

UHY GLOBAL REAL ESTATE GUIDE

OCTOBER 2017

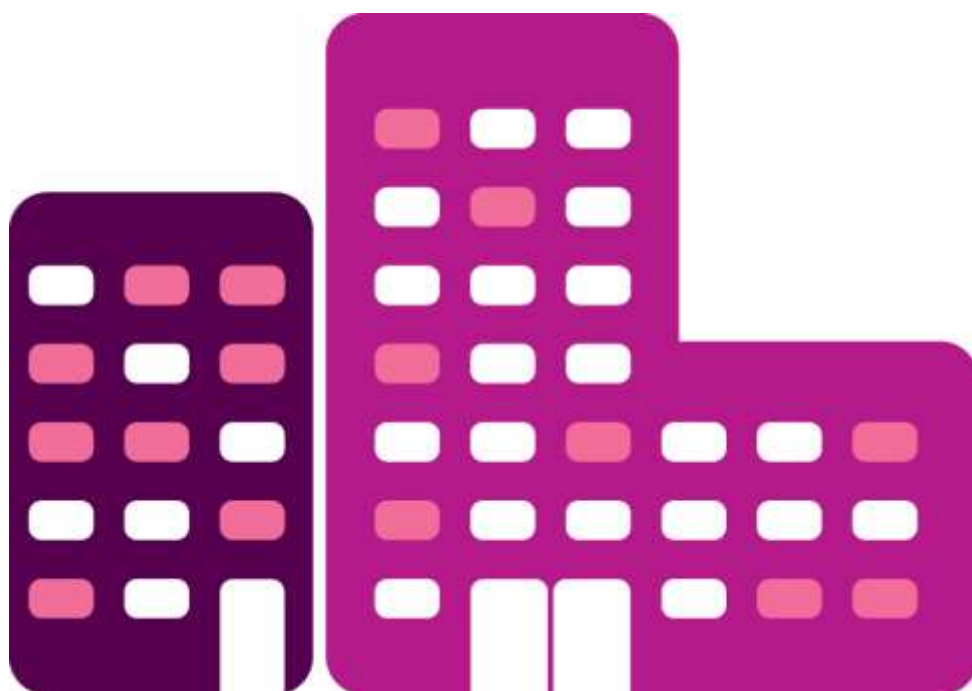


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FOREWORD

As the world becomes more globalised, many investors, both corporate and private, are looking for opportunities internationally. While real estate is one of many investment options, the venture is unique in that it cannot be physically moved as most other assets can. Consequently, investors must conform to the rules and regulations of the country where the property is situated. Like other major investments, proper planning is needed to avoid any pitfalls that may lie along the way and to minimise tax exposure.

The purpose of this publication is to make readers aware of regulations (e.g. deduction of expenses and interests) and tax rates (e.g. VAT, wealth tax and inheritance tax) found in various countries that may affect property investments. It also touches upon some tax planning techniques. The scope and complexity of each individual country's tax laws mean this publication should not be considered a definitive guide to international real estate, but instead be viewed as a tool by which readers may first become familiar with the issues involved. Where more authoritative advice is needed, readers are encouraged to contact the local UHY member firm.

The contents of this publication have been carefully compiled and intended for general guidance only. As the information contained in this booklet, by its very nature, is expected to change, reference should be made to the appropriate UHY source or professional adviser for current or specific information.

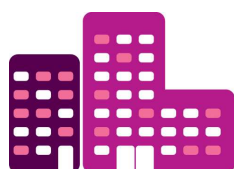
Every effort has been made to ensure the facts in the publication are correct at the time of going to press. However, no responsibility can be accepted for loss occasioned to any person acting, or refraining from acting, as a result of any material it contains.

October 2017
UHY International

Please note: Some countries will have an equivalent system to VAT, others will have a sales tax, subject to their own in-country legislation, and in some countries no equivalent exists.

AFGHANISTAN

	Property type	Requirements
Permissions required by a foreign investor	All property	In Afghanistan, no permission is required to own property. Foreign investors cannot buy land as an individual. Legal entities with foreign capital may buy land.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		A 1.0% stamp duty is payable on the transfer by sale or exchange of real estate.
Value Added Tax on acquisition		Not applicable
Capital allowances / tax depreciation		<p>Capital allowances are available for commercial property at a rate of 25% per annum straight line. Machinery and equipment is depreciated at a rate of 50%.</p> <p>If a depreciable asset is held by the enterprise for less than half of the year, depreciation shall be calculated and deducted for half of the year. If a depreciable asset is held for more than half of the year, depreciation shall be calculated and allowed for one year.</p>
Taxation of rents		<p>Rent withholding tax on buildings and houses. Payments of rent for buildings and houses which are rented to legal or natural persons and are used for business purposes or offices are subject to withholding tax as follows:</p> <ul style="list-style-type: none"> • Monthly rent of AFN 10,000-100,000: 10% • Monthly rent over AFN 100,000: 15%.
Deduction of expenses		Sale expenses may be deducted, including commission, advertising, documents and other expenses of transferring the asset.
Deduction of interest		
Wealth taxes		
Inheritance and gift taxes		Afghanistan does not have inheritance or gift taxes. Gifts may impact social security entitlements.
Other taxes on property		There is a restriction on disposal of property by a taxpayer where a person has failed to file a tax return, failed to pay tax on the due date, or failed to withhold and pay tax as required by law.

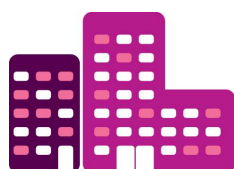


Taxation of profit on disposal		Individuals pay a special rate on profit on disposal. Corporations (resident and non-resident) are liable to corporation tax at 20%. Gains from assets owned for less than 18 months do not qualify for concessional treatment.
Special companies for property investment		
Tax planning tips		For individuals, profits on disposal of real estate are tax exempt if the property is sold before 18 months from the date of acquisition.
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ARGENTINA

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for foreign investors to invest in real estate in Argentina.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		A 1.25% stamp duty is payable on the transfer by sale or exchange of real estate.
Value Added Tax on acquisition		VAT is chargeable (at 10.5%) only on building land and on the first sale of a building.
Capital allowances / tax depreciation	Commercial	Capital allowances are available for commercial property at a rate of 2% per annum straight line. Machinery and equipment is depreciated at various rates, usually between 10% and 20% per annum.
	Residential	No allowances are available for residential property.
Taxation of rents		Resident companies pay corporation tax at the rate of 35% on income from real property after deduction of expenses. Non-residents (companies and individuals) pay a withholding tax of 21% of the rental income. This represents a presumed profit of 60% taxed at 35%.
Deduction of expenses		Residents of Argentina (individuals and companies) are permitted to deduct expenses relating to the property. Expenses are not deductible for non-resident companies and individuals (see taxation of rents).
Deduction of interest		All interest on loans to acquire real estate is deductible whether the lender is resident or non-resident. There is a withholding tax of 14% on interest paid to a non-resident lender. Certain restrictions apply.
Wealth taxes		Wealth tax is charged on-resident and non-resident individuals. The rate for residents is 1% on assets exceeding ARS 102,000. For non-residents, the tax rate is 1.5% with no deductible amount. However, if the tax calculated does not exceed ARS 255.75, no payment is due.
Inheritance and gift taxes		There are no gift or inheritance taxes in Argentina.

