












# Global REIT Comparison

	U.S. 	Australia 	Netherlands 	Canada 	Belgium 	Singapore 	Japan 	France 	Hong Kong 	Malaysia 	Korea 	Taiwan 
<b>Management</b> Internal or External	Either	Either	Internal	Internal	Either	External	External	Either	Either	External	Either	Either
<b>Investment Restrictions</b>												
Real Estate Investments	75%+	50%+ of revenue from rent*	100%	80%+	100%	70%+	75%+	Flexible	100%	50-75%	70%+	75%+
Overseas Investment	OK	OK	OK	OK	Prohibited	OK	OK	OK	OK	OK but approvals required	OK	OK but approvals required
Development	OK	OK	Minimal	OK	Minimal	20% of total assets	OK (but 50%+ of assets must be income producing)	OK	Prohibited	Prohibited	OK (limit to 30% of equity)	Prohibited
Gearing Limit	None	None	60% property assets	None	50% of total assets	35% total asset***	None	None	45% of total assets	35%	Limit to 200% of equity	35%
Payout	90%+ of taxable income (post deprec.)	100% of taxable income (post deprec.)	100% of fiscal earnings	85% of distributable cash (pre-deprec.)	80% of taxable income and net debt paydown	100% of taxable income (no deprec.)	90%+ of taxable income (post deprec.)	85% of taxable income from rentals, 50% of capital gains	90% + of net income after tax (no deprec.)	No restrictions (but undistributed earnings is taxed at 28%)	90%+ of equity less capital and reserve	100% of distributable income (post expense and reserve)
Closed Ended**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Closed ended mostly, opened end need gov.'s approval
Listed/Unlisted**	Both	Both	Both	Listed	Listed	Listed	Listed	Listed	Listed	Both	Both	Both
Tax Transparency	Yes	Yes	Yes^	Yes	Yes^	Yes	Yes	Yes^	No**	Yes	Yes	Yes+

**NOTES:** \* This is a condition of entry into the LPT index, not a regulatory requirement. ^Taxed at source on overseas income and non-exempt activities such as development (France only). \*\* Not needed as there is no tax on dividends in HK. ^^Currently Germany is the only country with tax transparent option that is unlisted and open ended that is available to both tax paying and tax exempt investors. \*\*\*With >35% with an A rating. ^^ Capital gains from the tax -exempt portion can be distributed in-line with tax treatment of rent. + No tax on capital gain, but 6% on dividend gain.