

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 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	Best Feature	Worst Feature	Best Used For
Real estate investment fund (ImmoInvF)									
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	Best Feature	Worst Feature	Best Used For
FIIS (Fonds d'investissement immobiliers spécialisés)									
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) See footnote	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)

Bulgaria

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Special purpose investment company (дружество със специална инвестиционна цел or АДСИЦ in Bulgarian)									
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 transfer tax 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	Best Feature	Worst Feature	Best Used For
(OPCI) Fonds de placement Immobilier (FPI)									
Contractual (FCP) No legal personality	<p>Pass-through entity subject to distribution requirements</p> <p>Tax at investor level</p> <p>No access to double tax treaties or EU Directives</p>	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)	<p>No</p> <p>However, professional OPCIs (OPPCIs) are open to professional or sophisticated clients only</p>	Pass-through tax status at fund level	<p>Regulatory approvals</p> <p>Minimum real estate requirement (60%)</p> <p>Minimum capital and liquid asset requirements</p> <p>Professional OPCIs (OPPCIs) are more flexible in terms of liquid asset requirements</p>	Long-term real estate investments
(OPCI) Société de placement à prépondérance Immobilière (SPICAV)									
Corporate Usually SA or SAS	<p>Opaque</p> <p>Exempt at fund level but subject to distribution requirements</p> <p>Tax at investor level</p> <p>No access to double tax treaties or EU Directives</p>	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)	<p>No</p> <p>However, professional OPCIs (OPPCIs) are open to professional or sophisticated clients only</p>	<p>Corporate vehicle</p> <p>Tax exempt status at fund level</p> <p>One of the most popular French real estate funds</p>	<p>Regulatory approvals</p> <p>Minimum real estate requirement (60%)</p> <p>Minimum capital and liquid asset requirements</p> <p>Professional OPCIs (OPPCIs) are more flexible in terms of liquid asset requirements</p> <p>Dividend distribution requirements (rental income 85% and gains 50%)</p>	Long-term real estate investments

Germany | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Sondervermögen (fund in contractual form)									
Contractual	Opaque or (semi) 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	Open-ended	AIFM supervised by BaFin	(Semi) professional investors	Tax transparency (depending on structure) Sale of fund units does not trigger RETT Single line balance sheet item (depending on structure)	Opaque tax treatment (depending on structure) If structured (semi) transparent: <ul style="list-style-type: none"> • Conclusive list of eligible assets • Risk diversification requirements • Limitation on leverage 	Investments by German tax-exempt institutional investors (e.g. pension schemes) Commonly implemented using a German service AIFM
Contractual	Opaque Not tax transparent but solely subject to tax with domestic real estate income	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	AIFM supervised by BaFin	(Semi) professional investors	Sale of fund units does not trigger RETT 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	Best Feature	Worst Feature	Best Used For
Investment Kommanditgesellschaft (InvKG) (limited partnership)									
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 avoided at fund level if structured as asset-managing partnership 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

Italy

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Real estate investment fund (REIF)									
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 securitization transactions involving real estate assets/rights and/or or receivables guaranteed by mortgages.	Real estate
Società di investimento a capitale fisso (SICAF)									
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 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 securitization transactions involving real estate assets/rights and/or 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	Best Feature	Worst Feature	Best Used For
Luxembourg SICAV-SIF SCA									
Corporate partnership limited by shares with the form of an investment company with variable capital and subject to SIF law	Not tax transparent but effectively tax-free except 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 125,000 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
Luxembourg SICAV-RAIF SCA									
Corporate partnership limited by shares with the form of an investment company with variable capital and subject to SIF law	Not tax transparent but effectively tax-free except 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 125,000 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	Best Feature	Worst Feature	Best Used For
Luxembourg SICAV-RAIF SCSp									
Special limited partnership without legal personality with the form of an investment company with variable capital and subject to RAIF law	Tax transparent but 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 125,000 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
Luxembourg unregulated SCSp									
Special limited partnership without legal personality	Tax transparent No annual subscription tax but tax of EUR 4,815	No		Open or closed-ended	Not regulated and compliance with AIFMD if AIF full scope	Only well-informed investors: institutional, professional or EUR 125,000 minimum 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