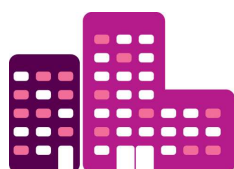


Other taxes on property		There are various provincial taxes on real estate. The rates of tax vary from province to province, but the amounts are not material.
Taxation of profit on disposal		Companies are taxed at the regular 35% rate on profit from the disposal of real estate property. For individuals, the tax rate on profit on disposal is 1.5% of the gross amount, which is withheld at the time of closing.
Special companies for property investment		There are no special companies for holding property investment. However, for liability purposes and tax planning purposes, corporations are commonly used by non-resident owners.
Tax planning tips		Investment in Argentina by a non-resident company or individual may lead to different alternative structures which are worth exploring specifically for each transaction. The structure used may result in tax inefficiencies that could be avoided.
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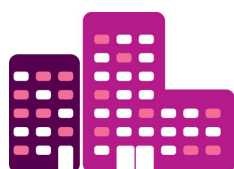


AUSTRALIA

	Property type	Requirements
Permissions required by a foreign investor	<p>Established residential real estate</p> <p>Commercial real estate >AUD 252 million</p> <p>Agricultural land > AUD 55 million</p>	<p>Foreign Investment Review Board (FIRB) approval may be required for non-citizens to buy Australian real estate.</p> <p>In general, non-citizens can only buy new residential property “off the plan”.</p> <p>Temporary residents can buy established dwellings for their occupation whilst in Australia.</p> <p>Commercial property acquisitions below the relevant threshold do not require approval.</p>
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold/Long-term lease	<p>Stamp duty is levied by each state and territory at progressive rates up to 7.0% of the purchase price.</p> <p>Surcharges of up to a further 7.0% apply to foreign purchasers of residential real estate in some states.</p>
Value Added Tax on acquisition		There is a 10% GST (similar to VAT) in Australia. GST applies to new residential transactions and most commercial transactions. Established/old residential dwellings and sales of ‘going concerns’ are exempt from GST.
Capital allowances / tax depreciation	Commercial/Residential	<p>Capital allowance deductions apply as follows to buildings constructed after February 1992:</p> <ul style="list-style-type: none"> • General 2.5% • Short term accommodation 4% • Industrial 4% <p>Similar rates apply for older buildings.</p> <p>Depreciation deductions for plant and equipment (internal fittings, etc.) are based on the effective life of the items involved.</p>
Taxation of rents		<p>Rents are taxed at normal rates for the particular taxpayer. Current rates are:</p> <ul style="list-style-type: none"> • Investment company (domestic or foreign) 30% • Non-resident individuals 32.5% to 47% • Non-resident pension funds 45% <p>Landlords pay income tax on assessment after lodging an income tax return.</p>



		Commercial tenants must withhold 49% tax if the landlord does not quote an Australian Business Number.
Deduction of expenses	All investment property	Normal repairs and maintenance are deductible. Improvements are capitalised and depreciated.
Deduction of interest	All property	Interest is normally fully deductible on all income producing properties. Thin capitalisation restrictions may apply if interest expense exceeds AUD 2 million.
Wealth taxes	All property	Australia does not have a separate wealth tax.
Inheritance and gift taxes	All property	Australia does not have inheritance or gift taxes. Gifts may impact social security entitlements.
Other taxes on property	All property (Exceptions incl. family home, farming land)	Land tax is levied in all states and the Australian Capital Territory, but not the Northern Territory, at rates of up to 3.7% of the assessed land value. Surcharges apply to residential land owned by most non-citizens at rates up to 1.5%. Local council rates are levied by each municipality.
Taxation of profit on disposal	All property (Main exceptions: family home, small business real property)	Profits on disposal of Australian real estate are taxed at the following rates: <ul style="list-style-type: none"> • Small business companies – 28.5% • Other companies – 30% • Non-resident individuals – 32.5% to 47% A 50% CGT discount applies to resident individuals.
Special companies for property investment		Managed Investment Trusts (MITs). 15% withholding tax applies on distributions to recipients of countries that have a tax information exchange agreement with Australia. This rate falls to 10% for a clean building MIT. 30% withholding tax applies in other cases.
Tax planning tips	All income-producing property	A quantity surveyor's report should be commissioned or requested when buying an existing property. This will maximise capital allowance and depreciation deductions.
Any further information		The National Rental Affordability Scheme offers annual offsets up to AUD 8,286 for investments in affordable housing.



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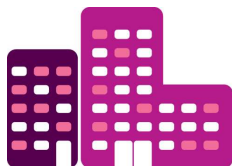
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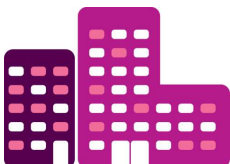
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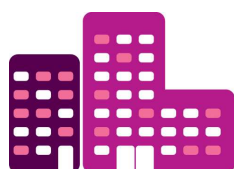
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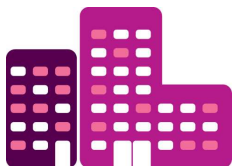


AUSTRIA

	Property type	Requirements
Permissions required by a foreign investor		There are no restrictions in general on foreign investors acquiring Austrian real estate.
Types of tenure		Freehold, leasehold, and buildings on third-party land.
Transfer taxes on acquisition	All property	A 3.5% transfer tax is payable on any obligation to transfer, sell or exchange Austrian real estate.
Value Added Tax on acquisition	All property	VAT is not normally payable on the sale of real estate, but the seller may choose to charge VAT at 20% if selling to another business.
Capital allowances / tax depreciation	Commercial	Commercial buildings may be depreciated at rates from 2.5% on a straight-line basis without proof of useful life. Plant and equipment may be depreciated at rates from 10-20%.
	Residential	Buildings let for residential purposes qualify for a fixed depreciation rate of 1.5%.
Taxation of rents	All property	Resident and non-resident corporations are liable to corporation tax at a rate of 25%. Individuals are liable to income tax at progressive rates up to a maximum of 50%. There is no withholding tax on rents paid to a non-resident.
Deduction of expenses	All property	Repairs and maintenance expenditure, and expenses relating to management and administration are tax deductible.
Deduction of interest	All property	In general, interest payable on loans to acquire real estate is deductible from rental income. Interest is deductible on an accruals basis for companies (resident and non-resident) and on a paid basis for individuals. There is no withholding tax on interest payments to a non-resident lender.
Wealth taxes	All property	Austria does not have an annual wealth tax.
Inheritance and gift taxes	All property	Austria does not have an inheritance or gift tax.
Other taxes on property	All property	There are local taxes based on the assessed value of real property, whether developed or undeveloped. The rates of tax vary according to the community, but are typically 0.8% to 1% of the assessed value. There are also local taxes on agricultural and forestry enterprises.

