

Note 7: Proposal to restructure membership fee



18 March 2019

Background

INREV is committed to providing the products and services to its members that are required to help drive their organisations forward and embrace the non-listed landscape of tomorrow and beyond.

Since its inception in 2003, membership continues to grow but our products and services have increased at an even faster rate and we are faced with increased costs. The good news is that members tell us these products and services are welcomed, utilised and highly recommended.

But by providing these products and services we have eaten into member funds and are forecast to run a deficit in 2019. We realise that this is not financially viable and have consulted various options when considering how to increase the revenue stream to continue what we're doing and implement plans to increase value for members. But the fact remains that the membership fee is our main stream of income.

As a non-profit association and considering that the membership fee has never been increased since the start, it becomes clear that a proposal to restructure the current membership fee is natural progression and the most viable route to a future-proof INREV.

The below proposal is put forward for approval by vote at the Annual General Meeting on 2 April in Venice.

The proposal

We propose to offer three types of membership: Investor Membership, Non-Investor Membership and an Academic Membership.

We continue to offer an Introductory Fee to investors for the first two years and propose to offer a Research Subscription to investors from outside Europe with the same benefits as an Investor Membership but presented differently for administrative purposes.

From 2021 onward, it is proposed that the membership fee will automatically include inflation indexing, which was not previously the case. By including this now, this means we do not envisage another proposal to restructure the membership fee for the foreseeable future.

On the next page you can find an overview of the membership fee restructure proposal which will be formally presented and put to vote during the AGM this April in Venice. Only after approval, will it come into effect as per January 2020.

INREV MEMBERSHIP

BENEFITS	INVESTOR MEMBERSHIP		NON-INVESTOR MEMBERSHIP	ACADEMIC MEMBERSHIP
	AUM <€1 billion	AUM >€1 billion		
Full access to INREV products and services	✓	✓	✓	✓
The right to vote at the AGM	✓	✓	✓	✗
One free guaranteed seats at the Annual Conference	✓	✓	✗	✗
One invoiced guaranteed seat at the Annual Conference	✓	✓	✓	✗
Participation in committees	✓	✓	✓	✓
Eligible for the Introductory Fee	✓	✓	✗	✗
	€5,000*	€12,500*	€12,500*	€500*

*Inflation indexed from 2021

1. INVESTOR MEMBERSHIP

Investor membership is available to all those working in the European non-listed real estate investment industry as investors, qualifying to the INREV investor definition. Investor members have access to all INREV benefits, as well as the right to vote during INREVs Annual General Meeting. In addition, one free seat at the Annual Conference is included in the membership fee, plus a second (invoiced) guaranteed seat.

- Real Estate AUM <€ 1 billion
The annual membership fee is € 5,000 and inflation linked from 2021 onward.
- Real Estate AUM => € 1 billion
The annual membership fee is € 12,500 and inflation linked from 2021 onward.

2. NON-INVESTOR MEMBERSHIP

Non-investor membership is available to all those working in the European non-listed real estate investment industry, including investment banks, investment managers, as well as service providers, such as advisors, agencies, accountants and lawyers. Non-investor members have access to all INREV benefits, as well as the right to vote during INREVs Annual General Meeting. Non-investor members receive one (invoiced) guaranteed seat for the AC.

The annual membership fee is €12,500 and inflation linked from 2021 onward.

3. ACADEMIC MEMBERSHIP

Academic membership is available to non-profit research institutions and universities. Academic members have access to many INREV activities and events, as well as other benefits such as participation in committees, but cannot vote during the INREV Annual General Meeting.

The annual academic membership fee is €500, and inflation linked from 2021.

An Introductory Fee will be made available to investors, according to the INREV investor definition except fund of funds/multi manager or organisations that previously held an INREV membership for the first 24 months. Investors during an introductory fee period are entitled to the same membership benefits as investor members, except for a free seat at the Annual Conference.

The reduced membership fee is €2,500 (inflation linked from 2021 onward) annually for the first 24 months, after which the relevant Investor-membership fee applies.

A Research Subscription is also available for non-Europe based investors. It offers the same member benefits as included in investor-membership and has the same annual subscription fee as the annual membership fee or introduction-membership fee for investors.