The Netherlands | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Fonds voor gemene rekening (FGR)									
Contractual	<p>Opaque In case participations units are freely tradable (so-called: "open FGR")</p> <p>Tax at fund level Generally access to double tax treaties and EU Directives</p> <p>Transparent In case: (i) admission or substitution is done via FGR (i.e. redemption and issuance of units); or (ii) admission or substitution requires prior consent of all participants (so called: "closed FGR")</p> <p>Tax at investor level No access to double tax treaties or EU Directives</p> <p>As of 2022, a transparent FGR for Dutch tax purposes may qualify as a reverse hybrid entity and subsequently become subject to Dutch tax (ATAD 2). However, collective and alternative investment funds with a diversified portfolio of securities are excluded under these rules</p>	<p>10.4% RETT (2023 rate) in case of real estate fund, with 30% of Dutch real estate.</p> <p>Generally not subject to RETT if interest is less than 1/3 of the (issued) fund size. Transfer of legal title to Dutch real estate (or shares in Dutch real estate entities) to general partner / depository may attract RETT</p>	Yes	Open or closed-ended	Regulated by the Dutch Authority for Financial Markets (<i>Autoriteit Financiële Markten</i> "AFM") if in scope of AIFMD, unless an exemption applies	No	<p>Flexible</p> <p>Potential tax transparency.</p> <p>No minimum capital requirement</p>	Lack of access to tax treaties and lack of free transfer rights with regard to closed FGR	Real estate

The Netherlands | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Commanditaire vennootschap (CV)									
<p>Contractual Limited partnership without legal personality</p> <p>Legal title to assets held by general Partner</p>	<p>Opaque*</p> <p>In case no prior consent of all partners is required with respect to the admission or substitution of a limited partner (so called: "open CV")</p> <p>Tax at fund level</p> <p>Generally access to double tax treaties or EU Directives</p> <p>Transparent*</p> <p>In case prior consent of all partners is required with respect to the admission or substitution of a limited partner (so called: "closed CV")</p> <p>Tax at investor level</p> <p>No access to double tax treaties or EU Directives</p> <p>*It is announced that a legislative proposal will be submitted to the Dutch parliament in the 2nd quarter of 2023 pursuant to which all CV's are treated as transparent for tax purposes, effective as of 2024. A submitted legislative proposal is subject to amendments and needs to be approved by both chambers of the Dutch parliament before it can enter into force.</p> <p>As of 2022, a transparent CV for Dutch tax purposes may qualify as a reverse hybrid entity and subsequently become subject to Dutch tax (ATAD 2). However, collective and alternative investment funds with a diversified portfolio of securities are excluded under these rules.</p>	<p>10.4% RETT (2023 rate) in case of real estate fund, with 30% of Dutch real estate.</p> <p>Generally not subject to RETT if interest is less than 1/3 of the (issued) fund size. Transfer of legal title to Dutch real estate (or shares in Dutch real estate entities) to general partner / depository 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>Flexible</p> <p>Potential tax transparency.</p> <p>No minimum capital requirement</p>	Lack of access to tax treaties and lack of free transfer rights with regard to closed CV	

The Netherlands | 3

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Fiscale beleggings-instelling (FBI)									
<p>Corporate: Public limited company (NV) Private limited company (BV) Contractual as a non transparent FGR Comparable foreign entity (EU member state or tax treaty country with non discrimination clause)</p>	<p>Opaque and taxable at 0% Generally, has access to double tax treaties, but not to EU Parent Subsidiary Directive Tax will apply to permitted subsidiary carrying out project development activities Recently, it is announced that a proposal will be issued which includes the measure that FBIs may no longer invest directly in real estate as per 2024. As a result, profits derived by FBIs from Dutch real estate become taxable as per 2024 (subject to adoption by both chambers of Dutch parliament)</p>	<p>10.4% RETT (2023 rate) in case of real estate fund, with 30% of Dutch real estate. Generally, not subject to RETT if interest is less than 1/3 of the (issued) fund size. Transfer of legal title to Dutch real estate (or shares in Dutch real estate entities) to general partner / depository may attract RETT</p>	Yes	Open or closed-ended	<p>May be regulated listed or licensed FBI Managed by an AIFM A private FBI is available</p>	<p>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</p>	<p>Zero tax rate Transfer rights for shares</p>	<p>Passive investment only Investment, debt and ownership restrictions Trading in real estate or development not allowed other than through shares in a subsidiary Distribution requirement</p>	Passive investment for shares

