</p>	<p>A 10.4% real estate transfer tax (RETT) rate (2025) applies in the case of a real estate fund with 30% Dutch real estate. In 2026 the RETT rate for residential property will drop to 8%.</p> <p>As a general rule, a transfer of an interest in a real estate fund is not subject to RETT if the interest represents less than one third of the issued fund interests and the acquiring investor does not already hold an interest in the fund which, together with the interest acquired, would amount to at least one third. A transfer of legal title to Dutch real estate (or shares in Dutch real estate entities) to the general partner or the depositary may give rise to RETT.</p>	<p>FGR: Yes (if structured with transferable units)</p> <p>Transparent funds: Depends (often no; possible only if interests are transferable and venue/regulatory requirements are met)</p>	Open or closed-ended	<p>FGR: Regulated by the Dutch Authority for the Financial Markets (AFM) under the Wft (AIFMD or UCITS/ICBE), as being within the Wft fund regimes is a condition to qualify as an FGR for tax purposes</p> <p>Transparent funds: Regulated by the AFM if within scope of the Wft (AIFMD or UCITS/ICBE). Otherwise, no fund-level supervision applies. Exemptions/registrations may apply depending on AUM, strategy and investor type.</p>	No	<p>Flexible</p> <p>Potential tax transparency.</p> <p>No minimum capital requirement</p>	<p>Lack of access to tax treaties and lack of free transfer rights with regard to transparent fund. Taxable FGR may have access.</p>	Real estate



# The Netherlands | 3

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Commanditaire vennootschap (CV)</b>									
<p>Contractual Limited partnership without legal personality</p> <p>Legal title to assets held by general Partner</p>	<p>As of 2025, all <i>Dutch commanditaire vennootschappen</i> (CVs) are to be treated as tax-transparent, unless the CV qualifies as a <i>fonds voor gemene rekening</i> (FGR). In that case, the 2025 rules applicable to FGRs take precedence over the ordinary classification rules for partnerships. Where a CV is treated as transparent, taxation occurs at the investor level and the transparent CV itself has no access to double tax treaties or EU directives.</p> <p>A CV may still qualify as a reverse hybrid for Dutch tax purposes and, as a result, become subject to Dutch taxation under ATAD 2. However, collective and alternative investment funds with a diversified portfolio of securities are excluded from these rules.</p> <p>Transitional provisions are in effect pursuant to which a fund that would qualify as an FGR under the new rules may opt for transparent treatment (subject to investor consent), in anticipation of the announced changes to the FGR definition with effect from 1 January 2027 (no further details are currently available).</p>	<p>10.4% RETT (2025 rate; a special 8% rate applies to residential real estate from 2026). In the case of a real estate fund with 30% Dutch real estate, the acquisition of an interest in such a fund is ordinarily not subject to RETT if the interest acquired is less than one-third of the issued fund size (and is structured as units issued by the fund), provided the acquiring investor does not already hold an interest in the fund that— together with the additional acquisition—brings the investor's total interest to at least one-third.</p> <p>The transfer of legal title to Dutch real estate (or shares in Dutch real estate entities) to the general partner or the depositary may attract RETT.</p>	Probably not	Open or closed-ended	Regulated by the AFM if in scope of AIFMD, unless an exemption applies	No	<p>Tax transparency</p> <p>No minimum capital requirement</p> <p>Flexible</p>	Lack of access to tax treaties and lack of free transfer rights	

# The Netherlands | 4

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Fiscale beleggings-instelling (FBI)</b>									
Corporate: Public limited company (NV) Private limited company (BV) Contractual: as a FGR Foreign: Comparable foreign entity (EU member state or tax treaty country with non discrimination clause)	Opaque entity taxable at a 0% rate Generally, eligible to claim double tax treaties, but not to EU Parent Subsidiary Directive Tax will apply to permitted subsidiary undertaking project development activities An FBI may no longer invest directly in Dutch real estate. Holding Dutch real estate directly at the FBI level can trigger regular corporate income tax on that income. Foreign real estate may still be held directly.	FBI with 30% indirectly held Dutch real estate: The acquisition of an interest in such a fund is ordinarily not subject to RETT if the interest acquired is less than one-third of the issued fund size (and is structured as units issued by the fund), provided the acquiring investor does not already hold an interest in the fund which—together with the additional acquisition—brings the investor's total interest to at least one-third. Transfer of legal title to shares in Dutch real estate entities to a general partner/depository may attract RETT.	Yes	Open or closed-ended	May be regulated, listed or licensed FBI Managed by an AIFM A private FBI is available	For regulated FBI: 45% ownership limit for any taxable corporate investor and 25% ownership restriction for an individual or Dutch corporate investors using non-Dutch Entities For private FBI: 75% ownership by private individuals, certain exempt entities or regulated FBIs requirement No private individual may own an interest of 5% or more	Zero tax rate Transfer rights for shares	Passive investment only Investment, debt and ownership restrictions Distribution requirement Direct investments in Dutch real estate assets no longer allowed	Passive investment