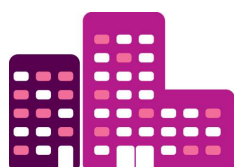


Taxation of profit on disposal	All property	Individuals pay a flat tax of 30% on profit on disposal. Corporations (resident and non-resident) are liable to corporation tax at 25%.
Special companies for property investment		There are no special companies for investment in Austrian real estate.
Tax planning tips		
Any further information		
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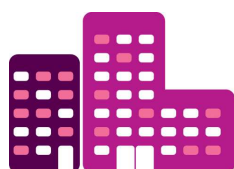
AZERBAIJAN

	Property type	Requirements
Permissions required by a foreign investor		In Azerbaijan, no permission is required to own property. Foreign investors cannot buy land as an individual. Legal entities with foreign capital may buy land.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		There is no tax liability on acquisition. Tax liability arises only for the seller.
Value Added Tax on acquisition	Residential	VAT is not applicable
	Commercial	VAT is applicable at a rate of 18%
Capital allowances / tax depreciation	Commercial / residential	<ul style="list-style-type: none"> Buildings: 7% Machinery and equipment: 20%
Taxation of rents	All property	<ul style="list-style-type: none"> 14% withholding tax for individuals 20% profit tax for legal entities
Deduction of expenses	All property	Repair expenses are allowed up to 3% of NBV. More than 3% is capitalised.
Deduction of interest	All property	Interest on borrowing to acquire property is treated as financial leasing and capitalised. A withholding tax of 10% is payable on interest on borrowing in general (not for acquisition of property).
Wealth taxes	All property	
Inheritance and gift taxes	All property	There is no tax on inheritance or gifts to family members. Gifts to individuals outside the family are taxable.
Other taxes on property	All property	Property tax is 1% of NBV.
Taxation of profit on disposal	All property	Profit on the disposal of property is taxable. The rate is 20% for legal entities, and between 14-35% for individuals on amounts exceeding AZN 4,200.
Special companies for property investment		There are no special companies for property investment.
Tax planning tips		Individuals do not pay tax on profit on disposal of property if registered at the property (apartment) for more than 3 years.
Any further information		
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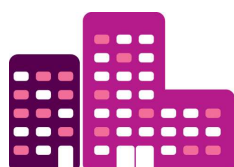


BAHAMAS

	Property type	Requirements
Permissions required by a foreign investor	All property	The acquisition of property by non-Bahamians requires permission or registration. The applicant must apply to the Secretary to the Investments Board to register the purchase. The application form is available through the Bahamas Investment Authority (BIA) website .
Types of tenure	Leaseholds for condominiums or freehold land if less than two adjacent acres in size.	Fees must be paid, and the application form submitted to the Secretary of the Investment Board with evidence of payment.
Transfer taxes on acquisition	All property	There is no transfer tax on acquisition. However, a stamp duty of 2.5% of the value of the transfer is payable to the tax authorities when payment for the property is made. Payment of an aggregate amount (cost plus stamp tax) is usually paid to an attorney who is responsible for remitting the stamp tax to the tax authorities. Attorney fees are usually an additional 2.5% of the cost of the property.
Value Added Tax on acquisition	Property valued over BSD 100,000	VAT is paid at a rate of 7.5% on transactions involving property valued at over BSD 100,000. The invoice from the seller or attorney includes a line item for the VAT. The seller or attorney is responsible for remitting the VAT to the tax authority.
Capital allowances / tax depreciation		There are no income or corporation taxes in the Bahamas; therefore, there are no capital allowances or tax depreciation.
Taxation of rents	Commercial property	VAT is chargeable at 7.5% of the rental cost on commercial property. The tax falls on the person paying the rent. The property owner is responsible for remitting the tax to the government.
Deduction of expenses		There are no income or corporation taxes in the Bahamas; therefore, there is no deduction of expenses.
Deduction of interest		There are no income or corporation taxes in the Bahamas; therefore, there is no deduction of interest.
Wealth taxes		There is no wealth tax in the Bahamas.

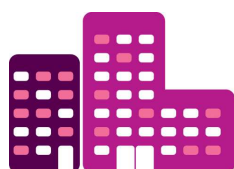


Inheritance and gift taxes		No inheritance tax or gift tax is charged in the Bahamas.
Other taxes on property	All property	Annual real property tax is charged on the value of property owned by non-Bahamians on all islands in the Bahamas. Property valued between BSD 250,000 and BSD 500,000, is taxed at 0.75% of the market value. On the portion over BSD 500,000, the tax rate is 1% of the market value of the property. Register with the Department of Inland Revenue. Taxes are due on March 31 for the preceding year's valuation. The property can be valued by a government or other licensed appraiser. Penalties and interest apply if the taxes are not paid.
Taxation of profit on disposal		There are no capital gains taxes in the Bahamas; therefore, no taxes are payable on disposal unless there are outstanding real property taxes. If so, the amount is deducted from the proceeds by the purchaser's attorney and remitted to the government.
Special companies for property investment		There are no special companies for property investment.
Tax planning tips		Permanent residence is available for BSD 1million or more property investment.
Any further information		Useful information can be found on the Bahamian government website: www.bahamas.gov.bs
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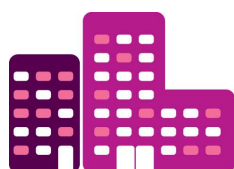
BAHRAIN

	Property type	Requirements
Permissions required by a foreign investor	All property	There are some restrictions on the acquisition of real estate by foreign investors in specified areas of Bahrain.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Not applicable
Value Added Tax on acquisition		Not applicable
Capital allowances / tax depreciation		Not applicable
Taxation of rents		Not applicable
Deduction of expenses		Not applicable
Deduction of interest		Not applicable
Wealth taxes		Not applicable
Inheritance and gift taxes		Not applicable
Other taxes on property		Not applicable
Taxation of profit on disposal		Not applicable
Special companies for property investment		There are some special companies for investment in Bahrain real estate.
Tax planning tips		
Any further information		There is a registration fee based on a percentage of the value of the land acquired.
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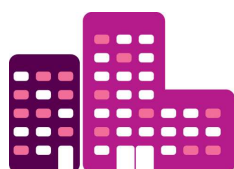