Norway

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Norwegian limited company (<i>Aksjeselskap</i>)									
Corporate: Private limited company	<p>Opaque. Ordinary income taxed at 22% on the hands of the company.</p> <p>Dividends and capital gains on shares subject to participation exemption for Norwegian corporate investors.</p> <p>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.</p>	<p>Real estate transfer tax of 2.5% on registration of deed (calculated on the basis of the consideration (e.g. purchase price))</p> <p>No other transfer taxes or stamp duties</p>	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
Norwegian internal partnership (<i>Indre selskap</i>)									
<p>Contractual partnership without legal personality</p> <p>Legal title to assets held by general partner</p>	<p>Transparent</p> <p>Income is calculated on company level and attributed to the participants based on ownership interest.</p>	<p>Real estate transfer tax of 2.5% on registration of deed (calculated on the basis of the consideration (e.g. purchase price))</p> <p>No other transfer taxes or stamp duties</p>	No	Open- or closed-ended	AIFM regulated by the Norwegian Financial Supervisory Authority (<i>Finanstilsynet</i>)	No	<p>Flexible and high resemblance to limited partnership</p> <p>Tax transparency</p>	<p>Norwegian foundations may not invest</p> <p>Nordic investors are unfamiliar with the legal construction</p> <p>Foreign participants/investors risk creating a Norwegian taxable presence (PE)</p>	All strategies

Poland

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Specialised open-ended investment fund applying investment restrictions of closed-ended investment funds									
Contractual	Opaque Partial exemption depending on the type of income (generally, investments into tax transparent entities are subject to CIT) 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, limited to legal persons, partnerships, or individuals investing EUR 40,000 minimum	No income tax at the fund level unless investments are made into tax transparent structures	Strong supervision of the Polish Financial Supervision Authority	Specific types of investors preferring highly regulated entities
Alternative investment company (“ASI”)									
Joint stock company/LLC/EU/company/limited partnership/limited joint stock partnership	Exemption for income from exit (disposal of shares – parent-subsidiary type) 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	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	Income tax exemption for disposal of portfolio shares	Limitation of possible investors	All strategies
Closed-ended investment fund									
Contractual	Partial exemption depending on the type of income (generally, investments into tax transparent entities are subject to CIT) 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 EUR 40,000 minimum	No income tax at the fund level unless investments are made into tax transparent structures	Strong supervision of the Polish Financial Supervision Authority	All strategies

Romania | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Alternative investment funds specialized in real estate investments (“FIAIMOB”)									
Contractual	Tax transparent, tax at investor level. FIAIMOB concept was recently introduced in the domestic law, and it is not specifically covered by the tax legislation.	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

Romania | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Alternative investment funds specialized in real estate investments (“FIAIMOB”)									
Legal entity (e.g., joint stock company, limited liability company)	<p>General taxation rules apply.</p> <p>Access to double tax treaties and Parent-Subsidiary Directive.</p> <p>How investors are treated for tax will depend on their tax residence.</p>	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.	<p>Limitation of possible investors</p> <p>High minimum access investment amount to the FIAIMOB</p>	Real estate investments

Singapore

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Singapore Limited Partnership									
Limited Partnership	Tax transparent	Nil	No	Open and closed-ended	None other than requirements to register as a limited partnership with Accounting and Corporate Regulatory Authority of Singapore	None	Very flexible unregulated tax transparent vehicle	Less commonly used than limited partnership structures from other jurisdictions	All strategies
Singapore Variable Capital Company									
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	Needs a Singapore based licensed or regulated fund manager	None	<p>Flexible and tax efficient regulated vehicle</p> <p>Can be used as an umbrella fund structure</p> <p>It can avail itself of Singapore's extensive network of tax treaties (not available to limited partnerships)</p> <p>Register of shareholders is not publicly available</p>	As a new vehicle (launched January 2020) it is not widely known in the market (although as of December 2020 nearly 200 Singapore VCCs had been launched)	All strategies