# Norway

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Norwegian limited company (Aksjeselskap)</b>									
Corporate: Private limited company	Opaque. Ordinary income taxed at 22% on the hands of the company. Dividends and capital gains on shares subject to participation exemption for Norwegian corporate investors. WHT of 25% applies to dividends, but the rate may be reduced under an applicable double tax treaty. Exemption may apply where the recipient is a corporate entity genuinely established within the EEA.	Real estate transfer tax of 2.5% on registration of deed (calculated on the basis of the consideration (e.g. purchase price)) No other transfer taxes or stamp duties	Yes (but would be highly unusual)	Open- or closed-ended	AIFM regulated by the Norwegian Financial Supervisory Authority ( <i>Finanstilsynet</i> )	No	Flexible	Withholding tax on dividends	All strategies
<b>Norwegian internal partnership (Indre selskap)</b>									
Contractual partnership without legal personality Legal title to assets held by general partner	Transparent Income is calculated on company level and attributed to the participants based on ownership interest.	Real estate transfer tax of 2.5% on registration of deed (calculated on the basis of the consideration (e.g. purchase price)) No other transfer taxes or stamp duties	No	Open- or closed-ended	AIFM regulated by the Norwegian Financial Supervisory Authority ( <i>Finanstilsynet</i> )	No	Flexible and high resemblance to limited partnership Tax transparency	Norwegian foundations may not invest Nordic investors are unfamiliar with the legal construction Foreign participants / investors risk creating a Norwegian taxable presence (PE)	All strategies

# Poland

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Specialised open-ended investment fund applying investment restrictions of closed-ended investment funds</b>									
Contractual, the fund itself is managed by an external licensed managing company (TFI)	Opaque Partial exemption depending on the type of income (generally, investments into tax transparent entities are subject to income tax) Tax at investor level	1% on non tangible assets (e.g. shares in a Polish SPV) and 2% on tangible (e.g. RE located in Poland)	No	Open or closed-ended	Regulated by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego)	Yes, depending on the structure, limited to legal persons, partnerships, or individuals investing the PLN equivalent of EUR 40,000 minimum	No income tax at the fund level unless investments are made into tax transparent structures	Limitation of possible investors	Specific types of investors preferring highly regulated entities
<b>Alternative investment company ("ASI")</b>									
Joint stock company/ LLC/EU/ company /limited partnership/ limited joint stock partnership	Exemption for income from exit (disposal of shares, parent-subsidiary type generally applicable in cases when the fund holds more than 5% of shares in the portfolio company) For other types of income, general taxation applies Tax at investor level	1% on non tangible assets (e.g. shares in a Polish SPV) and 2% on tangible (e.g. RE located in Poland)	Yes, to the extent that they issue shares (i.e. in case of joins stock company, SE and limited joint stock partnership)	Open or closed-ended	Regulated by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego), although, depending on the fund, the scope of supervision may be very limited	Yes, to professional investors, distribution among retail investors is possible only with regards to ASI which obtained the authorization referred to in Article 5(1) of Regulation (EU) 2015/760	Income tax exemption for disposal of portfolio shares	Limitation of possible investors	All strategies
<b>Closed-ended investment fund</b>									
Contractual, the fund itself is managed by an external licensed managing company (TFI)	Opaque Partial exemption depending on the type of income (generally, investments into tax transparent entities are subject to income tax) Tax at investor level	1% on non-tangible assets (e.g. shares in a Polish SPV) and 2% on tangible (e.g. RE located in Poland)	Yes	Closed-ended	Regulated by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego)	Yes, limited to legal persons, partnerships, or individuals investing the PLN equivalent of EUR 40,000 minimum	No income tax at the fund level unless investments are made into tax transparent structures	Limitation of possible investors	All strategies

# Romania

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Alternative investment funds specialised in real estate investments (FIAIMOB)</b>									
Legal entity (e.g., joint stock company, limited liability company)	General taxation rules apply. Access to double tax treaties and Parent-Subsidiary Directive How investors are treated for tax will depend on their tax residence	The transfer of real estate is subject to notary and Land Book fees, at approx. 1% of the real estate transfer price	Yes, to the extent that certain requirements are met	Open- or closed-ended	Regulated by the Romanian Financial Supervision Authority (Autoritatea de Supraveghere Financiara)	Yes, to professional investors	A FIAIMOB cannot buy or sell real estate assets without having been previously valued by an independent valuator. As a general rule, the purchase or sale of real estate assets cannot be done at a price that is more than 10% higher (purchase), respectively by more than 10% lower (sale) by the valuation determined by an independent valuator	Limitation of possible investors High minimum access investment amount to the FIAIMOB	Real estate investments

# Singapore | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Singapore Limited Partnership</b>									
Limited Partnership	Tax transparent	Nil but stamp duty and GST may still apply depending on the assets held by the LP.	No	Open and closed-ended	Must register as a limited partnership with Accounting and Corporate Regulatory Authority of Singapore. Manager may require a licence unless exemptions apply and registration with the regulator may be required depending on profile of target investors.	No prohibition against retail but typically used for private funds targeting accredited or institutional investors otherwise prospectus requirements and other regulatory requirements would be engaged.	Very flexible unregulated tax transparent vehicle	Tax transparency means that the LP cannot (by itself) benefit from Singapore's network of tax treaties. Investors must be cautious not to participate in management or risk losing limited liability status.	All strategies