BANGLADESH

	Property type	Requirements
Permissions required by a foreign investor	Commercial / Residential	Bangladesh Investment Development Authority (BIDA) recommendation is necessary for acquisition of land. Foreign investors are required to submit relevant papers and information in connection with the land to be acquired to the relevant Deputy Commissioner (DC). There is a separate procedure for obtaining electricity, gas, water, sewerage and telephone connections.
Types of tenure	All property	Freehold and leasehold
Transfer taxes on acquisition	All property	Stamp duty is payable on purchases of property at the rate in force in which the property is situated. Stamp duty must be paid in order to register the transfer of ownership. Property transactions are also subject to registration charges on the instrument of sale. Estimated charges are as follows (based on purchase price): <ul style="list-style-type: none"> • Stamp duty – 3% • Gain tax – 1% • Other expenditure – 1%
Value Added Tax on acquisition	All property	No VAT is payable on the acquisition of land.
Capital allowances / tax depreciation	Commercial	No tax depreciation on land is required. For all other assets, tax depreciation as per the 3 rd Schedule of the Income Tax Ordinance can be claimed. This varies from 2.5-50% on a reducing balance basis.
Taxation of rents	All property	Rents on property are taxed for both resident and non-resident companies at 5%. Tax must be deducted from rents at source.
Deduction of expenses Deduction of interest	All property	If the property is used for business purposes, maintenance expenses and interest are deductible under the Income-Tax Ordinance-1984. Allowable expenditure (repair and maintenance): <ul style="list-style-type: none"> • Residential – 25% • Commercial – 30% If the property is for personal use, maintenance charges are not a deductible

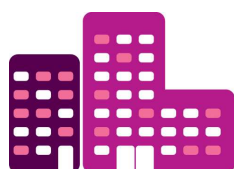


		expenditure, but interest paid is allowed up to a specified limit. The owner can also claim a vacancy allowance.
Wealth taxes	All property	There is no tax liability if the property acquired is used for business purpose. However, for the computation of individual income tax, a surcharge (i.e. wealth tax) is levied on the income tax liability of the individual. Slab rates are: <ul style="list-style-type: none"> • 2.25–5 crore, 10% • 5–10 crore, 15% • 10–15 crore, 20% • 15–20 crore, 25% • Above 20 crore, 30%
Inheritance and gift taxes	All property	Real estate is not subject to inheritance or gift taxes.
Other taxes on property	All property	Properties are subject to various municipal taxes levied by the respective municipalities. However, such expenditure is generally low.
Taxation of profit on disposal	All property	Capital gains tax arising on the disposal of property is levied at a rate of 15%.
Special companies for property investment	All property	There are no special companies for real estate investment in Bangladesh.
Tax planning tips	All property	As wealth tax is imposed on individuals, a company should acquire land in the name of company.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Syful Shamsul Alam & Co. Paramount Heights (Level-6), 65/2/1 Box Culvert Road, Purana Paltan, Dhaka 1000, Bangladesh Contact Syful Islam Email syful@ssacbd.com Phone +880 2 955 5915 Website www.ssacbd.com	

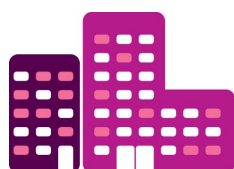


BELARUS

	Property type	Requirements
Permissions required by a foreign investor		No permission is required for foreign investment in Belarus real estate, with the exception of land. Land plots can be privately owned by citizens of the Republic of Belarus, non-state legal entities of the Republic of Belarus, foreign states, and international organizations. Land plots can be privately owned by foreign citizens and persons without citizenship who are the relatives of the testator, in the case of inheriting land plots transferred to the testator's private ownership, unless otherwise provided by the legislation.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	There are no transfer taxes.
Value Added Tax on acquisition	All property	The basic VAT rate is 20%.
Capital allowances / tax depreciation		Capital allowances: <ul style="list-style-type: none"> • for buildings, structures and facilities used in business activities, and cost of investment in their reconstruction – 10%; • for machinery and equipment used in business activities, and cost of investment in their reconstruction, transport facilities (with exceptions) and cost of investment in their reconstruction – 20% • Depreciation for the purpose of taxation is determined on the basis of accumulated depreciation in the accounting.
Taxation of rents		<ul style="list-style-type: none"> • Corporate income tax – 18% • Personal income tax – 13% • Self-Employment tax – 16 % (tax on individual entrepreneur)
Deduction of expenses		Repair and maintenance expenditure, and reasonable expenses relating to the management and administration of real estate are tax deductible.
Deduction of interest		Interest on loans and credit is tax deductible, except interest on loans and credit assigned to the cost of investment assets in accordance with legislation. Interest on overdue loans and credit is not tax deductible.

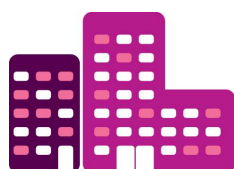


Wealth taxes		There are no wealth taxes in Belarus.
Inheritance and gift taxes		Income received from individuals in the form of inheritance are exempt from tax, except for royalties paid to the heirs of authors of scientific, literary and artistic works, inventions, utility models, industrial designs and other results of intellectual activity. Gifts from close relatives are exempt from taxation. Gifts from other persons are exempt from taxation if their value does not exceed ca. USD 2,500.
Other taxes on property		Real estate tax, based on the value and location of the property. The basic rate for individuals is 0.1% per year for legal entities, with rates potentially increasing up to 2.5 times.
Taxation of profit on disposal		<ul style="list-style-type: none"> • Corporate income tax – 18% (transfer pricing is applicable to real estate transactions) • Personal income tax – 13% • Self-Employment tax – 16 % (tax on individual entrepreneur)
Special companies for property investment		There are no special companies for property investment in Belarus.
Tax planning tips		Resident individuals are exempt from tax when selling any one or a combination of the following properties within five years: house, apartment, cottage, outbuilding, garage, parking space, plot of land.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY BusinessCollegia LLC Nekrasova Str. 114, BC CAPITAL, 2nd floor, office 31, Minsk 220068, Belarus Contact Denis Kastsian Email audit@collegia.by Phone +375 17 287 81 88 Website www.collegia.by	

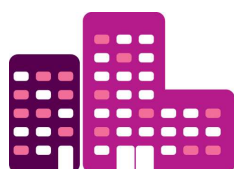


BELGIUM

	Property type	Requirements
Permissions required by a foreign investor		There is no specific permission required for foreign investors acquiring Belgian real estate.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Modest houses for physical persons Other property in Wallonia Other property in Brussels for physical persons, valued under EUR 500,000 and for their own and sole residence Other property in Flanders	Registration fees apply: 5% or 6% of the acquisition price 12.5% <ul style="list-style-type: none"> • Up to EUR 175,000 – 0% • EUR 175,001 and above – 12.5% <ul style="list-style-type: none"> • 10% • 0% up to EUR 15,000 for physical persons for the own residence
Value Added Tax on acquisition	New-built property	VAT at 21%
Capital allowances / tax depreciation	All property (with exception for industrial warehouses)	Buildings can be depreciated at 3–3.33% on a straight-line basis.
Taxation of rents	Property held by companies Property held by individuals (not for business purposes)	Taxable like other income of the company (34% or reduced corporate income tax rate). Taxation based upon the cadastral income (not on real rental income)
Deduction of expenses	Property held by companies	All expenses are tax deductible, including interest, repairs and maintenance, administration, etc.
Deduction of interest	All property	In general, interest payable on loans to acquire real estate is deductible from rental income.
Wealth taxes	All property	Not applicable
Inheritance and gift taxes	All property	Gift and inheritance taxes are payable on real estate. Rates vary between 0% to 80% depending on the value of the property, the location of the inheritor/beneficiary, and the relationship between the parties.