South Africa | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Limited Partnership									
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	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
Real Estate Investment Trust (REIT)									
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. Also subject to oversight by the South African Revenue Service	None	Liquidity for investors, favourable tax treatment	Extensive regulation	Real estate investment

South Africa | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
12J Venture Capital Company (VCC)									
Private Company	The VCC is subject to ordinary corporate taxes	Securities transfer tax on portfolio company disposals Investors can deduct (against their taxable income) the full amount invested in a VCC Investors may incur capital gains tax (on exit) and dividends withholding tax (at 20%) on dividends/ Distributions	No	Closed-ended	Registration with the South African Revenue Service and the Financial Sector Conduct Authority. Subject to requirements of the Companies Act	South African taxpayer	Deductions for investors	Constant regulatory changes, five-year lock-in, industry limitations (no investments in gambling, liquor, tobacco, arms, ammunition, financial services, property, mining houses with more than ZAR 500m in assets) Since 30 June 2021, the section 12J VCC regime was terminated, which meant that no new VCCs could be established. This also meant that investments in approved VCCs before the 30 of June 2021 would be 100% deductible from an Investors taxable income, but not thereafter.	Venture capital

South Africa | 3

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Special Purpose Acquisition Company (SPAC)									
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). Also 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	Best Feature	Worst Feature	Best Used For
Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario (SOCIMI)									
Public Corporation	<p>Taxable at 0%</p> <p>However, SOCIMIs are liable to pay 19% on dividends distributed to shareholders that</p> <p>(i) hold at least 5% of its capital, and</p> <p>(ii) which are tax exempt or taxed at an effective rate lower than 10%</p>	No RETT applies provided that the real estate assets are linked to the development of an economic activity	<p>Yes</p> <p>Listing is a requirement</p> <p>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</p>	<p>Open-ended</p> <p>Minimum floating capital is required by Law</p>	Relevant stock Market supervising body	<p>No specific investor restriction</p> <p>However, tax treatment is different depending on the corporate income tax payable by the shareholder</p>	<p>Zero corporate income tax rate</p> <p>95% relief in transfer tax and stamp duty applicable to acquisition of residential units or land to be used for residential developments</p>	<p>EUR 5m minimum share capital</p> <p>80% of its assets shall be qualifying assets (rental properties, investment in REITs or other real estate collective investment schemes)</p> <p>Limitations to corporate structuring (a SOCIMI affiliate, which is not a SOCIMI cannot have further affiliates)</p> <p>Profit distribution obligations</p>	Rental real estate properties

Spain | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Sociedad Anónima (SA)									
Public limited liability company Investors own shares Subject to Spanish Companies Act Opaque unless listed	Opaque and taxable at general CIT rate of 25% Has access to double tax treaties and to EU Parent-Subsidiary Directive	No RETT applies provided that the real estate assets are linked to the development of an economic activity	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
Sociedad de Responsabilidad Limitada (SRL or SL)									
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

Switzerland | 1

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Immobilien-Aktiengesellschaft									
Corporate – Swiss Stock Corporation	<p>Opaque and taxable at corporate income tax rate depending on canton where the real estate is located</p> <p>Tax at investor level depending on residence and size of participation</p> <p>Generally, has access to double tax treaties</p>	<p>Following taxes may apply depending on the specific circumstances:</p> <p>Real estate capital gains tax, real estate transfer taxes, VAT, land register fees, securities transfer stamp duty</p>	Yes	Closed-ended	No regulatory approval required if listed or if registered shares are issued to qualified investors as defined under Swiss law ("QI")	<p>For non-regulated and not listed funds restricted to QI (cf. left hand column)</p> <p>Furthermore, there are restrictions concerning foreign investors in case the fund invests in Swiss residential property and is not Listed</p>	No regulatory approval required if listed or restricted to QI	No regulatory constraints (investor perspective)	Real estate
Anlagestiftung									
Corporate – Swiss Foundation	<p>Opaque, but generally exempt from corporate income tax due to public purpose</p>	<p>Following taxes may apply depending on the specific circumstances:</p> <p>Real estate capital gains tax, real estate transfer taxes, VAT, land register fees, securities transfer stamp duty</p>	No	Open-ended	Yes, by Occupational Pension Supervisory Commission	<p>Restricted to Swiss pension funds, occupational pension schemes and other institutions, such as foundations, in the pensions field</p>	Tax exemption	Restricted investor base	Real estate and any other type of real asset investment

