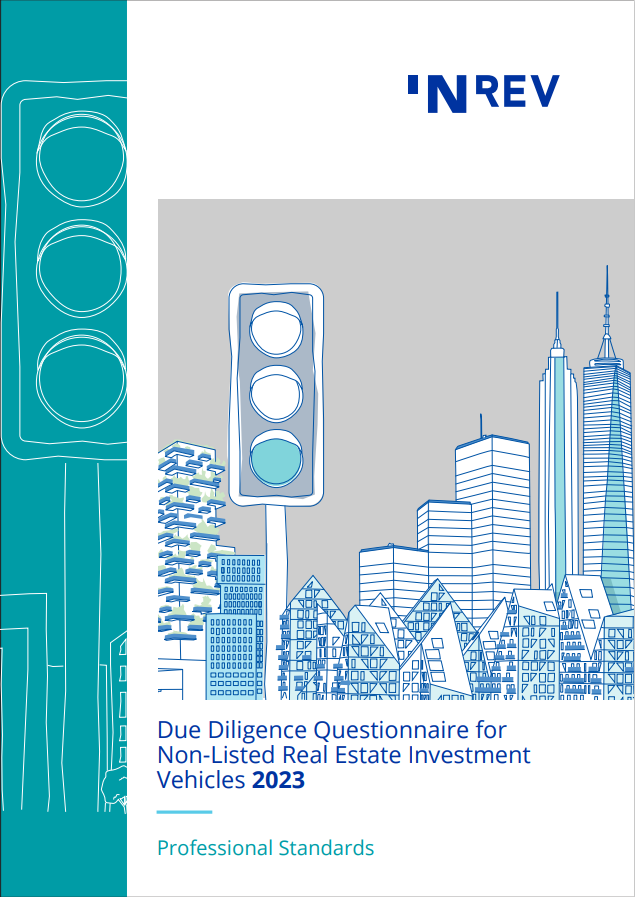
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August 2014

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# 

# Introduction

As the non-listed real estate market continues to develop, both in terms of number of vehicles on offer and geographical reach, there was an increasing need for a more standardised due diligence process to assist investors at all levels to easily access vehicle and investment manager information.

The Due Diligence Questionnaire (DDQ) for Non-Listed Real Estate Investment Vehicles, originally launched in April 2007, assists an investor or consultant in determining, in principle, whether a proposal fits the investor’s investment objectives. The questionnaire provides, relatively quickly, an understanding of:

* a vehicle’s strategy, risk processes, management, terms and (projected) performance;
* an investment manager’s structure, non-listed real estate business and track record; and
* the operational processes required to manage a vehicle.

**Structure of the DDQ**

The structure of the DDQ is broken down into three phases: Preliminary, Advanced and Supplementary. This phased approach benefits both the investor and investment manager by tailoring the type of questions to the relevant stage in the due diligence process, as well as allowing more sensitive information to be provided in later stages.

At the front of the DDQ you can find:

(i) a Vehicle Fact Sheet - providing a snapshot of the basic high-level vehicle information; and

(ii) an Investment Manager Statement - giving the investment manager the opportunity to showcase its platform and expertise.

The objective of the **Preliminary Stage** of the DDQ is to provide sufficient information to allow an investor to create a short list of vehicles to take forward for more detailed due diligence. It is envisaged that it will be provided in the very early stages of due diligence as part of the information pack - either within the Data Room, dedicated to that vehicle, or before when circulating the information to investors.

The objective of the **Advanced Stage** of the DDQ is to provide sufficient information to allow an investor to select one vehicle to take forward to the operational stage of the due diligence process. This stage allows for deeper analysis of the key areas outlined in the Preliminary Stage. The questionnaire may be sent directly to the investor or placed in the Data Room.

The objective of the **Supplementary Stage** of the DDQ is to provide sufficient information to allow an investor to complete the operational elements of the due diligence process. It is envisaged that it will be provided in the later stages of due diligence when, generally, one vehicle has been selected by the investor. The questionnaire may be sent directly to the investor or placed in the Data Room.

While the majority of the operational due diligence topics (such as Valuation, Reporting, IT, Cyber and Physical Security, Disaster Recovery and Business Continuity Plans, and Crisis Management) are covered in the Supplementary stage, there are questions in other stages that can be addressed by applying an operational approach (such as Bank Leverage and Debt Management Strategy) depending on the manager’s organisational structure.

Throughout the DDQ, additional information is requested to be placed in the vehicle’s Data Room - see [Due Diligence Data Room Guidelines](https://www.inrev.org/library/due-diligence-data-room-guidelines). If the Data Room is not available, the relevant information should be supplied with the questionnaire. If the investment manager has additional documentation that is essential to fully answer a question, this information may be placed in the Data Room, even if not requested by the questionnaire. If this is done it should be referenced in the answer.

**How should the DDQ be applied?**

The DDQ has been prepared with the expectation that investment managers will answer the questions appropriately and in a clear and precise manner. This includes ensuring that the documentation provides the information the question asks for and that cross references to other documentation (eg the Private Placement Memorandum (PPM), financial models or vehicle documentation) are clearly made. Investors should also be mindful of the time taken by investment managers to answer the questionnaire.

This questionnaire is not intended to replace meetings between investors and investment managers or to replace a more detailed market, business, tax, and legal or any other type of due diligence.

Many of the concepts discussed in the DDQ are likely to be addressed at vehicle level, hence the questionnaire is designed to provide information for the specific vehicle. The questions that might be relevant at organisational level are highlighted in the DDQ to enable investment managers to explain their organisational model, strategy, and policies, where necessary.

In responding to the questionnaire, [the Global Definitions Database](https://www.inrev.org/definitions/EN/all) should be used as a point of reference for the terms included in this document.

In addition to non-listed real estate funds, the DDQ has been designed to accommodate the due diligence of joint ventures, separate accounts and club deals, to reflect the changing investment landscape. Nonetheless, there may be additional questions specific to JVs, separate accounts and club deals, depending on investor needs and requirements when performing due diligence.

INREV published separate due diligence questionnaires for funds of funds, multi-manager mandates and real estate debt vehicles. These questionnaires, which follow a similar template, are designed to meet the specific needs of investors in different types of non-listed real estate vehicles.

The INREV DDQ is also supported with appendices on specific topics. The appendices are not mandatory to complete. Instead, they aim to provide support for investment managers and investors to communicate more detailed information on these specific topics.

INREV offers a Standard Data Delivery Sheet (SDDS) to support and facilitate information exchange between investment managers and investors. The SDDS helps investors receive information from managers in a common format while enabling managers streamline their processes. Please refer to the [INREV website](http://www.inrev.org) for further information.

**Latest updates**

The INREV DDQ has been regularly updated in line with market developments and investor expectations. The last review was completed in 2018.

In this new 2023 version, most questions were retained while some were merged or simplified to further increase their usefulness and practicality.

To reflect the latest market and regulatory developments, ESG issues were integrated across the different stages of due diligence. At the front of the DDQ, a dedicated ESG section was included in the vehicle fact sheet and ESG references were added to the investment manager statement. The ESG questions are spread now across the Preliminary and Advanced stages, and align with the new INREV Sustainability module and its related sustainability reporting guidelines of the INREV Reporting module. In addition, the recent updates made to the other INREV modules have been reflected in the DDQ.

At the Supplementary stage, new questions were included on Anti-Money Laundering (AML) policies and procedures as well as IT, Cyber and Physical Security processes at the vehicle and organisational level, as relevant.

**Guidance Notes**

With the aim of enhancing consistency in the responses, the INREV DDQ also includes additional guidance, especially for the open-ended questions. The guidance focuses on word count and specific areas which should be covered and any repetitions that should be avoided in answers. To see this guidance, hover over the information icon (ℹ️) next to the questions, or click on the button to access the complete list of Guidance Notes on the [INREV website](https://www.inrev.org/inrev-ddq#GuidanceNotes).

**Disclaimer**

The INREV DDQ is to be used in its full and complete form without amendment. INREV and its members do not take any responsibility for the completion or any corrections of this questionnaire.

Upon completion, each investment manager must ensure that the questionnaire contains an appropriate disclaimer because the document will, in most cases, amount to a promotion. Therefore, the completed questionnaire should only be sent to certain categories of investors. The investment manager should consider reprinting the disclaimer contained in its PPM, if applicable, based on relevant legal advice.

INREV does not give legal advice in relation to specific disclaimers. Any responses to the Due Diligence Questionnaire for Non-Listed Real Estate Investment Vehicles and the extent to which an investor may rely on them should be explicitly agreed between the investment manager and the investor.