# Singapore | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Singapore Variable Capital Company</b>									
Corporate entity	Taxable as a corporate entity but can avail itself of one of a range of fund-specific tax incentives that can reduce the corporate tax rate to zero	The share duty rate is 0.2%	Yes	Open and closed-ended	Incorporation is governed by the Accounting and Corporate Regulatory Authority of Singapore. Needs a Singapore based licensed or regulated fund manager – licensing is governed by the Monetary Authority of Singapore.	No prohibition against retail but typically used for private funds targeting accredited or institutional investors otherwise prospectus requirements and other regulatory requirements would be engaged.	Flexible and tax efficient regulated vehicle Can be used as an umbrella fund structure, allowing cost-efficient management of multiple segregated sub-funds. It can avail itself of Singapore's extensive network of tax treaties (not available to limited partnerships). Register of shareholders is not publicly available.	Requirement for Singapore-based licensed or registered fund manager limits certain use cases.	All strategies
<b>Singapore Real Estate Investment Trust (S-REIT)</b>									
Trust / collective investment scheme	Tax transparent (provided at least 90% of income is distributed to unitholders and income is derived from Singapore properties or Singapore-approved properties)	Nil	Yes	Closed-ended	REIT managers must hold a capital services licenses for REIT management issued by the Monetary Authority of Singapore	None	Tax transparent vehicle	Leverage is capped at 50% with minimum interest coverage ratio of 1.5x.	Real estate investments

# Singapore | 3

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Private Limited Company</b>									
Private limited company	Income taxable at corporate income tax rate (17% at date of publication)	The share duty rate is 0.2%	Yes	Closed ended	<p>Incorporation is governed by the Accounting and Corporate Regulatory Authority of Singapore.</p> <p>Manager may require a licence unless exemptions apply and registration with the regulator may be required depending on profile of target investors.</p>	None	Ease of setup and familiarity with structure.	<p>Not tax transparent.</p> <p>Subject to restrictions on dividend payment and return of capital to investors.</p> <p>Register of shareholders is publicly available.</p>	All strategies

# South Africa | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Limited Partnership</b>									
Contractual	Transparent	Securities transfer tax (0.25%) on portfolio company disposals  Capital gains tax (at ranging between 18% and 36%) or income tax (at a marginal rate) could apply to the carried interest earned by the fund manager or general partner	No	Usually closed-ended. May be used on an open-ended basis for suitable asset classes such as infrastructure and primary agriculture	The Financial Sector Conduct Authority regulates the fund managers	Yes, no retail investors. The investors are high-net worth individuals and institutional investors	Limited liability for investors, familiar investment vehicle for international investors and tax transparent	Restricted investor base	Private equity funds
<b>Real Estate Investment Trust (REIT)</b>									
Public Company (corporation) or Trust (contractual)	REITs are exempt from capital gains in respect of the disposal of its immovable property, shares in another REIT or shares in a controlled property company REITs can claim, as a deduction, distributions made to its shareholders	The transfer of shares in a REIT is exempt from securities transfer tax  Investors will only pay capital gains tax when the REIT share is sold, dividends withholding tax does not apply to distributions to South African investors  If the recipient of a dividend is a non-resident investor, the dividend will remain exempt from income tax but dividends withholding tax may apply (depending on the relevant double taxation agreements)	Yes	Open-ended	Subject to requirements of the Companies Act, 2008 (Companies Act) and requirements of the relevant exchange  Subject to oversight by the South African Revenue Service	None	Liquidity for investors, favourable tax treatment  Provides exposure to a diversified portfolio of properties, reducing the risk associated with direct property investment	Extensive regulation  Highly dependent on the health of the real estate market, which can be affected by factors like interest rates, property values, and economic conditions  Exposure to stock market volatility, which can impact their share price	Real estate investment

# South Africa | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Special Purpose Acquisition Company (SPAC)</b>									
Public Company	SPACs are subject to ordinary corporate taxes	Securities transfer tax (0.25%) on portfolio company disposals  Investors may incur capital gains tax (on exit) and dividends withholding tax (at 20%) on dividends/ Distributions	Yes	Closed-ended	Subject to the requirements of the Johannesburg Stock Exchange  Subject to requirements of the Companies Act, 2008 (Companies Act).  Subject to oversight by the South African Revenue Service	Yes. The minimum capital to be raised by a SPAC is R500 million for a listing on the Main Board of the JSE and R50 million for a listing on the Alternative Exchange (AltX) of the JSE	SPACs minimise operating business risks; it is an effective way of creating currency for M&A transactions  The cost of going public is significantly lower than a traditional IPO  SPACs allow for a broader base of investors and have built in regulatory safeguards to protect all parties to the deal.  SPACs may not obtain debt financing for reasons other than to facilitate an acquisition	A company applying for a SPAC listing may not undertake any commercial or business operations  If the SPAC fails to complete the acquisition(s) within a set timeframe (generally two years), funds must be returned to investors  SPACs don't require the same level of due diligence as traditional IPOs	Mergers and Acquisitions

# Spain | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario (SOCIMI)</b>									
Public Corporation	Taxable at 0% if certain requirements are met. However, non-distributed benefits are taxed at a 15% tax rate. SOCIMIs are liable to pay 19% on dividends distributed to shareholders that (i) hold at least 5% of its capital (ii) which are tax exempt or taxed at an effective rate lower than 10% (iii) are not distributed to other SOCIMI or foreign REIT	No RETT applies on the transfer of shares provided that the real estate assets are linked to the development of an economic activity for Spanish tax purposes	Yes Listing is a requirement Usually, these companies are listed in the Spanish MAB ( <i>Mercado Alternativo Bursátil</i> ) but there are recent precedents of listings on France's Euronext since any regulated secondary market in the EEA may be eligible	Open-ended Minimum floating capital is required by Law	Relevant stock Market supervising body	No specific investor restriction However, tax treatment is different depending on the corporate income tax payable by the shareholder	Zero corporate income tax rate 95% relief in transfer tax and stamp duty applicable to acquisition of residential units or land to be used for residential developments	EUR 5m minimum share capital 80% of its assets shall be qualifying assets (rental properties, investment in REITs or other real estate collective investment schemes) Limitations to corporate structuring (a SOCIMI affiliate, which is not a SOCIMI cannot have further affiliates) Profit distribution obligations	Rental real estate properties