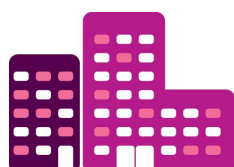


Other taxes on property	All property	Withholding tax on buildings. Some cities charge landlords with specific taxes on buildings.
Taxation of profit on disposal	Property held by companies	Companies pay corporate income tax on profit on disposal. There is an opportunity to defer and spread out the taxation if companies reinvest the price of selling, respecting some specific conditions.
Special companies for property investment		There are no special companies for investment in Belgian real estate.
Tax planning tips		There are many opportunities for tax planning in Belgium, including use of a company and dismemberment of ownership.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY-CDP Partners Rue de l'Hospice Communal 6, Brussels B-1170, Belgium Contact Chantal Bollen Email info@cdp-partners.be Phone +32 2 663 11 20 Website www.cdp-partners.be	

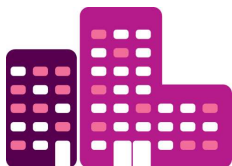


BOLIVIA

	Property type	Requirements
Permissions required by a foreign investor		Permits are not required for foreign investors to invest in real estate in Bolivia. However, there are procedures for the constitution of a commercial company in the Commerce Registry (FUNDEMPRESA).
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Municipal Tax on Transfer (IMT) is paid on the sale of real estate on the value actually, at a rate of 3%
Value Added Tax on acquisition		VAT is applied on construction contracted to a third-party (contracted service) at a rate of 13%. VAT does not apply to the transfer of property.
Capital allowances / tax depreciation		Straight line depreciation as follows: <ul style="list-style-type: none"> • Buildings: 2.5% • Machinery: 12.5% • Vehicles: 20% • Equipment and facilities: 12.5
Taxation of rents		Rents are subject to the Supplementary Regime of VAT (RC-VAT) at a rate of 13% on the amount charged.
Deduction of expenses		Companies in Bolivia may deduct expenses by the tenure of properties for the liquidation of the Tax on the Profits of the Companies IUE (Income Tax)
Deduction of interest		All interest related to loans to acquire real estate is classed as a deductible expense for the settlement of the Tax on the Profits of the Companies IUE (Income Tax)
Wealth taxes		There are no wealth taxes in Bolivia.
Inheritance and gift taxes		Tax on the gratuit transfer of goods (ITGB) is applied for hereditary successions and other legal acts for which the property is transferred for free: <ol style="list-style-type: none"> 1) Ascendant, descendant and spouse 1%. 2) Brothers and descendants 10% 3) Other collaterals, legatees and gratuit donantes 20%
Other taxes on property		Municipal Tax on real estate (IMBI) is applied. The rate varies across different municipalities.

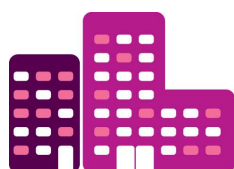


Taxation of profit on disposal		For commercial companies and individuals, a tax of 3% is applied in relation to the sale of real estate.
Special companies for property investment		There are no special companies for real estate investment in Bolivia.
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY H Baldivieso y Luna S.R.L. Calle Batallón Colorados No. 24, Ed. El Condor Piso 5 – 508, La Paz, Bolivia Contact Roberto Victor Huanca Baldivieso Email hbl@baldiviesoyluna.com Phone +591 2244 2224 Website www.baldiviesoyluna.com	

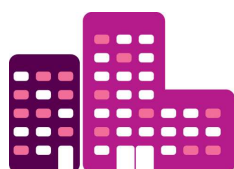


CANADA

	Property type	Requirements
Permissions required by a foreign investor	Commercial	Investment Canada Act reviews investments by non-residents in excess of CAD 5 million. If a non-resident is in a World Trade Organization country, transactions are reviewed if they exceed CAD 600 million. Provincial laws may apply various requirements and restrictions.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	Municipal and provincial rates range from 0% to 15% of the sale price of properties. Some provinces have registration fees.
Value Added Tax on acquisition	Commercial and newly constructed residential property	5% to 15% tax is charged on the sale of real estate. Tax is recoverable by registered purchasers. Various rebates may be available.
Capital allowances / tax depreciation	Commercial or rental property	4%, 6% or 10% annually on a declining balance of building portion (not land) depending on the use of the property.
Taxation of rents	All property	Rents are generally taxed as regular passive income. Depending on the ownership structure, withholding tax may apply on gross rents or net rent.
Deduction of expenses	All property	Deduction of expenses is allowed as long as they are incurred to earn income. Some expenses may require to be capitalised during the construction period.
Deduction of interest	All property	Deduction of interest is allowed as long as it is incurred on loans to acquire or maintain the income-earning property. Non-residents may be subject to thin capitalisation rules. Interest may require to be capitalised during the construction period.
Wealth taxes	All property	There are no wealth taxes. Unrealised capital gains may be taxed at death or transfer, except for principal residences.
Inheritance and gift taxes	All property	Inheritance and gifts may be taxable on transfer. For non-residents only the Canadian real estate may be taxable in Canada. Withholding tax may be applicable on transfer.
Other taxes on property	All property	Municipal property taxes apply.

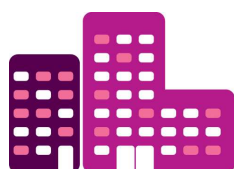


Taxation of profit on disposal	All property	Profit on disposal is taxed as capital gain at half the tax rate of regular income. If disposition is in the normal course of business, gain is taxed as regular income. Withholding tax may apply to non-residents.
Special companies for property investment	All property	There are no special corporations for property investment. Limited partnerships combine liability protection and flow-through of income or loss to individual partners. All other types of companies can be used depending on the investor's need. Corporations, unlimited liability corporations, partnerships, joint venture/co-ownership and trusts (private inter-vivos trust, public specified investment flow-through trust, public real estate investment trust or mutual fund trust).
Tax planning tips	All property	Flow-through entities (partnerships and unlimited liability corporations) should be considered to maximise tax benefits in the home country and minimise double taxation.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Victor LLP 759 Square Victoria, Suite 400, Montreal QC H2Y 2J7, Canada Contact Ken Shemie Email info@uhyvictor.com Phone +1 514 282 1836 Website www.uhyvictor.com</p> <p>UHY McGovern Hurley LLP 800-251 Consumers Road, Toronto, Ontario. M2J 4R3, Canada Contact: John Mendis Email jmendis@uhymh.com Phone +1 416 496 1234 Website www.uhymh.com</p>	