Vehicle Fact Sheet

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| General Information | | | Vehicle Name | |  |
|  | | | Investment Manager Name | |  |
|  | | | Contact Person Name | |  |
|  | | | Contact Person Telephone | |  |
|  | | | Contact Person Email | |  |
| Vehicle Structure | | | Vehicle Type1 | |  |
|  | | | Vehicle Structure2 | |  |
|  | | | Vehicle Domicile | |  |
|  | | | Manager-defined Style3 | |  |
|  | | | Legal Structure | |  |
|  | | | Investment Period (start year – end year) | |  |
|  | | | Year of First Closing | |  |
|  | | | Planned Termination Year | |  |
|  | | | Foreign Currency Hedging Strategy | |  |
| Target Strategy | | | Target Gross IRR / Total Return | |  |
|  | | | Target Net IRR/ Total Return | |  |
|  | | | Target Vehicle Size | |  |
|  | | | Target LTV | |  |
|  | | | Current LTV | |  |
|  | | | Maximum LTV | |  |
|  | | | Target Region/Countries | |  |
|  | | | Target Sectors | |  |
|  | | | Target Investment Strategy4 | |  |
| Financial Reporting | | | Reporting Currency | |  |
|  | | | Current Net Asset Value (NAV) | |  |
|  | | | Current Gross Asset Value (GAV) | |  |
|  | | | Accounting Standards | |  |
|  | | | INREV Guidelines compliant | |  |
|  | | | Other Industry Standards compliant | |  |
| Investors | | | Target Investor type | |  |
|  | | | Target Number of Investors | |  |
|  | | | Minimum Investment per Investor | |  |
|  | | | Investment Manager Co-investment | |  |
| **ESG Information** | | | | | |
| ESG Regulation | | | Subject to the SFDR Requirements | | Yes  No |
|  | | | If yes; | |  |
|  | | | Specify if it meets the criteria under one of the SFDR articles | | Article 6  Article 8  Article 9 |
|  | | | If it meets the criteria under Article 8 or 9 | |  |
|  | | | Sustainable Investments (% of AUM) | |  |
|  | | | EU Taxonomy alignment (% of AUM) | |  |
|  | If the vehicle has a target on SFDR and/or EU Taxonomy | | |  | |
|  | | | Targeted proportion of sustainable investments / EU Taxonomy alignment (% of AUM) | |  |
|  | | | Target year | |  |
|  | | | Vehicle considers Principal Adverse Impacts (PAIs) (Article 7) | | Yes  No |
|  | | Subject to other regulations (NFRD, CSRD, US SEC etc). If yes, please specify | | Yes  No | |
| ESG Targets | | | Top 3 ESG targets, if applicable 5 | |  |
|  | | | [Net Zero Carbon](https://www.inrev.org/definitions/EN/D0786) Targets6 | | Yes  No |
|  | | | If yes; | |  |
|  | | | Target Year (2030 /2040 /2050 / Other) 6 | |  |
|  | | | Scenario Pathway Target (1.5 / 2.0 °C /Other) 6 | |  |
|  | | | Reference framework / tool used (eg CRREM) | |  |
|  | | | Details on methodology (ie coverage of scope 1,2,3 emissions, embodied carbon etc.) | |  |
| ESG Performance | | | Performance Benchmark (eg GRESB) 6 | | Yes  No |
|  | | | Name of the benchmark reported / score | |  |
|  | | | ESG Certification Coverage for Existing Vehicles7 | |  |
|  | | | By value or area of assets certified (% AUM / M2) | |  |
|  | | | Energy Rating Coverage for Existing Vehicles (eg EU EPC, NABERS, Energy Start etc.)7 | |  |
|  | | | By value or area of assets with energy rating (% AUM / M2) | |  |
| ESG Commitments / Reporting | | | INREV Guidelines compliant | | Yes  No |
|  | | | ESG frameworks used by either vehicle or organisation | | GRI  UN PRI  UN SDGs  TCFD  CDP  Emissions reduction SBTs  ISO  Other  Please specify \_\_\_\_\_\_\_\_\_\_\_ |

Note: 1. Fund, Separate Account, Club Deal, Joint Venture, Other 2. Open end, Closed end 3. Core, Value Add, Opportunistic, Other (please specify) 4. Provide brief details of strategic themes (eg targeting prime assets or subsectors) 5. eg % of certified asset, targeting a level of EPC, targeting an energy intensity reduction, social return on investment (SROI) etc. 6. Data fields aligned with INREV Vehicle Universe 7. Data fields aligned with INREV Asset Level Index

# Investment Manager Statement

This statement should be short, no more than one page, and outline what distinguishes the investment manager and vehicle from competitors and competing offerings. The statement may include a brief description of the vehicle’s ESG ambition and targets, as applicable to the relevant laws and regulations. The statement should not be a direct copy of information contained in the vehicle marketing documents or the PPM but should be a short, unique summary of factual information that can be substantiated within the DDQ or other supporting documents. For further guidance on content, please see Appendix I.

1. Preliminary Stage

## Vehicle Strategy

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should provide a concise summary of the investment and leverage strategies, using clear and descriptive language. Answers should avoid directly replicating PPM content and limit the use of visuals unless necessary - if included, their relevance should be explained (should be a concise depiction of the investment criteria, guidelines and leverage strategies). )

**1.1.1 Investment Strategy**

* + - 1. Describe briefly the overall investment strategy, objectives and key themes of the vehicle. Explain why this is an appropriate strategy.
      2. [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o "The user should keep the answer short (up to 500 words). The user should use descriptive language for a clear and concise answer; limiting the use of tables, graphs, or lists from external sources. If such visuals are included, their relevance should be explained within the text. An example response has been provided below.)

1.1.1.2 Using the list below, please describe the vehicle’s limits, as defined in the legal documentation or PPM (mention the relevant section), and confirm whether each item is an ‘**investment restriction**’ or simply a ‘**guideline**’:

a Style limits (core/value add/opportunistic);

b Geographical exposure limits (country, region);

c Sector exposure limits;

d Tenant covenant exposure limit;

e Development restrictions;

f Investment size limits (minimum/maximum);

g Investments through real estate vehicles, real estate equities, real estate debt and/or real estate derivatives;

h Liquidity;

i Investments in in-house vehicles;

j Lender exposure; and

k Any others (please specify).

1.1.1.3 If possible, provide a copy of the PPM along with this Due Diligence Questionnaire. The PPM contains more detailed information for qualified investors.

**1.1.2 Bank Leverage and Debt Management Strategy**

1.1.2.1 Describe the vehicle’s leverage strategy. Please include information on vehicle-level and asset-level debt (short-term vs long-term, including targets, restrictions and controls eg LTV ratios, interest coverage ratios, debt-service coverage ratios, collateralised debt, number of debt facilities, whether it is classified as green financing, etc.).

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o "The user should keep the answer short (up to 500 words). The user should use descriptive language for a clear and concise answer; limiting the use of tables, graphs, or lists from external sources. If such visuals are included, their relevance should be explained within the text. An example response has been provided below.)

## ESG Strategy

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should clearly describe the organisation’s ESG strategy and its integration into the vehicle strategy. The response should outline the time frame of the strategy in relation to the vehicle’s life cycle and style. The response should include any regulatory framework to which the strategy will be aligned. The user should also explain how ESG policies, including environmental and social aspects, such as DEI initiatives, are embedded at both vehicle and organisational levels. If not applicable, the user should state this and provide an explanation. Responses should be concise, avoiding repetition of PPM content or other regulatory, and use descriptive language. The user may include relevant policy documents as appendix. )

* + 1. Does the vehicle have an ESG strategy and/or objectives?
    2. [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o "The user should specify the ESG strategy of the vehicle (and how this is integrated into the overall business strategy), keep the answer short (up to 500 words). The user should use descriptive language for a clear and concise answer; limiting the use of tables, graphs, or lists from external sources. If such visuals are included, their relevance should be explained within the text. An example response has been provided below.)

If yes, explain why this is an appropriate strategy and whether and/or how it is integrated into the overall business strategy and investment decision making processes. Please explain the time frame associated with the ESG strategy and make reference to the vehicle’s life cycle and style.

If not applicable, please add N/A and explain below. If you intend to implement strategy, elaborate when and on which ESG areas.

* + 1. Please indicate if the ESG strategy includes specific objectives to assess and manage climate-related (both physical and transition) risks and opportunities.

Indicate if the vehicle has an action plan on climate change adaption and resilience and/or follows a decarbonisation pathway. (Related to the vehicle fact sheet)

* + 1. Explain how you incorporate your policies on the following ESG aspects at the [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

1. vehicle and/or
2. organisational level, and how these are incorporated into strategic decisions.

a Environmental aspects;

b Social aspects;

c Governance aspects;

## Existing Portfolio (Existing Vehicle) or Seed Assets (New Vehicle)

1.3.1 Complete table in Appendix II for the subject vehicle to describe the composition of your portfolio. If not applicable, please add N/A and explain below.

## 1.4 Fees and Expenses [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

1.4.1 Please give details of:

a The fund/investment management fee including details about timing, services provided by the investment manager, and the level and basis on which a fee is proposed (GAV, NAV, income or other).

b All other fees including asset management fees, performance fees, subscription fees, acquisition and disposal fees, property management fees, cash management fees, commitment fees, leasing commissions, wind-up fees, project management fees and development fees. Please also detail the associated impact on the vehicle returns.

1.4.2 If the vehicle has not been launched, please provide a forward-looking estimate of Total Global Expense Ratio (TGER) for the first year when the vehicle is expected to be stabilised. If the vehicle is an existing vehicle, please provide the historical TGER. An NAV TGER based on the time-weighted average INREV NAV may also be provided. If the TGER is not used, please provide a calculation in line with the INREV Fee and Expense Metrics module (<https://www.inrev.org/standards>).

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user may also include details of the TGER split per share class. ")

1.4.3 Provide details of the expected vehicle formation costs. Please elaborate whether those costs are being written off or capitalised and amortised over time. If the latter, please elaborate on the timeframe. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

## 1.5 Investment and Asset Management Process

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should outline decision-making structures, investor committee roles, and risk oversight procedures, where helpful, supported by visuals or process descriptions. Pricing policy answers may include assumptions, governance, frequency, and any use of INR EV NAV. Direct replication from legal documents should be avoided.)