# Spain | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Sociedad Anónima (SA)</b>									
Public limited liability company Investors own shares Subject to Spanish Companies Act Opaque unless listed	Opaque and taxable at general CIT rate of 25% (23% and 15% reduced tax rates could be applied in certain cases) Has access to double tax treaties and to EU Parent-Subsidiary Directive	No RETT applies on the transfer of shares provided that the real estate assets are linked to the development of an economic activity for Spanish tax purposes.	Yes, but unusual (for listing purposes, SOCIMI is more usual)	Open-ended if listed	Only if listed	No	If listed, more control by the regulatory and, then, more security for investors High liquidity, if listed	If listed, regulatory approval and regulated status vehicle	Extended use for funds and joint ventures on real estate sector Especially used if the listing of the vehicle is expected within the future
<b>Sociedad de Responsabilidad Limitada (SRL or SL)</b>									
Private limited liability company Investors own shares Subject to Spanish Companies Act Opaque	Same as SA (see above)	Same as SA (see above)	No	Closed-ended	No	No	High flexibility and potential liquidity	None in particular	Extended use for funds and joint ventures on real estate sector

# Sweden | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Swedish Limited Liability Company (Aktiebolag)</b>									
Corporate: Private limited liability company	Corporate tax 20.6% Dividends and capital gains on shares are subject for participation exemption WHT of 30% applies to dividends, but the rate may be reduced under applicable double tax treaty Exemption from WHT may apply if the recipient is a limited liability company genuinely established within the EEA or if what is exempted under the relevant double tax treaty (if applicable)	Real estate transfer tax of 4.25% if sold to a company and 1,5 % if sold to an individual on registration of deed. The transfer tax is only levied if the real estate is sold directly, i.e. is the transfer tax not levied if real estate is sold indirectly via a SPV Sweden does not have any other transfer taxes or stamp duties	Yes, but requires that the entity is re-categorised to a public limited company	Open- or closed-ended	AIFM regulated by the Swedish Financial Supervisory Authority ( <i>Finansinspektionen</i> )	No (other than requirements set out in AIFMD)	Flexible in terms of establishment and operations	Withholding tax on dividends	All strategies – commonly used for PE/RE/Infra

# Sweden | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Swedish Limited Partnership (Kommanditbolag)</b>									
Contractual partnership Represented by a general partner	Transparent Income is calculated on shareholder level and attributed to the participants based on ownership shares	Real estate transfer tax of 4.25% if sold to a company and 1,5 % if sold to an individual on registration of deed. The transfer tax is only levied if the real estate is sold directly, i.e. is the transfer tax not levied if real estate is sold indirectly via a SPV  Sweden does not have any other transfer taxes or stamp duties	No	Open- or closed-ended	AIFM regulated by the Swedish Financial Supervisory Authority ( <i>Finansinspektionen</i> )	No (other than requirements set out in AIFMD)	Highly flexible and similar to UK and Luxembourg Limited Partnership Tax transparency	Investor recognition is low For non-Swedish investors Risk of creating permanent establishment (PE)	All strategies – commonly used for PE/RE/Infra

# Switzerland | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Immobilien-Aktiengesellschaft</b>									
Corporate – Swiss Stock Corporation	Opaque and taxable at corporate income tax rate depending on canton where the real estate is located Tax at investor level depending on residence and size of participation Generally, has access to double tax treaties	Following taxes may apply depending on the specific circumstances: Real estate capital gains tax, real estate transfer taxes, VAT, land register fees, securities transfer stamp duty	Yes	Closed-ended	No regulatory approval required if listed or if registered shares are issued to qualified investors as defined under Swiss law ("QI")	For non-regulated and not listed funds restricted to QI (cf. left hand column) Furthermore, there are restrictions concerning foreign investors in case the fund invests in Swiss residential property and is not Listed	No regulatory approval required if listed or restricted to QI	No regulatory constraints (investor perspective)	Real estate

# Switzerland | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Anlagestiftung</b>									
Corporate – Swiss Investment Foundation	Opaque, but generally exempt from corporate income tax due to public purpose	Following taxes may apply depending on the specific circumstances: Real estate capital gains tax, real estate transfer taxes, VAT, land register fees, securities transfer stamp duty	No	Open-ended; closed-ended is possible in case of illiquid investments (e.g., real estate, private equity)	Yes, by Occupational Pension Supervisory Commission	Restricted to pension funds and tax-exempt institutions based in Switzerland that provide occupational pensions; and institutions supervised by FINMA which manage collective investments of the institutions mentioned above and which invest funds solely for these institutions  Tax exemption  Restricted investor base  Real estate and any other type of real asset investment	Tax exemption	Restricted investor base	Real estate and any other type of real asset investment