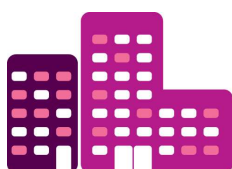


CHILE

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for foreign investment in real estate in Chile.
Types of tenure		Freehold and leasehold.
Transfer taxes on acquisition		There is no transfer tax, but a fee is payable to the Real Estate Conservative on the real estate value for registration of the transfer.
Value Added Tax on acquisition	Commercial Residential	<ul style="list-style-type: none"> • New commercial buildings are subject to VAT at 19%. • New residential buildings are subject to VAT at 19%. • Used buildings and land are not subject to VAT.
Capital allowances / tax depreciation	Commercial Residential	<ul style="list-style-type: none"> • An allowance of 4% is available on the costs of the construction of commercial property. • No allowances are available on the cost of construction of residential property.
Taxation of rents	All property	<p>Stock companies, other companies and resident or non-resident individuals are liable to 24% income tax, and fewer expenses. When profit is distributed to a non-resident, it is subject to a withholding tax of 35%. A rate of 24% will be discounted and paid by the company.</p> <p>For residents, the rate is from 0% to 40% (based on the rent amount).</p> <p>Taxes on residential real estate rents can be paid on an assumed rent of 7% over the fiscal value of the property, provided the annual rent does not exceed 11% of the property value.</p>
Deduction of expenses	All property	The expense of repairs, maintenance and management are generally deductible for corporations and individuals.
Deduction of interest	All property	In general, interest paid on loans for the acquisition of real estate in Chile is deductible from the rental income.
Wealth taxes	All property	There is no annual wealth tax in Chile.
Inheritance and gift taxes	All property	Non-resident individuals are liable to taxes on gifts and inheritance on the value of real estate in Chile. Rates vary from 1% to 25% depending on the value of the property and the relationship between the parties.

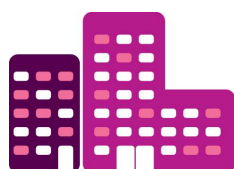


Other taxes on property	All property	In general, all residential and commercial property is subject to an annual tax of 1.425%, payable in quarterly instalments on an amount assessed by the Internal Revenue Service.
Taxation of profit on disposal	All property	<ul style="list-style-type: none"> • The income obtained by a public limited company, any other company or individual is liable to a tax rate of 24%. • If the income is determined without accounting for tax purposes, an additional tax rate of 35% is paid, deducting the 24% in the case of non-residents. If resident, a global tax rate between 0% and 40% is paid, deducting the 24%. • If the income is determined through accounting for tax purposes, the rate is 24%. • When profit on disposal is received by the partners, or by resident or non-resident individuals, it is subject to additional or global tax.
Special companies for property investment		There are real estate investment corporations and stock companies in Chile.
Tax planning tips		<p>Stock companies are a convenient way for non-residents to invest.</p> <p>If doing so through a company:</p> <ul style="list-style-type: none"> • Profits are subject to a 24% tax rate • Profits that are not remitted do not pay an additional tax of 35% • Profits can be reinvested in new real estate or another kind of investment and are not subject to the 35% additional tax, enabling tax planning. <p>If doing so as an individual:</p> <ul style="list-style-type: none"> • A 24% tax rate and 35% additional tax apply, but on selling the property there is added value as no tax is paid on up to UTM 8,000 profit. • For profit above UTM 8,0000, it is advisable to evaluate or consider tax planning.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Guinazu & Asociados SpA. Virgilio Figueroa 6641, Las Condes, Santiago, Chile Contact Juan Olivares H. Email auditores@uhy-cl.com Phone +56 2 3213 8700 Website www.uhy-cl.com</p>	



COSTA RICA

	Property type	Requirements
Permissions required by a foreign investor	All property	A special tax identification number (NITE) must be obtained if the property is for commercial use, and relevant procedures followed in accordance with the General Directorate of Immigration. Foreign investors cannot acquire real estate on areas of maritime land (i.e. within 200 metres of the coastline), unless a special permit is requested from the managing entity.
Types of tenure	All property	Horizontal or vertical property, condominium or lease.
Transfer taxes on acquisition	All property	The transfer tax is 1.5% of the amount of the taxable value or the amount traded, whichever is greater. Lawyers' fees range between 1.25% and 2.7%. The maximum commission charged by real estate agents is 5%.
Value Added Tax on acquisition	All property	None
Capital allowances / tax depreciation	All property	The average annual rate of depreciation is 2%, based on the type of property, and applies to buildings only. Revaluation depreciation is non-deductible.
Taxation of rents	All property	Property tax of 0.25% of the total value of the property is payable quarterly. Property valued at more than USD 223,000.00 is subject to the solidarity tax, ranging on average from 0.25% to 0.55%, paid annually. There are also municipal taxes, with rates varying depending on the canton.
Deduction of expenses	All property	Real estate and urban or municipal services can be deducted.
Deduction of interest	All property	Interest can be deducted on loans used to obtain the property.
Wealth taxes	All property	None
Inheritance and gift taxes	All property	None
Other taxes on property		
Taxation of profit on disposal	All property	None
Special companies for property investment		Property can be registered personally or through a company for the purposes of legal and fiscal responsibilities.

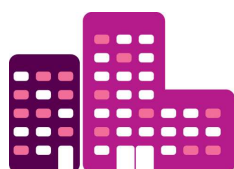


Tax planning tips		The tax burden is the same whether recorded personally or through a partnership. Some rates of tax depend on the age and condition of the property, so expert analysis is beneficial for tax assessment purposes.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Auditores y Consultores, S.A. Curridabat, de Plaza del Sol, 700 metros al sur y 100 metros al oeste, San Jose Curridabat, Costa Rica Contact Omar Perez Rosales Email operez@uhy-cr.com Phone +506 2281 3701 Website www.uhy-cr.com	



CROATIA

	Property type	Requirements
Permissions required by a foreign investor	All property	No permission is required for EU residents. For residents of other countries where there is reciprocity for the acquisition of real estate, permission can be received upon request.
Types of tenure		Leasehold
Transfer taxes on acquisition	All property over 2 years old	Tax rate is 4%.
Value Added Tax on acquisition	Property in use for less than 2 years and new property	Tax rate is 25%.
Capital allowances / tax depreciation	All property	Maximum tax-deductible depreciation rate is 10%.
Taxation of rents	All property	Rent provided by a private person is taxed with 12% of income tax plus surtax. The rate of surtax depends on the place of residence of the private person (from 0% up to 18%). The tax base for calculating surtax is the amount of tax.
Deduction of expenses	All property	30% of the rent fee
Deduction of interest	All property	All interests on loans regarding acquisition of real estate are tax-deductible. Certain restrictions may apply for interests on loans from related entities.
Wealth taxes	All property	
Inheritance and gift taxes	All property	4%
Other taxes on property		
Taxation of profit on disposal	All property	Resident corporations are liable to corporation tax up to 18%. Natural persons may be taxed at a 24% where property is sold before 2 years from the date of purchase, or if more than 3 properties of the same type were to be sold in a 5-year period.
Special companies for property investment		
Tax planning tips		
Any further information		