**1.5.1 Investment Decision-Making**

1.5.1.1 Describe the decision-making processes by which the overall structure of the portfolio is determined. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

1.5.1.2 Complete the table detailing who is responsible for the approvals process you use for investing in an underlying asset for the acquisition and sale of individual properties and/or for investment period extensions. Indicate if there is an investor advisory committee.

Please outline the approval process.

|  |  |  |
| --- | --- | --- |
| **Size of asset** | **Responsibility for sign-off** | **Approval Process** |
| Example: <€25m | Example: Investment Manager |  |
|  |  |  |
|  |  |  |
|  |  |  |

1.5.1.3 If there is an investor advisory committee, explain the process for selecting investors for representation. What rights does the committee have?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should clearly mention the eligibility criteria for the Investment Advisory Committee (IAC), the role they play and mention the matters for which they may be consulted. Other details may include the max/ min number of investors/ representatives on co mmittee, the frequency of meetings, voting procedures, quorum requirements and membership rotation policy (if applicable).)

1.5.1.4 How are your risk management processes embedded in your investment and monitoring of the vehicle?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should keep the answer short (up to 500 words). The answer may include a flow chart/ visual aid, if needed, to explain the chronological description of the process clearly. Other details may include the role of any risk management team/committee, mai n risk parameters considered, frequency of risk review and reporting, and the process for fixing, breaches of risk limits/tolerance. An example response has been provided below.)

**1.5.2 Liquidity Management**

*If this is an open end vehicle:*

1.5.2.1 Describe the pricing policy, including the redemption and subscription pricing mechanism, underlying assumptions and governance process. Specify how the pricing mechanism of the vehicle aims to minimise dilution and ensure fair treatment of (remaining and redeeming) investors.

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should limit direct replication from external sources such as the PPM or other legal documents. Other details may include frequency of pricing, use of internal and external valuation processes and the use of INREV NAV (and any deviation from INREV NAV Guidelines).)

1.5.2.2 Describe any discretion you have to vary the issue or redemption pricing and under what circumstances you could envisage using it, including exceptional circumstances (eg the pricing policy in case of dislocated markets). [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

*If this is a closed end vehicle:*

1.5.2.3 Can the vehicle term be extended and, if so, whose approval is required for each extension?

1.5.2.4 Describe the vehicle’s exit strategy including the process by which full liquidation will be achieved, including any policies you have regarding the wind-up management, likely timeframe and limitation of on-going liabilities after the sale of all the vehicle’s real estate assets.

1.5.2.5 Provide details of any investor side letters that restrict normal liquidity rights for a specified period.

1.5.2.6 Describe any deferral rights the investment manager has on redemption.

1.5.2.7 Does the investment manager facilitate secondary trading? If not, please explain. Provide details of any prior secondary trading of interests in the vehicle (eg dates, amounts and pricing). [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

1.5.2.8 Describe the liquidity policy of the vehicle, if any. Please include explanations on the average liquidation time of the assets sold from the portfolio and how the liquidation of assets are assessed under normal and stressed market scenarios.

## 1.6 Vehicle Staff

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " For this section, - Senior staff includes dedicated personnel who are considered influential at the organisational level or with respect to the vehicle. -Key members include dedicated personnel who are significantly important to the functioning of the vehicle and/or have decision making power.)

1.6.1 Provide a structure chart in Appendix III detailing all personnel responsible for the vehicle, together with their biographies, unless they are already included in the PPM. Please include the percentage of each staff member’s time spent on the vehicle and vehicle strategy.

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should list all personnel in the chart, state the number of team members dedicated to the specific vehicle strategy, mention their expertise (eg research, asset management), and briefly describe which services are handled inhouse or outsourced. The user may include the bios of only the senior staff and team members dedicated to the vehicle.)

1.6.2 Provide a structure chart in Appendix III illustrating how the senior staff responsible for the vehicle are positioned in the overall structure of the real estate group. Complete the table below for the senior staff listed in the structure chart.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name** | **Role/job description** | **Employment Start Date** | **Relevant real estate experience**  **(years)** | **Office location** | **Countries covered** |
|  | [Portfolio manager, sourcing, due diligence and monitoring] | [March 2010] | [12] | [Germany] | [Germany] |
|  |  |  |  |  |  |

## 1.7 Investment Manager Platform

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " This section intends to provide a complete overview of the manager’s structure, including any affiliations with other businesses. The response should also give an overview of the real estate business and strategies, highlighting how these have evolved over the past three years.)

**1.7.1 Organisational Structure**

1.7.1.1 Provide a brief description of your organisation’s business strategy. Provide a high-level organisation structure chart in Appendix III.

1.7.1.2 If the investment manager is part of a group, provide details of the group’s offices and how they are staffed and established.

1.7.1.3 Are there any criminal, civil or regulatory proceedings or any similar matters (including reparations, arbitrations and negotiated settlements) against the organisation, its affiliates or any of its principals? Please provide details of any past, current or pending proceedings against the organisation, its affiliates or principals.

**1.7.2 Real Estate Investment Management Business**

1.7.2.1 Provide a high-level organisation chart in Appendix III detailing your real estate business including the number of dedicated real estate staff in each office location.

Provide below a breakdown of your real estate business (over the past three years).

|  | **By Assets Under Management (AUM) (value)** | | |
| --- | --- | --- | --- |
|  | **20XX** | **20XX** | **20XX** |
| Direct non-listed funds |  |  |  |
| Funds of funds |  |  |  |
| Separate accounts |  |  |  |
| Listed vehicles |  |  |  |
| Debt funds |  |  |  |
| Joint ventures |  |  |  |
| Others (please specify) |  |  |  |
| **Total** |  |  |  |

1.7.2.2 Provide a brief description of your AUM for non-listed real estate or real estate debt vehicles, broken down by investment style, geography and sector. Refer to the AUM definition from the [Global Definition Database](https://www.inrev.org/definitions/EN/all).

1.7.2.3 Provide a brief description of all non-listed real estate or real estate debt vehicles, including separate accounts, that you are currently managing, as well as products which you are currently raising capital for. If not applicable, please add N/A and explain. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2 Advanced Stage

## 2.1 Vehicle Strategy

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "SectionGuide21" \o " The user should describe whether the current vehicle strategy aligns with strategies of previous vehicles managed by the investment manager, highlighting any material changes. The user should also explain the types of research used to inform strategy, including whether it is conducted in-house or by third parties, and the tools and team involved. The user should outline the breakdown of the target returns for the vehicle. If a data room is not applicable, the user should state this. For open-end vehicles, the user should disclose any past breaches of debt restrictions or covenants and explain how they were managed.)

**2.1.1 Investment Strategy**

2.1.1.1 Is the strategy consistent with earlier strategies carried out by the non-listed vehicle or previous vehicles managed by the investment manager? If not, what changes have been made?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should mention if the current strategy has changed and highlight the differences in strategies of the current vehicle as compared to previous vehicles managed by the manager (eg expansion of geographical territories, leverage approach, portfolio management approach etc.))

2.1.1.2 If applicable, describe what the vehicle’s expected geographical and sector allocations are likely to be, using the table below.

|  |  |  |
| --- | --- | --- |
| **Country** | **Target weighting range** | **Current weight  (if applicable)** |
| Country 1 |  |  |
| Country 2 |  |  |
| **Sector** | **Target weighting range** | **Current weight  (if applicable)** |
| Sector 1 |  |  |
| Sector 2 |  |  |

2.1.1.3 Describe how you will generate your target returns and what the return components (income return, capital growth, leverage effect, etc.) are expected to be. Please provide a breakdown (in the Data Room) of the projected gross-to-net total returns.

2.1.1.4 What types of qualitative, quantitative and fundamental research do you use to determine your strategy? Do you have a dedicated research team? Provide an example of the research used to define your strategy (in the Data Room).

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should keep the answer concise, including information on the use of in-house and/or third-party research (including proprietary and paid-for/bespoke research), and the tools used (i.e., excel, programs, in-house systems). Other details on the number of dedicated research team members, their locations and how insights from the three types of research are combined, and whether the research team participates in the investment making decisions should also be clearly mentioned. )

2.1.1.5 Please provide an electronic copy of the vehicle’s financial documents (in the Data Room).

**2.1.2 Bank Leverage and Debt Management Strategy**

2.1.2.1 What are the key characteristics of the vehicle’s leverage/debt strategy? Include comments on the following areas:

a Cross collateralisation versus asset-by-asset finance;

b Use of syndicated lending;

c Use of commercial mortgage-backed securities (CMBS);

d Securitisation policies; and

e Any other restrictions or covenants imposed (eg LTV ratios, interest coverage ratios, debt-service coverage ratios).

2.1.2.2 Who is in charge of debt management for the vehicle? Do you have a dedicated debt management team? Provide details of their experience.

2.1.2.3 How do you deal with and monitor a breach of vehicle-level debt restrictions? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.1.2.4 How do you deal with debt covenant breaches and what governance is in place related to this?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should provide information on the breaches over the last 3 years, if any, and how these have been mitigated.)

2.1.2.5 What (vehicle-level) guarantees are provided in relation to bank debt?

2.1.2.6 Can the vehicle use a credit facility backed by investor commitments? If so, please provide details (facility provider, costs, maximum duration of use before replacing by equity, etc.). Are these commitments included in calculating the LTV with respect to the vehicle debt covenants?

2.1.2.7 Provide a summary of any interest rate hedging strategies and instruments employed by the vehicle and details of who is responsible for these.