# Switzerland | 3

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Vertraglicher Anlagefonds</b>									
Contractual	Generally transparent, but treated as opaque to the extent holding direct investments in real estate and taxed at a reduced rate	Following taxes may apply depending on the specific circumstances: Real estate capital gains tax, real estate transfer taxes, VAT, land register fees, securities transfer stamp duty	Yes	Open-ended	Requires FINMA approval and a regulated fund and asset manager, as well as a custodian	In principle no, unless restricted to QI There are however also restrictions concerning foreign investors in case the fund invests in Swiss residential property	Flexibility	Considerable regulatory constraints (fund perspective)	Real estate and any other type of real asset investment

# Ukraine

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Venture investment corporate fund</b>									
Legal personality	Exempt at fund level on Investment income Tax at investor level on distributed profits Gains from sale / disposal of fund shares (securities) taxable at investor level Double taxation treaties may apply for the fund	No	Yes	Closed-ended	Requires regulatory approval and managed by a licensed asset management company	In principal no investment restrictions, except that the investment contribution to set up a fund has to be made only with cash	Income tax exemption	Heavily regulated	For financing various types of businesses, including financial and contraction companies
<b>Venture investment mutual fund</b>									
Contractual	Exempt at fund level on Investment income Tax at investor level on distributed profits Gains from sale / disposal of fund certificates taxable at investor level Double taxation treaties availability depends on specific treaty provisions	No	Yes	Closed-ended	Requires regulatory approval and managed by a licensed asset management company	In principal no investment restrictions, except that the investment contribution to set up a fund has to be made only with cash	Income tax exemption	Heavily regulated	Real estate (especially at the construction stage) and others type of real asset investment

# European Long Term Investment Funds (ELTIFs)

ELTIFs are EEA based funds which focus on investing in long-term and illiquid assets such as venture capital, private equity, private debt, real estate and infrastructure. Their domicile and authorisation will be within each relevant EEA country using the ELTIF framework. There has been increasing interest and activity in this type of fund. The ELTIF features described below **apply since 10 January 2024 – i.e. date of application of the new ELTIF 2.0 Regulation. ESMA has also developed regulatory technical standards (RTS) specifying when derivatives will be used solely for hedging the risks inherent to other investments of the ELTIF, the requirements for an ELTIF’s redemption policy and liquidity management tools, the circumstances for the matching of transfer requests of units or shares of the ELTIF, certain criteria for the disposal of ELTIF assets, and certain elements of the costs disclosure, which are applicable since 26 October 2024.**

Form	Open or closed ended	Investments	Diversification	Regulatory Supervision	Borrowing	Marketing	Management and Depositary	Investors	Tax
<b>ELTIFs</b>									
<p>A type of EU domiciled regulated alternative investment fund (<b>AIF</b>)</p> <p>ELTIF is a label on top of regular national product laws such as:</p> <ul style="list-style-type: none"> <li>• SIF, SICAR, RAIF for well-informed investors</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• SCS, SCSp, Part II UCI for all investors</li> </ul>	<p>Closed ended but early redemptions may be permitted subject to specific conditions set out in Art. 18 of the ELTIF Regulation, as supplemented by the ESMA RTS</p>	<p>At least 55% in eligible investments such as:</p> <ul style="list-style-type: none"> <li>• real assets</li> <li>• green bonds</li> <li>• equity, quasi equity, debt instruments issued by or granted to a qualifying portfolio undertaking</li> <li>• simple, transparent and standardised securitisations (<b>STS</b>) where the underlying assets consist of long-term exposures; and</li> <li>• units, shares, interests in ELTIFs, EuVECAs, EuSEFsn UCITSn EU AIFs managed by EU AIFMs investing in “eligible investments” only (fund-of-funds strategy allowed)</li> </ul> <p>Limits and restrictions apply</p>	<p>Diversification requirements and concentration limits apply</p> <ul style="list-style-type: none"> <li>• limit of 20% of its capital in a single qualifying portfolio undertaking, single real asset, or units or shares of any single ELTIF, EuVECA, EuSEF, UCITS or EU AIF managed by an EU AIFM or 10% UCITS eligible assets issued by a single body)</li> <li>• not more than 30% of the units/shares of a single ELTIF, EuVECA, EuSEF, UCITS or EU AIF managed by an EU AIFM</li> </ul> <p>Do not apply where ELTIF is marketed solely to professional investors</p>	<p>Yes</p> <p>Must apply for authorisation to its home state regulator</p>	<p>No more than 50% of NAV if the ELTIF marketed to retail investors</p> <p>OR</p> <p>no more than 100% of NAV if solely marketed to professional investors</p>	<p>Can avail of an EEA marketing passport for both retail and professional investors</p>	<p>An EEA authorised AIFM</p> <p>AIFMD rules on a depositary apply</p>	<p>Institutional investors and retail investors with no minimum financial portfolio requirement and no minimum investment amount</p> <p>MiFID aligned suitability test and PRIIPS key information document (<b>KID</b>) for retail investors</p>	<p>Will depend on form, national jurisdiction and activity</p>

# UK Vehicles (Unauthorised) | UK Limited Partnership / Private Fund Limited Partnership (PFLP)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Private Fund Limited Partnership (PFLP)</b>									
Limited Partnership.	Tax transparent.	5% on direct underlying UK property GAV above GBP 250,000 (with lower rates applied for the portion of GAV below GBP 250,000).	No.	Can be closed or open-ended.	UK AIFMD or CIS regimes may apply, in which case appointment of an FCA regulated AIFM / operator required (as applicable).  A PFLP must be a CIS.	Limited to institutional, high net worth or knowledgeable Investors.	Tax transparent and highly flexible.  Often combined with other investment vehicles.	Illiquid and can be subject to transfer tax.  No access to AIFMD marketing passport as non-EU AIF.	Property, private equity, venture capital, credit and infrastructure funds.  UK property joint ventures with exempt taxpayers.