Switzerland | 2

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Vertraglicher Anlagefonds									
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

UK and offshore jurisdictions | 1 (Channel Islands and Cayman Islands)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
UK Limited Partnership [Private Fund Limited Partnership]									
Limited Partnership	Tax transparent	5% on direct underlying UK property GAV above GBP 250,000 (with lower rates applied to the portion of GAV below GBP 250,000)	No	Usually closed-ended	Manager regulated by FCA in UK and must comply with AIFMD Existing limited partnerships can opt-in to the new Private fund regime if they qualify as a "collective investment scheme"	Limited to institutional, high net worth or knowledgeable Investors	Tax transparent Often combined with other investment vehicles	Illiquid and can be subject to transfer tax Post-Brexit Non-EU AIF	Pan-European property investment Funds UK property joint ventures with exempt taxpayers
UK Unauthorised Exempt Property Unit Trust									
Unit Trust	Effectively tax-free at fund level	0.5%	No	Usually semi open-ended	Manager regulated by FCA in UK and must comply with AIFMD	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 and offshore jurisdictions | 2 (Channel Islands and Cayman Islands)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Open-Ended Investment Company (OEIC)									
Corporate entity	OEIC itself is exempt from tax on chargeable gains; may be subject to corporation tax at 20% 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. How investors are treated for tax will depend on Domicile	Will depend on asset class OEIC holds	Yes (but would be unusual)	Open-ended	Vehicle authorised by FCA in UK and must comply with OEIC Regulations as well as broader FCA rules (such as COLL) 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. 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.	Will depend on whether the OEIC is a UCITS, a non-UCITS retail scheme, a Qualified Investor Scheme or a Long Term Asset Fund The former 2 are suitable for retail; the latter for sophisticated or professional clients only	Suitable for a large number of investors Open-ended: so flexible	Investment restrictions (if a UCITS or NURS). Much greater flexibility for QIS and LTAF. Regulated framework (which may be a benefit depending on fund requirements and target investor)	Retail investment (if a UCITS or NURS)

UK and offshore jurisdictions | 3 (Channel Islands and Cayman Islands)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Authorised Contractual Scheme (ACS)									
<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>Will depend on asset class ACS holds</p>	<p>Yes (but would be unusual)</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 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 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)</p>

UK and offshore jurisdictions | 4 (Channel Islands and Cayman Islands)

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Cayman Islands Exempted Limited Partnership									
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	Closed-ended funds are required to register with the Cayman Islands regulatory authority, the Cayman Islands Monetary Authority 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	None (subject to usual Anti-Money Laundering/ Countering Terrorist Financing/ Proliferation Financing restrictions including sanctions)	Very flexible, proportionate regulation and supervision Tax transparent vehicle with no tax Cayman Islands tax imposed at the entity/investor level Ideally suited for multiple jurisdictions; high investor familiarity	Time zone for European Managers	Closed-ended real estate funds Private equity funds and credit funds
Jersey/Guernsey Property Unit Trust									
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 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 By GFSC in Guernsey	Depends on regulatory approval obtained	Tax treatment, high flexibility and potential liquidity	Must be managed and controlled outside UK	UK property investment

Ukraine

Form	Tax Treatment	Transfer Tax	Listable	Open or closed ended	Regulatory Supervision	Investor Restrictions	Best Feature	Worst Feature	Best Used For
Venture investment corporate fund in Ukraine									
Legal personality	<p>Exempt at fund level on Investment income</p> <p>Tax at investor level on distributed profits</p> <p>Gains from sale / disposal of fund shares (securities) taxable at investor level</p> <p>Double taxation treaties may apply for the fund</p>	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
Venture investment mutual fund in Ukraine									
Contractual	<p>Exempt at fund level on Investment income</p> <p>Tax at investor level on distributed profits</p> <p>Gains from sale / disposal of fund certificates taxable at investor level</p> <p>Double taxation treaties availability depends on specific treaty provisions</p>	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

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