## 

## 2.2 ESG Strategy

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should clearly explain how the ESG strategy is linked to the organisation objectives over the full lifecycle of the strategy implementation. This should outline at the organisation or vehicle level the objectives and policies and how these are integrated into the governance framework, including how those involved in the ESG strategy are assessed (whether they are linked to staff remuneration and supported by measurable KPIs). Responses should cover ESG targets, performance, risks and opportunities and be concise yet comprehensive. The user should focus on the asset lifecycle and the implementation of the ESG Strategy over this time and the associated reporting. For certified assets, the user should provide a summary aligned with the vehicle fact sheet. Where applicable, the user may refer to the INREV ESG SDDS template. All answers should be specific, and if certain elements are not applicable, this should be explained.)

**2.2.1 ESG Strategy and Objectives**

2.2.1.1 Based on your answer to question 1.2.1; specify the factors considered relative to the ESG strategy of the vehicle/ organisation and elaborate on the objectives associated with each ESG topic in the table below. Action plans associated with the ESG strategy and objectives may be specified in question 2.2.5.3.

Specify the policies adopted by the investment manager to address the specific ESG objectives as part of its investment strategy. ESG objectives could be addressed with a dedicated policy (eg sustainable investment policy, responsible contractor policy, conflicts of interest policy) or could be embedded into another policy (eg as a topic in human resources policy, investment policy). Indicate if the scope of the policy does not cover contracted parties and suppliers.

| ESG Factors Covered | Applicable | Objectives/ Targets | Policies (if considered)\* |
| --- | --- | --- | --- |
| Energy Consumption | Yes  No |  |  |
| GHG Emissions | Yes  No |  |  |
| Climate Change – Transition Risks and Opportunities (eg Net zero carbon targets and/or decarbonisation pathways, fossil fuel exposure (SFDR)) | Yes  No |  |  |
| Climate Change – Physical Risks and Opportunities (ie climate resilience) | Yes  No |  |  |
| Water Consumption | Yes  No |  |  |
| Waste Management | Yes  No |  |  |
| Biodiversity | Yes  No |  |  |
| Building Certificates | Yes  No |  |  |
| Energy Ratings | Yes  No |  |  |
| Diversity, Equity and Inclusion (DEI) | Yes  No |  |  |
| Health, Safety and Wellbeing (HSW) | Yes  No |  |  |
| Stakeholder Engagement | Yes  No |  |  |
| Employee Development | Yes  No |  |  |
| Human Rights | Yes  No |  |  |
| Social Impact | Yes  No |  |  |
| Code of Ethics / Code of Conduct | Yes  No |  |  |
| Other, please specify\_\_\_\_\_ | Yes  No |  |  |

\*S*ome or all the policies which operate within the organisation of the investment manager may be adopted by the vehicle concerned.*

2.2.1.2 Please provide (in the Data Room) a copy of the ESG policies (including code of ethics) by which both the vehicle and the investment manager adhere.

2.2.1.3 Does this vehicle use IT solutions (eg energy storage, decentralised energy generation systems or collect and store ESG data for monitoring performance and reporting) to achieve its ESG strategy and objectives? If yes, explain how IT solutions are applied in implementing the ESG strategy and which tools and platforms are used at asset level.

**2.2.2 ESG Governance**

2.2.2.1 Describe the governance framework in relation to monitoring and managing the ESG strategy and objectives. Please specify the team/person responsible for coordinating the management of ESG performance regarding the risks and opportunities at vehicle and/or organisation level. (eg Board of directors, executive management, senior-level professionals, a specific committee / a dedicated role responsible for ESG, teams/employees for whom ESG aspects are among their responsibilities, external consultants etc.) (Reference to INREV Governance and Sustainability Guidelines)

* + - 1. Explain whether the investment manager's remuneration takes into consideration the vehicle’s ESG performance. Are there KPIs for vehicle staff to achieve overall ESG objectives, and if so, how are they identified and measured? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

**2.2.3 ESG Targets and Performance**

* + - 1. Does the vehicle have specific targets to achieve its ESG strategy and objectives? If yes, explain the process for identifying the specific targets and how performance against the targets is assessed. (Related to the vehicle fact sheet and question 1.2.1 and table in question 2.2.1.1)
      2. Please describe whether the assessment of ESG factors is integrated into the investment processes of the vehicle. Indicate the consequences of achieving or not achieving the target KPIs at vehicle level.
      3. Do you submit data to sustainability performance benchmarks (eg GRESB, UN PRI)? (Related to the vehicle fact sheet) If so, please provide details; what is the year of last participation, latest score and/or the targeted score at stabilisation point (if available), region/subsector of the vehicle?
      4. If the vehicle does not participate in sustainability performance benchmarks, please indicate if such participation is in its ESG action plans. What is the expected year for first participation?
      5. If a performance benchmark score is not available, provide an overview of the targets and performance for the key ESG factors in Appendix IV.

Specify whether an assessment is applied to measure the performance of the vehicle on the ESG factors over time and what indicators are used to measure ESG performances. Based on the indicators specified, provide the vehicle’s current status and targets, if possible. (Related to question 2.2.1.1)

* + 1. **ESG Risks and Opportunities**
       1. Does the investment manager have a process for regularly assessing and monitoring the risks and/or opportunities associated with the vehicle’s impact on the environment and society which could have a material effect on the vehicle's financial performance? If yes, please indicate how often these aspects are reviewed and how the identified risks and opportunities affect the allocation of assets in existing/potential investment opportunities.
       2. Describe the current and anticipated ESG risks and/or opportunities within the standing portfolio as well as how they are assessed for the future acquisitions. Specify the ESG topics covered within the assessment and explain the impact of these risks and opportunities on returns.
       3. Describe the current and anticipated risks and/or opportunities of climate change within the standing portfolio/assets, including the assessed potential financial, commercial or legal impacts on this investment. Explain the impact of these risks and opportunities on returns.

Physical risks:

Transition risks:

* + - 1. Provide an overview of how climate-related physical risks and opportunities have been measured, specifically addressing the resilience of the physical systems and the adaptability of the asset or its systems to mitigate these risks.

Explain whether the standing investment portfolio has experienced any physical damage or financial losses as a result of extreme weather events (eg 50-year event, hurricanes, typhoons, flood etc.) (Provide details of capex), and/or if the vehicle has suffered any climate-related insurance (or reinsurance) issues or material price changes over the last three years.

* + - 1. Provide the details of the applied Net Zero Building Targets and action plans to achieve decarbonisation pathways for the vehicle, if available. Elaborate on the methodology used for setting Net Zero Building Targets, such as coverage of scope 1,2,3, whether embodied carbon is considered or not, etc.

Explain how the financial impact of achieving these targets is assessed. (Related to the vehicle fact sheet and question 1.2.2)

* + - 1. Describe how the physical and transition risks and impacts of climate change will be assessed for future acquisitions. Include details of how this assessment of risk will be incorporated into underwriting and how the potential impact on returns will be assessed.
    1. **ESG Asset Management**
       1. Does the investment manager perform asset level assessments on ESG aspects as a standard part of its due diligence process for new acquisitions? If yes, specify the ESG factors covered in the assessment (Related to question 2.2.1.1).
       2. Does the investment manager have processes to monitor property/asset managers’ compliance with its ESG strategies/policies? If yes, please explain how. Does this process apply for this specific vehicle?
       3. How are the ESG strategy and policies implemented at asset level? Using the list below, please identify and refer to any ESG initiatives/programs at asset level, if applicable (Related to question 2.2.1) (Reference to INREV Sustainability Guidelines).

1. Initiatives to minimise energy consumption (smart systems, LED etc.) and mitigate GHG emissions (scope 1, 2, 3);
2. Initiatives for resource efficiency and mitigating environmental impact;
3. Environmental Management System (EMS). Indicate whether it is certified (such as ISO 14001) and/or reviewed by a third party;
4. ESG education tools / guidelines available to asset/property management teams;
5. Targeting certificates / energy ratings at asset level;
6. Stakeholder engagement programs (eg training courses, awareness raising programs). Indicate which stakeholders (eg tenants, supply chain, community) are targeted, how the program is implemented and how the outcome is assessed (eg tenant satisfaction surveys);
7. Assessing the impact on community development as part of planning and pre-construction;
8. ESG clauses in agreements with tenants and suppliers;
9. ESG specific requirements in procurement processes;
10. Processes to assess ESG performance and identify obstacles to success;
11. Setting out clear ESG KPIs to effectively track ESG related outcomes;
12. Having an ESG budget to promote efforts;
13. Process for stakeholders to communicate grievances, register complaints and conflicts of interest (Reference to INREV Governance module);
14. Other, please specify.
    * + 1. For portfolios with a limited number of certified assets, complete the table in Appendix V to describe the status of your portfolio with regard to ESG building certificates (eg, LEED, BREEAM, etc.) and energy ratings (eg EU EPC, NABERS, Energy Star etc.) obtained or targeted. For portfolios with a large number of certified assets, provide an overview (related to the vehicle fact sheet)

For additional information, please use the comment box below: [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

* + 1. **ESG Reporting**
       1. Does the investment manager communicate the performance of the vehicle against its ESG objectives and targets with its stakeholders?

Describe the process, framework and reporting frequency. Specify which ESG aspects are being reported for each particular stakeholder group. (Reference to the ESG section in the Vehicle Fact Sheet)

* + - 1. Please provide details of the vehicle’s level of adoption to the INREV Sustainability Guidelines by placing a copy of your assessment in the Data Room, together with the latest ESG report.