# UK Vehicles (Unauthorised) | UK Exempt Unauthorised Unit Trust (EUUT)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Exempt Unauthorised Unit Trust (EUUT)</b>									
Unit Trust.	Effectively tax-free at trust level.	0.5%, but in certain circumstances can be nil.	No.	Can be closed or open-ended.	UK AIFMD or CIS regimes may apply, in which case appointment of an FCA regulated AIFM / operator required (as applicable).	Only available to UK tax exempt investors, i.e. pension funds and charities.	Tax efficiency.	Tax exempt investors only.	Pooled property for exempt investors.

# UK Vehicles (Unauthorised) | UK Real Estate Investment Trust (UK REIT)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>UK Real Estate Investment Trust (UK REIT)</b>									
Is an elected tax status for UK tax resident companies (can be elected by companies incorporated in other jurisdictions if tax resident in UK).	Tax exempt status for UK property investment business, subject to meeting REIT conditions.  Can have up to 25% of business related to other activities but other activities may be taxable.	0.5% if UK company.  Will depend on country if non-UK (e.g. Jersey).	Yes.  An exemption from listing is available where 70% of direct / indirect ownership is institutional.	Closed-ended (but buy backs / capital reductions possible).	UK AIFMD rules apply if REIT is an AIF, with either the REIT (internal management) or AIFM (external management) regulated by FCA.  UK or other jurisdiction Prospectus rules apply if "listed".	No, but for unlisted vehicles, there are specific investor requirements.	Tax exempt status for UK property investment.  Can be part of a fund.  Can have underlying investment vehicles and joint ventures.	Range of REIT conditions which must be met to maintain REIT status.	UK property investment.  Potential "unlisted" use as a holding vehicle within a fund structure.

# UK Vehicles (Unauthorised) | Qualifying Asset Holding Company (QAHC)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Qualifying Asset Holding Company (QAHC)</b>									
Is an elected tax status for UK tax resident holding companies (can be elected by companies incorporated in other jurisdictions if tax resident in UK).	<p>Tax exempt status for ringfenced investment business such as for qualifying shares and non-UK land (not UK land)</p> <p>Investors broadly taxed as if they had invested direct.</p> <p>Conditions apply including for ownership and must have a qualifying investment strategy.</p>	<p>0.5% if UK company.</p> <p>Will depend on country if non-UK (e.g. Jersey).</p>	No.	Closed-ended (but buy backs possible).	UK AIFMD or CIS regimes may apply, in which case appointment of an FCA regulated AIFM required.	<p>FCA financial promotion rules</p> <p>Tax ownership requirements - investors other than good (e.g. institutional and diverse ownership investors) not to exceed 30%.</p>	<p>Tax efficiency including for ring fenced business.</p> <p>Withholding tax exemptions on dividends and interest.</p>	Entry Specific holding company regime and limitations on activities.	<p>Use as an investment vehicle for qualifying investments.</p> <p>Comparable to Luxembourg asset holding companies (AHCs).</p>

# UK Vehicles (Unauthorised) | Reserved Investor Fund (RIF)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Reserved Investor Fund (RIF)</b>									
Unauthorised co-ownership contractual scheme.	Transparent for income tax purposes.  Treated as opaque for UK tax on chargeable gains, but RIF is exempt, with investors being subject to tax on disposals of units in the RIF (subject to their status).	No transfer tax on transfers of RIF units.	No.	Can be closed or open-ended.	Must be an AIF and so must have AIFM regulated by the FCA.	Must satisfy genuine diversity of ownership condition, or be controlled by certain qualifying institutional investors.	Tax efficient including on transfer of units in RIF.  Onshore vehicle which has some similar features to a Jersey / Guernsey Property Unit Trust.	Conditions must be met regarding asset ownership (in particular regarding UK property ownership) and investors.	A new regime as of March 2025, but predicted to be useful for government and local authority pension scheme investment.

# UK Vehicles (Authorised) | Authorised Contractual Scheme (ACS)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Authorised Contractual Scheme (ACS)</b>									
<p>ACSs can be established in two legal forms: as authorised co-ownership schemes, as authorised limited partnership funds.</p>	<p>Tax transparent</p> <p>ACS itself is not a taxable entity for UK tax purposes and is not subject to tax in the UK on income or gains arising on underlying investments</p> <p>In some markets, domestic withholding tax exemptions may apply to the ACS.</p>	<p>Unlikely if an authorised co-ownership scheme.</p>	<p>No.</p>	<p>Open-ended.</p>	<p>Vehicle authorised by FCA in UK and must comply with ACS Regulations as well as broader FCA rules (such as COLL).</p> <p>The ACS may be structured as either a UCITS or an AIF and either of these Directives and their Regulations would therefore also be relevant.</p>	<p>ACSs are available only to certain types certain types of investor, being (1) a professional ACS investor (a professional client for the purposes of MiFID); (2) a large ACS investor (being a person who in exchange for units makes a payment of not less than GBP 1m or contributes property with a value of not less than GBP 1m); and (3) a person who already properly holds units in the ACS.</p> <p>This restricts the usually wide investment criteria for UK UCITS and NURSs and must be considered alongside the QIS or LTAF requirements.</p>	<p>Tax efficiency.</p>	<p>Investment restrictions (if a UCITS or NURS). Much greater flexibility for QIS and LTAF.</p> <p>Regulated framework (which may be a benefit depending on fund requirements and target investor).</p>	<p>UK institutional Investment (including local government pension schemes and other DC schemes).</p> <p>A number of LTAFs have been established as co-ownership ACSs.</p>

