

Response to consultation on draft guidelines on liquidity stress test for investment funds



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INREV, the European Association for Investors in Non-Listed Real Estate Vehicles*, appreciates the opportunity to provide a few brief comments in response to this consultation.

As an association committed to the establishment of industry best practice standards, liquidity is high on the agenda of INREV and our manager and investor members. While INREV does not take a position on the specific questions raised in the consultation, we would encourage ESMA to consider the INREV Guidelines related to liquidity (attached). INREV's objective is to ensure that investors are provided with a clear and accurate description of the corporate governance, liquidity and property valuation frameworks of non-listed real estate vehicles. We support reasonable and proportional measures under delegated authority related to integrating liquidity stress tests for investment funds in AIFMD. We also support transparency and fair liquidity mechanisms for remaining, exiting and new investors as essential for the exercising of liquidity rights.

(Further, see attached 'INREV Guidelines: Custom Build, Section 7 on Liquidity' and 'INREV Pillars to ensure open end fund liquidity').

Yours sincerely,

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*INREV is the European Association for Investors in Non-Listed Real Estate Vehicles. We provide guidance, research and information related to the development and harmonisation of professional standards, reporting guidelines and corporate governance within the non-listed property funds industry across Europe. INREV currently has 452 members. Our member base includes institutional investors from around the globe including pension funds, insurance companies and sovereign wealth funds, as well as investment banks, fund managers, fund of funds managers and advisors representing all facets of investing into non-listed real estate vehicles in Europe. Our fund manager members manage more than 500 European non-listed real estate investment funds, as well as joint ventures, club deals and separate accounts for institutional investors. INREV's members represent almost all jurisdictions of the European Union's internal market and a range of underlying long-term investment vehicle structures, both CIVs and other non-listed real estate investment vehicles, the vast majority of which are Alternative Investment Funds ("AIFs") subject to regulation under the European Alternative Investment Fund Directive ("AIFMD").