## 2.3 Existing Portfolio (Existing Vehicle) or Seed Assets (New Vehicle)

2.3.1 If applicable, provide the latest annual and interim report of the vehicle under due diligence (in the Data Room).

2.3.2 If applicable, describe any asset write-downs or losses the vehicle has experienced over the last five years. Describe the remediation strategy for the respective assets and, if appropriate, give an estimate of expected recovery and gross asset IRRs in comparison to underwritten IRRs.

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should include and explain the primary reasons for asset write-downs or losses (eg market correction, macro-economic factors, change in leasing situation, inability to carry out original business plan etc.). Other factors from attribution analysis should also be highlighted.)

2.3.3 Complete the tables in Appendix VI.A, Appendix VI.B, and Appendix VI.C, for the subject vehicle to describe the composition of your portfolio, its financing overview, and covenant overview. If not applicable, please add N/A and explain below.

2.3.4 If applicable, have there been any realisations in the portfolio? If yes, please provide net realised returns and multiples, if available.

## 2.4 Principal Terms [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.4.1 Provide details of any no-fault removal clause, including voting threshold, when it can be applied, restrictions, impact on manager co-investment etc. Furthermore, provide details of the compensation due (base fees, performance fees etc.), if any, in the case of removal.

2.4.2 Provide details of any for-cause removal clause, including a clear description of causes, voting threshold, voting rights, how cause is established, impacts on manager co-investment etc. Furthermore, provide details of the compensation due (base fees, performance fees etc.), if any, in the case of removal.

2.4.3 Provide the following details, explain the procedure for key elements and include the extract of the relevant provision from the vehicle documents under Comments (if applicable). [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Vehicle decision making | | | | | |
|  |  | | **Provide % threshold of approval required** | **Section reference to legal documents/PPM  (if applicable)** | **Comments** |
| Changes requiring investor approval | Investment strategy  Yes  No | |  |  |  |
| Vehicle term  Yes  No | |  |  |  |
| Investment period  Yes  No | |  |  |  |
| Leverage limit  Yes  No | |  |  |  |
| Change of control of the investment manager  Yes  No | |  |  |  |
| Timing of vehicle or mechanism for termination  Yes  No | |  |  |  |
| Acquisitions/disposals outside the investment strategy  Yes  No | |  |  |  |
| Remuneration of the manager  Yes  No | |  |  |  |
| Waterfall  Yes  No | |  |  |  |
| No-fault removal clause\*  Yes  No | |  |  |  |
| For-cause removal clause\*  Yes  No | |  |  |  |
| Any other (please specify) | |  |  |  |
| **Side Letters** | | | | | |
|  | |  |  | | **Comments** |
| Side letters | | Yes  No | Disclosed to all investors  Only to investors committing above X amount  Any others, please specify  Includes all historic side letters | |  |
| **Additional policies** | |  |  | |  |
|  | |  | **Comments** | | |
| Vehicle ESG policy\* | | Yes  No |  | | |
| Code of Ethics\* | | Yes  No |  | | |
| Conflicts of Interest | | Yes  No |  | | |
| Remuneration policies | | Yes  No |  | | |

Please see INREV Governance Guidelines for further information (https://www.inrev.org/guidelines/module/governance#inrev-guidelines)

\*Related to question 2.2.1.1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Indemnification and exculpation clause** | | | | | | | |
|  | | **Exceptions** | | **Comments** | | **Section reference to legal documents/PPM (if applicable)** | |
|  | | Negligence  Yes  No | |  | |  | |
| Fraud  Yes  No | |  | |  | |
| Wilful misconduct  Yes  No | |  | |  | |
| Criminal acts  Yes  No | |  | |  | |
| Material breach of conduct  Yes  No | |  | |  | |
| Any others (please specify) | |  | |  | |
| **Key man provision** | | | | | | | |
| **Are there key man provisions?** | | | | | **Section reference to legal documents/PPM (if applicable)** | | **Comments** |
| Replace­ment time | Applicable:  During investment period  At all times | | Consequences:  Investments suspended until replaced  Replacement approved by investors  Investments suspended, if not replaced  Any others | |  | |  |
| **Conflicts of interest** | | | | | | | |
| **Are there conflicts of interest provisions?** | | | | | **Comments** | | **Section reference to legal documents/PPM (if applicable)** |
| Disclosure | Conflicts disclosed to:   All investors  Only to advisory board  Any others | | | |  | |  |
| Full exclusivity of deal flow during the investment period | Yes  No | | | |  | |  |
| No competing vehicles during the investment period | Yes  No | | | |  | |  |
| **Reinvestment** | | | | | | | |
|  | | | | | **Comments** | | **Section reference to legal documents/PPM (if applicable)** |
| Reinvest­ment | Yes  No | | Principal:  Profits:  Income:  During what period? | |  | |  |

## 2.5 Fees and Expenses [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.5.1 Provide a summary budget for the vehicle fees and costs, and give an estimate of the different cost items, their maximum and their expected development over the life of the vehicle.

2.5.2 Provide the following details:

|  |  |  |  |
| --- | --- | --- | --- |
| **Waterfall structure** | | | |
| Carry structure | Basis: |  | |
| Hurdle: |  | |
| Percentage: |  | |
| Estimated impact on gross-to-net returns:  Overall vehicle basis  Deal-by-deal basis | | |
| Catch-up | Split (Investment Manager / Investor): | |  |
| Are investors reimbursed for fees and organisational expenses before the manager earns its promote? | |  |
| Clawback or escrow account for overpaid performance fees | Provisions of the clawback: | |  |
| Percentages of fees: | |  |
| Performance fees | Paid at the end of life of vehicle:  Yes  No | |  |
| Provisions of the clawback: | |  |
| Percentages of fees: | |  |

2.5.3 Who maintains the vehicle’s investor waterfall models? What is the review and approval process? Is it audited? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.5.4 Provide the estimated fees leakage of gross-to-net return performance as part of your financial model (related to 2.1.1.3).

2.5.5 Provide scenarios as part of your financial model that demonstrate the calculation of performance fees in line with the following circumstances: [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

a Anticipated vehicle performance;

b Vehicle under-performance; and

c Vehicle over-performance.

## 2.6 Investment and Asset Management Process

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should explain any updates to the investment process, including committee structures, research, ESG integration, and use of technology. Input from internal or external teams should be described, as well as committee composition and terms. The user should outline asset sourcing methods, allocation across vehicles, and due diligence responsibilities, including, but not limited to, co-investment policies, joint venture structures, and outsourcing arrangements, risk controls, pricing, and foreign exchange policies, along with models or metrics used in the analysis. If applicable, the user should refer to relevant policy documents or include supporting visuals for clarity.)

**2.6.1 Investment Decision-Making**

2.6.1.1 Explain the processes and considerations used for entering new investment markets and sectors.

2.6.1.2 Describe any significant changes you have made to your investment process in the past five years and the rationale for those changes.

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should describe changes such as structural changes to the investment committee, documentation, portfolio and risk management approach, level of consideration of factors such as ESG, operational aspects, use of new technology and addition of relevant new skill sets to their team.)

2.6.1.3 Do you receive input from other in-house investment teams as part of the investment process? If so, please describe. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.6.1.4 If you have an investment committee, please provide a brief description of the committee (including external and independent members) and its terms of reference. Please include a list of the members and their biographies (in the Data Room). [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.6.1.5 Provide an example (in the Data Room) of documents relating to one of the underlying assets (including for example an investment memorandum). Where no assets have been acquired, please provide a sample for a transaction undertaken for a previous vehicle/mandate~~.~~

2.6.1.6 Do you have an Anti-Money Laundering (AML) policy and procedures included into the investment decision making processes across the organisation? If yes, explain if AML procedures differ for co-investments/joint ventures and direct investments.

2.6.1.7 Do you use IT solutions to make investment decisions or to monitor the performance of the underlying assets? If yes, please specify. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

**2.6.2 Sourcing**

2.6.2.1 How are assets sourced? What advantage(s) do you believe you have over your competitors in sourcing assets? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.6.2.2 How many assets have you screened, and how many have you closed, in each year over the past three years, which are relevant to the proposed strategy of the vehicle?

2.6.2.3 If your organisation manages other vehicles with similar strategies, how are assets assigned to each vehicle?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should provide the number of investments in the past 2 years where a decision has been taken to allocate to other vehicles with similar strategies (and which would otherwise have been allocated to this vehicle). Refer to Appendix VII for the products products managed by the investment manager.)

2.6.2.4 Do you maintain a database of deal flow? How often is this database updated? Provide a copy of your Deal Allocation Policy (in the Data Room). If available, please provide a screenshot of this database.

**2.6.3 Underwriting**

2.6.3.1 What models, metrics and guidelines do you make use of when analysing underlying assets? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

Please consider the following:

- determination of exit cap rates;

- determination of rental growth;

- expectation on void periods for new leases;

- expectation of capex;

- determination of the cost of take-out financing (if that is an expected exit strategy for your assets);

- provision of re-financing loans; and

- comparables approach.

2.6.3.2 Describe the composition of a typical due diligence team for a given deal for this vehicle. Who is responsible for the various activities (property, legal, financial, debt, tax etc) and are any activities outsourced? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

**2.6.4 Co-investment/Joint Ventures**

2.6.4.1 Describe the co-investment policy with both related (investors, other managed vehicles, staff etc.) and unrelated parties including non-executive board approval procedures, if any.

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should mention if any co-investments have been done in the past and the standard coinvestment fees. Provide a summary of the number of co-investments deals offered to investors over the last 1,3 and 5 years, the number of investors that participated, the quantum offered and raised.)