# UK Vehicles (Authorised) | Long Term Asst Funds (LTAFs)

The LTAF is the UK's regime in place of the European Long-Term Investment Fund (ELTIF) regime for attracting investment into longer-term assets. The FCA has recently reformed the regime enabling wider retail distribution and even more recent announcements to enable ISA investment in LTAFs may make LTAFs more attractive to wealth managers. There has been an uptick in interest for the LTAF and its focus on investing in long-term illiquid assets. The table below sets out an outline summary but there are additional features, restrictions and requirements.

Form	Open or closed ended	Investments	Diversification	Regulatory Supervision	Borrowing	Marketing	Management and Depositary	Investors	Tax
<b>Long Term Asst Funds (LTAFs)</b>									
UK category of authorised fund Legal form: <ul style="list-style-type: none"> <li>• authorised contractual scheme (ACS) (either by a co-ownership scheme or an authorised limited partnership scheme)</li> <li>• authorised unit trust (AUT); or</li> <li>• open-ended investment company (OEIC)</li> </ul>	Open-ended. Minimum redemption notice period of 90 days Typical to have other disclosed liquidity tools	At least 50% of the value in relevant long-term illiquid assets including (directly or indirectly) Private equity and other unlisted securities <ul style="list-style-type: none"> <li>• Private credit</li> <li>• Venture capital</li> <li>• Infrastructure</li> <li>• Real estate</li> <li>• Forestry</li> <li>• Precious metals</li> </ul>	A "prudent spread of risk"	The Financial Conduct Authority (FCA) Fund has to be authorised	Borrowing is capped at 30% of the NAV	LTAFs can be marketed within the UK subject to the FCA marketing rules. Cannot be sold into EEA states unless their private placement regime permits this	A full scope alternative investment fund manager (AIFM) and a depositary	UK Professional and sophisticated investors May be marketed to retail investors subject to providing requisite risk warnings on liquidity	No separate tax regime. Depends on form of the LTAF. Only an ACS is tax transparent

# UK Vehicles (Authorised) | Open-Ended Investment Company (OEIC)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Open-Ended Investment Company (OEIC)</b>									
Corporate entity.	<p>OEIC itself is exempt from tax on chargeable gains; may be subject to corporation tax at 25% on income. Option for election into Property Authorised Investment Fund (PAIF) regime, which, can bring tax advantages making the fund tax efficient, although not transparent.</p> <p>How investors are treated for tax will depend on residence.</p>	Will depend on asset class OEIC holds.	Yes (but would be unusual).	Open-ended.	<p>Vehicle authorised by FCA in UK and must comply with OEIC Regulations as well as broader FCA rules (such as COLL).</p> <p>As an OEIC may be structured as either a UK UCITS or a UK AIF and either of these Directives (as implemented in the UK post Brexit) and their UK Regulations would therefore also be relevant.</p> <p>A UK UCITS may not invest in direct real estate - and so real estate exposure is normally achieved by UCITS through investment in REITs and other property investment companies.</p>	<p>Will depend on whether the OEIC is a UK UCITS, a non-UCITS retail scheme (NURS), a Qualified Investor Scheme (QIS) or a Long Term Asset Fund (LTAF).</p> <p>The former 2 are suitable for mass market retail; the latter for sophisticated or professional clients with LTAFs having some potential for retail exposure (see later entry on LTAF).</p>	<p>Suitable for a large number of investors.</p> <p>Open-ended: so flexible.</p> <p>FCA regulated – and badge of authorisation seen as a benefit to certain investor types.</p>	<p>Investment restrictions (if a UCITS or NURS). Much greater flexibility for QIS and LTAF.</p> <p>Regulated framework (which may be a benefit depending on fund requirements and target investor).</p>	<p>Retail investment (if a UCITS or NURS).</p> <p>A number of LTAFs that have launched have been structured as OEICs.</p>

# UK Vehicles (Authorised) | Authorised Contractual Scheme (ACS)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Authorised Contractual Scheme (ACS)</b>									
<p>ACSs can be established in two legal forms: as authorised co-ownership schemes, as authorised limited partnership funds.</p>	<p>Tax transparent</p> <p>ACS itself is not a taxable entity for UK tax purposes and is not subject to tax in the UK on income or gains arising on underlying investments</p> <p>In some markets, domestic withholding tax exemptions may apply to the ACS.</p>	<p>Unlikely if an authorised co-ownership scheme.</p>	<p>No.</p>	<p>Open-ended.</p>	<p>Vehicle authorised by FCA in UK and must comply with ACS Regulations as well as broader FCA rules (such as COLL).</p> <p>The ACS may be structured as either a UCITS or an AIF and either of these Directives and their Regulations would therefore also be relevant.</p>	<p>ACSs are available only to certain types certain types of investor, being (1) a professional ACS investor (a professional client for the purposes of MiFID); (2) a large ACS investor (being a person who in exchange for units makes a payment of not less than GBP 1m or contributes property with a value of not less than GBP 1m); and (3) a person who already properly holds units in the ACS.</p> <p>This restricts the usually wide investment criteria for UK UCITS and NURSs and must be considered alongside the QIS or LTAF requirements.</p>	<p>Tax efficiency.</p>	<p>Investment restrictions (if a UCITS or NURS). Much greater flexibility for QIS and LTAF.</p> <p>Regulated framework (which may be a benefit depending on fund requirements and target investor).</p>	<p>UK institutional Investment (including local government pension schemes and other DC schemes).</p> <p>A number of LTAFs have been established as co-ownership ACSs.</p>