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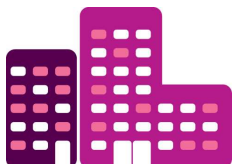
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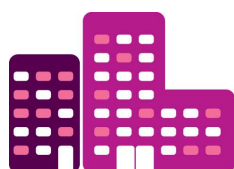
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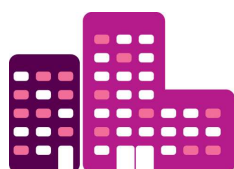


CYPRUS

	Property type	Requirements
Permissions required by a foreign investor		Government approval is required for non-EU citizens, but the purchaser can take possession immediately.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	Land Registry Duty at progressive rates of 3-8%.
Value Added Tax on acquisition	All property	Newly-constructed buildings, with no prior use, are subject to VAT at 19%. A reduced rate of VAT (5%) has been introduced for properties purchased by permanent residents of Cyprus, provided that the property will be used as the main residence of the purchaser for 10 years (minimum). Applicable for the first 200m ² of residences of a total covered area of up to 275m ² . For those buildings for which an application for a town planning permit was submitted prior to the 1.5.2004, no VAT is charged in the event of an acquisition. Resale of property and newly-constructed properties that have been used (i.e. rented) prior to their sale are not subject to VAT. There is no VAT on the purchase of land.
Capital allowances / tax depreciation	Commercial	Capital allowances on new buildings: <ul style="list-style-type: none"> Hotels, industrial and agricultural buildings – 4% Other commercial buildings – 3% The capital allowance on plant and machinery is 10%. There are no capital allowances on land.
Taxation of rents	All property	Companies pay corporation tax at a flat rate of 12.5% on net rental income (see deductions below). Individuals pay personal tax at a progressive rate of 20-35% on net rental income (see deductions below) The Special Defence Contribution is levied at 3% on 75% of gross rental income.
Deduction of expenses	All property	Companies (corporation tax) and individuals (personal tax) may deduct: <ul style="list-style-type: none"> 20% of gross rental income derived from the rental of immovable property situated in Cyprus

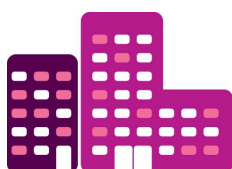


		<ul style="list-style-type: none"> • Capital allowances (see above) • Any interest expenses on the acquisition of the property <p>Companies can also deduct actual costs in respect of repair, maintenance, etc. For the Special Defence Contribution, 25% of gross rents (companies and individuals) may be deducted. Foreign-sourced rental income is also subject to the Special Defence Contribution. Foreign taxes paid can be credited against this.</p>
Deduction of interest	All property	Interest is fully deductible from rents.
Wealth taxes	All property	Immovable Property Tax is abolished as of 1 January 2017.
Inheritance and gift taxes	All property	Inheritance Tax was abolished on 1 January 2000. With regard to transfer fees, certain exemptions and reduced rates apply for the transfer of property between relatives and trustees.
Other taxes on property	All property	Municipal taxes depend on the size and value of the property.
Taxation of profit on disposal	All property	Capital gains tax is levied at 20% on profit, using inflation-indexed purchase cost and deducting incidental purchase/sale expenses.
Special companies for property investment		There are no such companies in Cyprus.
Tax planning tips		If part of the purchase price is stated to be for plant and equipment, increased depreciation allowances are available.
Any further information		<p>Incentives are offered for:</p> <ul style="list-style-type: none"> • -Immigration by investment, including, inter alia, acquisition of immovable property in Cyprus with a minimum value of EUR 300,000 • Citizenship by investment, where the level of investment, including in real estate, is between EUR 2 million and EUR 2.5million.
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Antonis Kassapis Limited 89 Kennedy Avenue, Suite 201, Second Floor, PO Box 26624, Nicosia CY-1640, Cyprus Contact Antonis Kassapis Email uhy@uhy.com.cy Phone +357 22 379210 Website www.uhy.com.cy</p>	

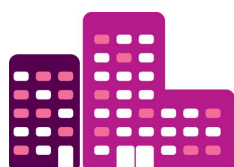


CZECH REPUBLIC

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for foreign investment in real estate in the Czech Republic.
Types of tenure		Freehold, leasehold and buildings on third-party land.
Transfer taxes on acquisition	All property	A 4 % real estate transfer tax is payable on any obligation to transfer, sell or exchange real estate in the Czech Republic.
	Company share	There is no transfer tax for the transfer of company shares. For a company that owns only one property, even these shares may be sold without any real estate transfer tax.
Value Added Tax on acquisition	Building(s) or land with building(s)	The transfer of new buildings is subject to VAT. Apartments up to 120m ² and houses less than 350m ² are subject to 15% VAT. Otherwise, 21% VAT is applicable. The transfer of buildings (and land with buildings) older than 5 years is exempt from VAT.
	Plots of land	The transfer of plots of land is exempt from VAT, with the exception of building plots. 21% VAT is charged on plots of land without buildings.
Capital allowances / tax depreciation	Commercial	<ul style="list-style-type: none"> • Office buildings, hotels, shopping centres, cultural centres: period of depreciation 50 years • Other buildings: period of depreciation 30 years • Machinery: period of depreciation 3–10 years
Taxation of rents		<ul style="list-style-type: none"> • Companies: 19% corporate income tax • Individuals: 15 % personal income tax
Deduction of expenses		Repairs and maintenance expenditure and expenses relating to the management and administration of property are tax deductible. Individuals can claim a lump sum of 30% of income or the actual expenses.
Deduction of interest		Interest payable on loans is deductible from rental income, but there are some exceptions: <ul style="list-style-type: none"> • Interest charged from individuals must be paid to be deductible

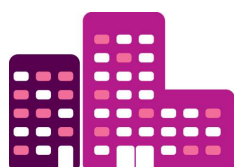


	<ul style="list-style-type: none"> • The conditions of loans (interest rate) between related parties must be under arm's length principle • For loans between related companies, a debt-equity ratio of 1:4 is applicable (or 1:6 for banks). <p>There is a withholding tax of 15% (or lower according to double tax treaties) on interest paid to a non-resident lender.</p>
Wealth taxes	The Czech Republic does not have a wealth tax.
Inheritance and gift taxes	Inheritance and gift tax are included in income tax. No tax is applied to inheritance and gifts within the family.
Other taxes on property	Property tax is based on the size of building and land, rather than on the assessed value of the property. Rates differ depending on regional rules.
Taxation of profit on disposal	For resident and non-resident companies, profits from real estate are treated as taxable business income.
Special companies for property investment	There are no special companies for investment in Czech real estate.
Tax planning tips	<p>Czech residents (individual persons) can sell company shares after 5 years without any taxation on the profit.</p> <p>For individuals, the sale of property after holding it for more than 5 years is exempt from tax.</p> <p>The sale of real property is subject to 4 % real transfer tax, but the sale of a company that owns the real estate is not. For this reason, new buildings are built as a new 'empty' company, and shares are sold instead of real estate to avoid real estate transfer tax. Also, rather than selling the real estate, the company can split off the part of the business that includes the real estate.</p>
Any further information	
UHY MEMBER FIRM CONTACT DETAILS	<p>AUDITOR, spol. s r.o. Hastalska 6, Prague 1 110 00, Czech Republic Contact Georg Stoger Email praha@auditor.eu Phone +420 224 800 411 Website www.auditor.eu</p>