2.6.4.2 Describe how you structure arrangements with any joint venture partners for this vehicle and how you remunerate your partners and monitor the arrangements. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

**2.6.5 Monitoring**

2.6.5.1 Describe your processes in monitoring underlying assets and the criteria for buy/hold/sell decisions. Do you maintain an asset level and vehicle level returns forecasting model as part of these processes? If so, what are the inputs into this model, how frequently is it updated and by whom? What happens to the monitoring process if the vehicle goes beyond the life of the initially proposed vehicle?

2.6.5.2 How often do you visit underlying properties?

2.6.5.3 Describe how asset and property management operations are managed within the vehicle. Are these processes outsourced?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should include details of how agreements with third-party service providers or JV partners structured, tendering processes are, how performance is monitored, reporting lines and periodical reviews of contracts/service.The user should also describe how alignment is achieved between external asset managers and property managers and may highlight any competitive advantage they have over their peers.)

**2.6.6 Currency Hedging**

2.6.6.1 Explain the current and/or expected foreign currency exposure and if there is a currency hedging strategy applied to the vehicle. Are the foreign currencies hedged? What type of instruments are utilised? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

**2.6.7 Cash Management**

2.6.7.1 Describe your organisation’s policy on moving cash and securities among custodians, operating companies, bank accounts, investors and counterparties. Describe processes and controls in place including different levels of authorisation. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.6.7.2 Which member(s) of the team is/are specifically in charge of cash management and what relevant experience do they have?

2.6.7.3 State the buffer/target buffer at the vehicle level for fees and expenses.

**2.6.8 Capital Calls and Distributions**

2.6.8.1 Describe the frequency of capital calls. How much notification is provided to investors of upcoming capital calls and distributions?

2.6.8.2 How often will distributions be paid out?

## 2.7 Vehicle Staff

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " For this section, - Senior staff includes dedicated personnel who are considered influential at the organisational level or with respect to the vehicle. - Key members include dedicated personnel who are significantly important to the functioning of the vehicle and/or have decision making power.)

2.7.1 What has been your average annual turnover rate for all employees and for senior staff over the past three years?

2.7.2 Provide the following details for senior staff who have departed (including pending departures) over the past five years. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name** | **Role** | **Departure date** | **Functional area** | **Years with organisation** | **Replaced? (y/n)** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

2.7.3 How long have the relevant key team members worked together?

2.7.4 Describe the current succession plan for key team members.

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should include expected timeframes where known, and whether such succession is expected during the life of the vehicle.)

2.7.5 Explain your compensation policy/structure. How do you ensure staff are compensated fairly? How are compensation schemes of the vehicle’s key personnel structured and aligned to the performance of the vehicle? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.7.6 Do any of the key personnel have other significant business interests apart from their employment with your company/group? If so, please explain what these are.

2.7.7 If any of the key personnel is involved in other products offered by the investment manager, what are their additional responsibilities? If there is a conflict of interest, how is it managed? (If you have a conflict of interest policy, state in Table 2.4.4)

* + 1. Do you have dedicated internal tax, legal and structuring resources? If so, please ensure that these resources are shown in the organisational chart in V (referred to in 1.7.1.1) and comment on whether they are 100% dedicated to this vehicle.

## 2.8 Investors [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.8.1 Please detail the type and domicile of the five largest investors (no-name basis) in the vehicle as well as the approximate size of their commitment.

2.8.2 Do you manage different types of shares/units within the vehicle, eg different institutional share classes depending on investment amount, distribution or accumulation units? Please specify and provide details.

2.8.3 Confirm whether or not investors will be liable for anything beyond the amount of their commitment.

2.8.4 Are there investor meetings and what is the frequency? Are the minutes of these meetings distributed? Do investors have the ability to convene an investor meeting at any time?

2.8.5 Does the vehicle documentation contain a defaulting investor clause, with penalties and suggested remedies for investors defaulting on their capital calls after a certain number of days? Does the manager have discretion in exercising the remedies under the defaulting investor clause?

2.8.6 Is the manager bound by confidentiality restrictions regarding the sharing of client due diligence among investors? Please provide the clause, if any.

2.8.7 What are the equalisation provisions for any new investors into the vehicle after the launch date?

2.8.8 Who is responsible for performing ‘Know Your Client’ and anti-money laundering checks and procedures in connection with investor subscriptions into the vehicle?

## 2.9 Investment Manager Platform

## [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should provide concise responses covering recruitment processes, use of third-party recruiters, and internal vs external hiring decisions. For staff development, the user should outline how training needs are identified and monitored, including CPD certification. Business strategy responses should include high-level plans over the next three to five years, such as vehicle launches, AUM growth targets, and organisational expansion.)

**2.9.1 Organisational Structure**

2.9.1.1 Explain the current ownership of the investment manager and the history of company ownership changes. Have there been any changes in the last three years? Are any changes currently planned?

2.9.1.2 If relevant, provide details of the top 10 shareholders of the company. Does any single shareholder have (negative) control or over 50% of the voting rights?

2.9.1.3 Describe your organisation’s approach to recruitment, and any background checks that are undertaken.

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should keep the answer concise including details of the use of third-party recruiters, typical interview/assessment process, company level policies and any specific provisions for recruitment of senior employees. The user should also include the reas oning behind the appointment of external recruitment vs internal promotions or sideways moves.)

2.9.1.4 How do you assess the ongoing competence of your staff and what programmes do you have in place to facilitate their continued professional development? [ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should include details of how training and Continuing Professional Development certification is monitored and any processes to identify the need for and to provide further training to the staff.)

2.9.1.5 Please provide a copy of the investment manager’s consolidated financial statements and annual reports (as well as broker reports, if applicable) from the past two years (in the Data Room).

**2.9.2 Real Estate Investment Management Business**

2.9.2.1 Complete table in Appendix VII for all non-listed real estate or real estate debt vehicles, including separate accounts, that you are currently managing, which have been raised by your firm, as well as products which you are currently raising capital for. If not applicable, please add N/A and explain.

2.9.2.2 Outline your business strategy in the real estate or real estate debt sector for the next three to five years. [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

2.9.2.3 Discuss any competitive advantages you believe the company enjoys in the market for real estate vehicles or real estate debt vehicles.

2.9.2.4 Elaborate on any expected personnel expansion plans, including roles.

### 2.10 Investment Manager Track Record

2.10.1 Complete table in Appendix VIII relating to the investment manager track record for the vehicle/separate account mandates, with a similar strategy and regional focus to that of the proposed vehicle. If not applicable or restricted by confidentiality agreements, please add N/A and explain below.

2.10.2 Confirm if the above track record performance is audited or unaudited.

2.10.3 In the table in Appendix VIII, provide an explanation for the underperforming vehicles/separate account mandates against targets/benchmark used. If not applicable or restricted by confidentiality agreements, please add N/A and explain below.

2.10.4 Explain the lessons learned and actions taken based on the underperforming and/or outperforming vehicles.

2.10.5 To what extent are the individuals responsible for past performance still involved in the vehicle?

# 3 Supplementary Stage

## 3.1 Valuation

3.1.1 Using the list below, describe the valuation policy of the vehicle and provide the details of the valuation policy for the underlying investments in place (Reference to INREV Property Valuation Guidelines):

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should seek to include the governance framework that exists within the organisation and its appropriateness under the relevant regulation (i.e. composition and terms of reference of the valuation committee, role of the AIFM etc). The user should also consider the processes, controls and governance of the data underpinning the valuations.The name of the valuer and any reconciliation between different valuation methodologies should also be included. )

1. Valuation oversight process and documentation, effectiveness of internal controls, process review and frequency, and qualification of involved staff;
2. Appointment of external or internal valuers (requirements, qualifications, process of selection, liability of external valuers, the length of appointment of valuers, subsequent re-appointment). Do investors have rights to nominate and appoint the external valuer? If internally, which organisation employees conduct these valuations and what is their experience?
3. Accounting and professional valuation standards are applied. Choice of valuation methods and corroborative methods of different assets types;
4. Information flow process of underlying data;
5. Minimum reporting requirements of valuations;
6. Incorporation of sustainability factors (how data and information have been taken into account), and;
7. Other, please specify:

3.1.2 How are units priced at: [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

a The initial closing; and

b Subsequent closings.

3.1.3 What events will cause the investment manager to make a change in the valuation of an underlying asset?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should also mention any events in the past that led to a change in the valuation for an underlying asset. )

3.1.4 Provide details as to how the vehicle complies with the INREV Guidelines (indicate total compliance percentage on a module-by-module basis). Provide explanations for any departure from the guidelines. Does the vehicle provide an INREV NAV along with any relevant adjustments? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

## 3.2 Reporting

3.2.1 Have there been any material disputes in relation to the vehicle’s documentation or the operation of the vehicle? Have its annual reports and accounts been qualified in any manner (Reference to INREV Reporting Guidelines)?

3.2.2 Provide (in the Data Room) a sample of all communications and reports (in addition to the annual and interim reports already requested) sent to investors. What is the frequency of these reports and what are the reporting deadlines? Is the investor reporting regularly reviewed in terms of regulatory requirements? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

3.2.3 Do all investors receive the same information at the same time to sustain full transparency? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

3.2.4 Can client reports be tailored according to client-specific requirements?

3.2.5 Do investors have the right to inspect the books and records (including valuation documents) of the vehicle and/or investment manager or have a third-party auditor to conduct an audit? Please provide the relevant clause in the vehicle documents.