# Offshore Vehicles | Cayman Islands Exempted Limited Partnership

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Cayman Islands Exempted Limited Partnership</b>									
Limited Partnership.	Transparent.	5% on direct underlying UK property GAV above GBP 250,000 (with lower rates applied for the portion of GAV below GBP 250,000).	Yes.	Usually closed-ended.	<p>Closed-ended funds are required to register with the Cayman Islands regulatory authority, the Cayman Islands Monetary Authority.</p> <p>The regulatory requirements are similar to the Cayman Islands requirements for open-ended "Mutual" funds, including a requirement for an annual audit with Cayman Islands local audit sign-off.</p>	None (subject to usual Anti-Money Laundering / Countering Terrorist Financing / Proliferation Financing restrictions including sanctions).	<p>Very flexible, proportionate regulation and supervision.</p> <p>Tax transparent vehicle with no Cayman Islands tax imposed at the entity/investor level</p> <p>Ideally suited for multiple jurisdictions; high investor familiarity.</p>	Time zone for European Managers.	<p>Closed-ended real estate funds.</p> <p>Private equity funds and credit funds.</p>

# Offshore Vehicles | Jersey/Guernsey Property Unit Trust

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Pros	Cons	Best Used For
<b>Jersey/Guernsey Property Unit Trust</b>									
Unit Trust.	Usually tax transparent for income.  Transparency election or exemption election often available.	Nil.	Yes (but would be unusual).	Usually closed-ended.	By JFSC in Jersey and by GFSC in Guernsey.  Unregulated/ Light touch regulated funds available for institutional and large investors.  The functionaries of funds may need to be supervised.  If marketing in Europe, must consider AIFMD.	Depends on regulatory approval obtained.	Tax treatment, high flexibility and potential liquidity.	Must be managed and controlled outside UK.	UK property investment.

# About CMS Funds Group

## Global reach

Our funds lawyers are embedded in their local markets and have extensive industry connections. But we are also well known for our specialist expertise in international fund structuring and cross-border mandates.

From our global team of over 160 professionals, we can mobilise the right people quickly to create the best team for every mandate. Our experts are based in jurisdictions including Austria, Belgium, Brazil, Bulgaria, Chile, Colombia, France, Germany, Hong Kong, Hungary, India, Italy, Mauritius, Netherlands, Norway, Poland, Romania, Singapore, South Africa, Spain, Sweden, Switzerland and the UK, as well as Luxembourg. Our lawyers also provide US regulatory support.

Wherever you operate and do business, we can put the experience and resources of one of the world's largest law firms to work for you.

## A complete service

Every stage of the funds cycle demands a tailored strategy and structure. CMS offers expert advice at every stage of the funds lifecycle – from planning and launch through governance, restructuring and exit. Different types of funds and asset classes also require distinct advice. We advise on all types of funds (both regulated and unregulated) and indirect structures, across the asset classes from private equity, real estate, infrastructure, hedge, venture capital, debt and exchange traded funds.

Our core funds team can leverage expert resources across CMS to ensure you have the expert advice you need, whatever your requirements, in areas from finance through regulation and taxation to technology. Our sector focus means we can offer you seamless support from market leading specialists in, for example, energy and clean energy life sciences & healthcare, hotels & leisure, real estate, and financial institutions. And if you are involved in a dispute or potential dispute, or simply wish to mitigate your dispute risk, we have a world class team of dispute resolution lawyers who will help you achieve the most commercial outcome possible.

# About CMS Funds Group

## Adapting and growing for AI & Tech



Digitalisation, AI, blockchain, crypto and fintech are set to drive change for the sector. These advancements are reshaping investment structures, operational activities and regulatory landscapes, while cybersecurity and compliance remain critical priorities.

CMS is at the forefront of discussing this new revolution with a number of leading bodies, fund managers, technology specialists and investors. [For a summary of some of the opportunities, barriers and changes involved, download our 'Tokenisation' of funds and AI Back to Basics publications.]

## Future-proofing through sustainable investment



ESG (Environmental, Social, and Governance) considerations have been at the forefront of global change, reshaping priorities across industries. Establishing a forward-looking responsible investment strategy is an important element for protecting and enhancing the reputation of fund and for ensuring their adaptability and success.

Our sustainable investment experts help clients with a wide range of Sustainable investment issues. From strategy to implementation, we advise on how a robust sustainable investment strategy can help futureproof your business.

## Embracing new opportunities



Besides AI, Tech and ESG, our lawyers are at the forefront of funds sector developments. Funds and investors seek our support for many different jurisdictions on both new and established fund and investment structures, including use of ELTIFs, LTAFs, UK REITs and many other choices.

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