## 3.3 Risk Management and Compliance

3.3.1 Summarise your risk management and compliance policies (for example, team details, reporting lines, issue escalation processes, procedures and internal controls to prevent the vehicle from being used to launder money (AML), to finance terrorist activity, and to generate a personal gain). If applicable in Europe due to the AIFMD regulations, please provide the risk management policy in the Data Room.

3.3.2 Please elaborate on the AML risk assessment processes in place, both at the vehicle and organisational level, and outline the results for the vehicle. Please describe your approach for AML controls on the invested assets? Do you screen against sanction lists? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

3.3.3 Provide a copy (in the Data Room) of your internal controls report (eg ISAE3402/AAF01/06). If not included, please specify why:

3.3.4 Describe what type of insurance coverage(s) the organisation maintains including professional indemnity or other relevant insurance indemnities. Provide a schedule (in the Data Room) showing level of coverage, provider, adequacy and claims to date.

3.3.5 Describe how you manage, monitor and report risk in the following areas (where appropriate) including details of the controls in place: [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

a AML;

b Cash Transfer Controls;

c Compliance and Legal (Fraud, Litigation, Taxation and Regulatory);

d Credit;

e Currency;

f Debt Management (including interest rate);

g ESG (including climate risk);

h Joint Venture (JV) Partner;

i Liquidity;

j Operational;

k Valuation.

3.3.6 Is there a dedicated internal audit function within your organisation at group or local entity level?

## 3.4 IT, Cyber and Physical Security [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

3.4.1 Do you have an IT strategy for the vehicle and/or for the organisation of the investment manager? Explain, how IT risks and opportunities are managed and monitored. Specify the proptech initiatives taken or considered, if any.

3.4.2 Describe the position, responsibilities, and members of the IT function in the organisation. Provide an overview of outsourced IT activities and how outsourced vendors are monitored/controlled.

3.4.3 Does your organisation have a Chief Technology Officer or Chief Information Security Officer (CISO) or equivalent? If so, please describe their responsibilities and how, to whom and the frequency with which the CISO reports.

3.4.4 Are you compliant with International Organization for Standardization (ISO) 27001 or any other cyber security or information security certifications?

**3.4.5 Cyber and Physical Security**

3.4.5.1 Is cyber and physical security a standing item on your board (or equivalent) agenda?

3.4.5.2 Have you developed a formal, documented Cyber Incident Response Plan that describes workflow in the event of a cyber incident?

3.4.5.3 Are all servers, workstations and remote devices connecting to corporate networks required to have approved antivirus software installed?

3.4.5.4 What is the physical location of the servers (US/ EU/Asia/other)? Are there any requirements or policies to be met regarding the physical server locations?

3.4.5.5 Do you carry out phishing or similar social engineering tests on your staff?

3.4.5.6 How frequently are full (physical and system) vulnerability assessments carried out?

3.4.5.7 How frequently are internal and external penetration tests carried out?

3.4.5.8 Have you engaged with an external cyber security specialist as a first point of contact in the event of an incident?

3.4.5.9 Have you performed a cyber risk assessment? If yes, how often is this being performed? Are the outcomes regularly reviewed by the senior management/the board?

3.4.5.10 Have you experienced any material internal or external information/cyber security incident in the past three years?

3.4.5.11 Are there any critical or high-risk points from any penetration tests or vulnerability assessments that are currently outstanding and have been so for over six months?

**3.4.6 Data Protection**

3.4.6.1 Do you have a data protection policy and transparent data protection notices as well as a record of your personal data processing activities?

3.4.6.2 Have you appointed a Data Protection Officer (DPO)? If not, please explain the reasons why and whether you are planning to appoint one.

3.4.6.3 Have you reviewed your data collection practices and assured they are in line with data protection principles, covering the areas such as; legal basis (GDPR in Europe), data minimisation, data retention and necessity of “opt-in consent”?

3.4.6.4 Do you have a cloud policy? If yes, please provide an overview of the key systems and information assets that are serviced from the cloud, and which are on local servers.

3.4.6.5 Explain the procedures in place to allow the following actions:

A data subjects and their capacity to exercise their rights;

b personal data breaches notification to the regulator;

c personal data breaches notification to data subjects (when necessary).

3.4.6.6 Do you transfer personal data out of the European Economic Area?

If so, are those transfers completely identified? How are they framed/secured?

3.4.6.7 Do your contracts with data processors (if any) include relevant data protection requirements?

3.4.7 Is your staff regularly trained on IT security and/or data protection principles and practices?

## 3.5 Disaster Recovery and Business Continuity Plans

3.5.1 Are you compliant with international standards on business continuity management systems, eg ISO 22301or any other equivalent certifications?

3.5.2 Are disaster recovery plans (DRP) and business continuity plans (BCP) and their related policies regularly reviewed for appropriateness and approved by management?

3.5.3 How frequently are your DRP and BCP plans tested?

3.5.4 Do all business-critical staff have the ability to work from home and do they use organisation-supplied hardware or their own? If organisation-supplied hardware is used, how often is this tested in the home environment?

## 3.6 Crisis Management

3.6.1 Are you compliant with a crisis management industry standard (eg BS 11200:2014)?

3.6.2 Do you have a designated Crisis Management Team (CMT) with specified deputies? Is specific training given to CMT members?

3.6.3 Do you make use of consultants to assist you with your external communications in the event of a crisis?

## 3.7 Regulation and External Auditors

3.7.1 Is the vehicle or investment manager regulated? If so, please describe. Please also explain your status, eg under AIFMD in the European Union or other regulations. If you are not regulated, how do you manage your marketing activities? [ℹ️](https://www.inrev.org/inrev-ddq#GuidanceNotes)

3.7.2 Who is the external auditor of the vehicle, manager, or both? Have audits disclosed any significant risks during the previous two years?

3.7.3 Is there a rotation process for external auditors?

## 3.8 Governance

3.8.1 Please provide details of the vehicle’s level of adoption of the INREV Governance Guidelines (as mentioned in 3.1.4) by placing a copy of your assessment in the Data Room.

3.8.2 Boards and Committees

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should consider the relevant boards to the fund and manager. These should consider at least the Investment Committee, Valuation Committee, Risk Committee, AIFM, LPAC and any other Advisory Board required under the jurisdictional regulation, and/or other relevant committees.)

3.8.2.1 Explain the process for selecting investors for representation on any appropriate boards/committees, the maximum and minimum number of board/committee members, the length of their appointment, and how the boards/committees are made up. Specify which boards/committees include investment manager personnel as members. Can the board/committee constitution be changed by investor vote?

3.8.2.2 Are there any arrangements for independent representation for governance including the appointment of non-executive director? Describe how these arrangements work and the extent to which investors are represented either directly or through independent non-executive directors.

3.8.2.3 What decisions/approvals are reserved for the boards/committees? Describe the processes and procedures in place.

3.8.2.4 Explain the voting process/structure for the boards/committees, (ie one vote per member or are votes allocated based on an investor’s commitment to the vehicle)? Are decisions recommended by the manager for consideration and approval, or just for consultation by the committee?

3.8.2.5 Describe those aspects of the vehicle’s investment strategy, acquisitions and disposals, and operational activities, in which the Investment Committee plays an active role.

3.8.2.6 Can any independent non-executive director retain an external legal counsel at the expense of the vehicle?

**3.8.3 Alignment of Interest**

3.8.3.1 Describe any commitments that the investment manager, key personnel, investment committee members and employees have made or will make to the vehicle. Do you have a retention programme in place and what do you do to ensure alignment of interest between the investment management team and the investors?

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o " The user should include personal investments from the team or key personnel in the respective vehicle as well as the parent company. Details of the amounts and how such commitments are funded (e.g. from own funds, company or third-party loans, salary/bonus contributions etc.) and use of co-investment vehicles and phantom/synthetic schemes should also be included, subject to any confidentiality agreements.)

3.8.3.2 Will the investment manager maintain investment in the vehicle throughout the vehicle’s life? If not, are there any limitations for the investment manager or key personnel to syndicate, sell, encumber or otherwise transfer their investment? If so, please describe on what basis and whether this will be on the same terms as other investors.

3.8.3.3 Describe the investment manager’s policy on the distribution of carried interest among the team members. Is it shared with the parent company or any other entities?

3.8.3.4 What happens with carried interest if people leave?

**3.8.4 Potential Conflicts of Interest**

3.8.4.1 Provide a copy of your conflicts of interest protocol, if available (in the Data Room). State the measures in place to avoid conflicts of interest. Are conflicted parties excluded from any board or investment committee discussions?

3.8.4.2 Do matters involving conflicts of interest require approval by:

a Investors;

b Advisory board;

c Independent non-executive directors;

d Investment manager or GP; or

e Any others, please specify.

3.8.4.3 Describe your approach to the following conflict of interest issues:

a Allocation policy between other vehicles/mandates with overlapping strategies;

b Timing of starting a successor vehicle, if applicable;

c Committing to affiliate vehicles;

d Doing business with affiliates;

e Separate account mandates;

f Sales/purchases to/from two vehicles/accounts managed by the investment manager;

g Raising loans and refinancing assets under management of the same investment manager; and

h Any others, please specify.

**3.8.5 Third-Party Service Providers**

3.8.5.1 Does the real estate vehicle make use of third-party service providers, such as a custodian, paying agent, administration agent, transfer agent, auditor or valuer? If so, please supply the following for each provider in the Data Room:

- role and contact details;

- a short bullet point description of the duties and responsibilities;

- start date;

- monitoring and remuneration procedures;

- highlight any affiliates to your organisation including principals, department heads, directors/partners, shareholders/investors, family members; and

- details of any compliance with independent organisational standards. (The default assumption is that the investment manager is accountable for the services provided by third parties. Please comment if this is not the case.)

3.8.5.2 Describe your approval/due diligence process for the selection of service providers. Does the vehicle require the prior approval of investors with any replacement of service provider?

3.8.5.3 Describe your ongoing due diligence/monitoring procedures for all service providers. Who is responsible for this function?

3.8.5.4 What reasons have you found to prevent you working with service providers in the past?

3.8.5.5 Do you incorporate requirements relating to cyber-security risk into contracts with service providers? If so, provide details and experience of any individuals who monitor these requirements.

3.8.5.6 Are any of your credit products rated by rating agencies? Are the duties involved defined in the real estate debt vehicle documentation?

3.8.5.7 Is the AML assessment for the portfolio of the vehicle carried out by a third party service provider? If yes, explain how it is performed and monitored and specify the oversight of the investment manager on AML controls over the assets.

# Data Room

[ℹ️](https://www.inrev.org/inrev-ddq" \l "GuidanceNotes" \o "If a Data room is not available, the user should add N/A and explain. The relevant reports may also be added to the DDQ as an attachment in this case.)

Please fill in the Data Room table to indicate whether you have included the information requested. Please indicate if a Data Room is not available and you are providing the information separately.

|  | **Information requested** | | **Question** | | **Information included or reference to PPM** |
| --- | --- | --- | --- | --- | --- |
|  | **Advanced Stage** | |  | |  |
| A | Breakdown of gross-to-net returns | | 2.1.1.3 | |  |
| B | An example of the research (qualitative, quantitative and fundamental research) used to define your strategy | | 2.1.1.4 | |  |
| C | Financial model in electronic format | | 2.1.1.5 | |  |
| D | ESG Policies (including code of ethics) | | 2.2.1.2 | |  |
| E | A copy of the INREV sustainability self-assessment results together with the ESG report | | 2.2.6.2 | |  |
| F | Annual and Interim reports, if applicable. | | 2.3.1 | |  |
| G | A list of the investment committee members and their biographies | | 2.5.1.4 | |  |
| H | An example of the documents for one of the underlying assets (including for example an investment memorandum/paper) | | 2.6.1.5 | |  |
| I | Deal Allocation Policy and screenshot of deal flow database | | 2.6.2.4 | |  |
| J | A copy of the investment manager’s consolidated financial statements and annual reports (as well as broker reports, if applicable) from the past two years. | | 2.9.1.5 | |  |
|  |  | |  | |  |
|  | **Supplementary Stage** | |  | |  |
| J | Sample of all communications and reports | | 3.2.2 | |  |
| K | A risk management policy (CSSF requirement), if applicable under AIFMD regulations | | 3.3.1 | |  |
| L | A copy of your internal controls report (eg ISAE3402/AAF01/06) | | 3.3.3 | |  |
| M | | A schedule of all insurance coverage | | 3.3.4 |  |
| N | | A copy of the INREV governance self-assessment results | | 3.8.1 |  |
| O | | A copy of your conflicts of interest protocol | | 3.8.4.1 |  |
| P | | A list of third-party service providers | | 3.8.5.1 |  |

# Appendix

**Investment Manager Statement**

1. **Investment Manager Statement Guidance**

Listed below are a number of themes which may be included in the statement. The list is for guidance only and should not be considered exhaustive.

|  |  |
| --- | --- |
| **Investment Manager Platform** | **Instructions** |
| * Inception | Year |
| * History | Only if very brief and relevant |
| * Ownership structure | Stand alone, investment group, insurance group, other |
| * Headquarters and other offices | Local presence, local reach |
| * AUM | In specific currency (as of date) |
| * Scope | Markets covered, number of employees and their experience |
| * Investments beliefs | What is remarkable about the company and its business model |
| * Track record | Details of relevant vehicles |
| **Business Model & Operations** | **Instructions** |
| * Range of products & services | Reporting, online tooling |
| * In-house activities | Operating model, investment process |
| * Outsourced activities & policy | Valuation, property management, others |
| * Range of products | Other vehicles, segregated mandates, strategies, investment styles - prior/legacy, competing |
| * Research | In-house? What makes it special? |
| * Risk management | What methodology is applied? |
| * Governance | Licences, use of standards, certifications, memberships |
| * ESG | INREV, GRESB, PRI, GRI, TCFD, CRREM |
| * Valuation methodology | RICS, local valuation methodology |
| * Additional information | Link to website |

**Preliminary Stage**

1. **Composition of the portfolio for the subject vehicle (related to question 1.3.1)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Asset/ SPV | Location | Sector | Owner­ship (%) | Occupancy | Date acquired | Expected exit date |
| Asset 1 |  |  |  |  |  |  |
| Asset 2 |  |  |  |  |  |  |
| Asset 3 |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |

1. **Structure charts and biographies (related to questions 1.6.1, 1.6.2, 1.7.1.1, 1.7.2.1 and 2.7.8)**

**Advanced Stage**

1. **ESG KPIs - Targets and performance for the key ESG factors (related to question 2.2.3.5)**

| ESG Factors | Applicable | Metrics (KPIs)\* | Current value | Reporting period | Target value | Target year |
| --- | --- | --- | --- | --- | --- | --- |
| Energy Consumption | Yes  No |  |  |  |  |  |
| GHG Emissions | Yes  No |  |  |  |  |  |
| Climate Change – Transition Risks and Opportunities (eg Net zero carbon targets and/or decarbonisation pathways, fossil fuel exposure (SFDR)) | Yes  No |  |  |  |  |  |
| Climate Change – Physical Risks and Opportunities (ie climate resilience) | Yes  No |  |  |  |  |  |
| Water Consumption | Yes  No |  |  |  |  |  |
| Waste Management | Yes  No |  |  |  |  |  |
| Biodiversity | Yes  No |  |  |  |  |  |
| Building Certificates | Yes  No |  |  |  |  |  |
| Energy Ratings | Yes  No |  |  |  |  |  |
| Diversity, Equity and Inclusion (DEI) | Yes  No |  |  |  |  |  |
| Health, Safety and Wellbeing (HSW) | Yes  No |  |  |  |  |  |
| Stakeholder Engagement | Yes  No |  |  |  |  |  |
| Employee Development | Yes  No |  |  |  |  |  |
| Human Rights | Yes  No |  |  |  |  |  |
| Social Impact | Yes  No |  |  |  |  |  |
| Other, please specify\_\_\_\_\_ | Yes  No |  |  |  |  |  |

*\*See INREV Sustainability Guidelines and ESG KPIs for more details.*

1. **Asset Level ESG Building Certificates and Energy Ratings (related to question 2.2.5.4)**

| Asset | Certificate Obtained | Level of Certification | Date obtained or year to be obtained | Certificate Planned | Energy Rating Obtained | Date obtained or year to be obtained | Energy Rating Targeted / Target Year |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Asset 1 |  |  |  |  |  |  |  |
| Asset 2 |  |  |  |  |  |  |  |
| Asset 3 |  |  |  |  |  |  |  |

1. **Composition of the portfolio for the subject vehicle (extended from Appendix II)**

**VI.A** (related to question 2.3.3)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Asset/ SPV | Purchase  price | Equity invested | Net Operating Income (NOI) | Fair Market Value (FMV) | Projected return | Projected multiple |
| Asset 1 |  |  |  |  |  |  |
| Asset 2 |  |  |  |  |  |  |
| Asset 3 |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |

**VI.B** (related to question 2.3.3)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Financing overview | | | | | | |
| **Asset/SPV** | **Lender** | **Loan in millions (currency)** | **Maturity date** | **Margin, bps** | **Average amortisation p.a.** | **Interest all in p.a. (%)** |
| Asset 1 |  |  |  |  |  |  |
| Asset 2 |  |  |  |  |  |  |
| Asset 3 |  |  |  |  |  |  |

bps = basis points; p.a. = per annum.

**VI.C** (related to question 2.3.3)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Covenant overview | | | | |
|  | **LTV %** | | **ICR /DSCR x** | |
| **Asset/SPV** | **Current** | **Covenant** | **Current** | **Covenant** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

DSCR = debt service coverage ratio; ICR = interest coverage ratio; LTV = loan-to-value.

1. **Non-listed real estate vehicles managed by the investment manager (related to question 2.9.2.1)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Vehicle name** | **Target geography** | **Target sector** | **Investment**  **style** | **LTV, cap and current** | **Target net return/**  **equity multiple** | **Assets under Management** | **Launch date** | **Termination date (excl. extensions)** | **Current status** |
| Example | Europe (excl. UK) | Diversified | Prime assets only | Target 60% | 9% internal rate of return (IRR) | 50 | 2010 | 2017 | Fund raising and investing |
| Cap 75% |
| Current 65% |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |

Note: LTV = loan-to-value.

1. **Investment manager track record for investment vehicles (related to question 2.10.1 and 2.10.3)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Vehicle name | Manager-defined style | Vehicle type (open end / closed end) | Year of final close | Geo-graphic focus | Sector focus | Equity invested | Number of investments to date | Target net IRR / total return | Target Total Value Paid Multiple (TVPI) | Current net IRR\* since inception / total return\* | Current Total Value Paid Multiple (TVPI)\* | Projected net IRR / total return\* | Projected Total Value Paid Multiple (TVPI) | LTV % | Distributed Paid Multiple (DPI)\* |
| 1. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 2. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 4. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 5. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

\* See INREV Performance Measurement Guidelines (https://www.inrev.org/standards)