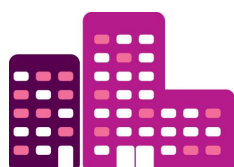


DENMARK

	Property type	Requirements
Permissions required by a foreign investor		<p>If the foreign investor is a citizen of a European Union member country or a country that has signed the agreement regarding the European Economic Area, and the use of the real estate is as a permanent residence or for business, the investor is entitled to buy real estate on making a declaration to the Land Registration Court that these conditions are met.</p> <p>Investors who are resident in Denmark or have been resident in Denmark within 5 years need not apply for permission.</p> <p>Other foreign investors, including non-EU citizens, and all investors seeking permission to buy second homes, should seek permission to invest in real estate from the Danish Ministry of Justice.</p> <p>Real estate cannot validly be transferred before the investor has received permission.</p>
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Stamp duty is payable at 0.6% on the transfer on sale of real estate. Stamp duty is payable on mortgages at 1.5%. Leasing contracts for real property are not subject to stamp duty.
Value Added Tax on acquisition		The transfer of real estate is not usually subject to VAT, but VAT may apply on the sale of building sites, new buildings, or used buildings that are substantially rebuilt or improved.
Capital allowances / tax depreciation	Commercial	<p>As a rule, tax depreciation is available as follows:</p> <ul style="list-style-type: none"> • Industrial buildings, intensive farming and market gardening, hotels and cinemas – 4% per annum • Plant and machinery – 25% per annum <p>No tax depreciation is available for office buildings, land etc.</p>
Taxation of rents	All property	<ul style="list-style-type: none"> • Companies (resident and non-resident) are liable to corporate income tax at 22% on profits from rental. • Non-resident individuals are liable to Danish income tax at progressive rates from 28% to 56%.

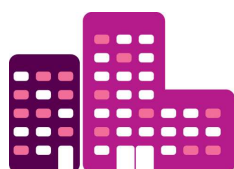


		<ul style="list-style-type: none"> There is no withholding tax on rents paid to a non-resident owner.
Deduction of expenses	All property	Repairs and maintenance expenditure and costs of administration are normally deductible from rental income for tax purposes.
Deduction of interest	All property	In general, all interest incurred to acquire real estate in Denmark is deductible from the rental income for tax purposes, whether or not the lender is resident in Denmark. No withholding tax is imposed on interest payment if it is paid to a resident inside the EU and to a country with a double tax treaty. Denmark also has rules regarding thin capitalisation.
Wealth taxes	All property	There are no wealth taxes in Denmark.
Inheritance and gift taxes	All property	Inheritance tax is payable by non-residents on the value of real estate after deduction of loans. Rates vary from 0% to 52% depending on the size of the inheritance and the relationship between the parties.
Other taxes on property	All property	There are local taxes based on the value of land at rates varying from 1.6% to 3.4%.
Taxation of profit on disposal	All property	Gains on disposal of property by companies (resident and non-resident) are liable to corporate income tax at 22%. Capital gains realised by non-resident individuals on commercial real estate are taxed at 28% to 56%.
Special companies for property investment		There are no special companies for real estate investment in Denmark.
Tax planning tips		If part of the purchase price is stated to be for plant and equipment, increased depreciation allowances may be available. The transfer of shares in a company is not subject to stamp duties.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	inforevision Buddingevej 312, Copenhagen Soborg DK-2860, Denmark Contact Vibeke During Jensen Email info@info-revision.dk Phone +45 39 53 50 00 Website www.info-revision.dk	



DOMINICAN REPUBLIC

	Property type	Requirements
Permissions required by a foreign investor		There are no objections to investment in real estate in the Dominican Republic, and it is not necessary to be a resident. Capacity for contracting
Types of tenure	Houses and Commercial Stores	Owner
Transfer taxes on acquisition		Transfer taxes are levied at 3% of the value of the contract or the trusted value. A certificate of property title or contract must be registered at General Directorate of Internal Taxes (DGII).
Value Added Tax on acquisition		VAT on acquisition is generally charged at 18%, and at 16% in some instances. Transference and/or services provided.
Capital allowances / tax depreciation		<ul style="list-style-type: none"> • Buildings: 5% • Furniture and equipment: 25% • Electric plant and heavy equipment: 15%
Taxation of rents		<ul style="list-style-type: none"> • Rental income: 10% • ITBIS (IVA) for corporates: 18%
Deduction of expenses		<ul style="list-style-type: none"> • 100% or proportional • Valid for fiscal credit (NCF)
Deduction of interest		Deduction of interest may be total or limited to a formula, depending on the factors involved. Local financial system.
Wealth taxes		1% of taxable assets. Does not apply to patrimony.
Inheritance and gift taxes		<ul style="list-style-type: none"> • Tax on inheritance is levied at 3%. • Tax on gifts or donations is levied at 27%.
Other taxes on property	1%	<ul style="list-style-type: none"> • Urban property • Possessions IPI-IVSS
Taxation of profit on disposal		10% on cash distribution only (no taxes paid on shares).
Special companies for property investment		<ul style="list-style-type: none"> • Special regime • General Norm DGII
Tax planning tips		Incentives are available. It is advisable to consult with a tax advisor regarding the preliminary balances for tax planning.
Any further information		



**UHY MEMBER FIRM
CONTACT DETAILS****UHY Canahuate Calderon & Asociados**

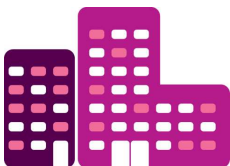
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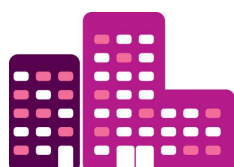
Phone +1 809 567 5916

Website www.uhycanahuatecalderon.com



FINLAND

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required by foreign investors.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	Transfer tax is levied at 4% for properties and 2% for residential housing and real estate shares. The buyer is liable for transfer tax. 18-39-year-old first-time home buyers are exempt from transfer tax if using the property as their permanent residence. If the property has been received as a gift, inheritance, under a will or through dissolution of co-ownership, no transfer tax is applicable.
Value Added Tax on acquisition		There is no VAT on acquisition itself. It is required that the VAT deducted during construction of a building is evaluated each year after completion until 10 years has passed. Changes in the buildings use for VAT purposes during the 10-year period may affect the original deducted VAT.
Capital allowances / tax depreciation	Commercial only	Tax depreciation varies between 4% and 7% per annum depending on the type of estate.
Taxation of rents	All property	Companies are liable to corporate income tax at 20% on rental income. Privately owned properties are liable to 30% capital tax up to EUR 30,000, and 34% on the amount over EUR 30,000 on rental income.
Deduction of expenses	All property	Maintenance and repairs expenditure and costs relating to the management and administration of property are deductible. Renovations that improve commercial property are activated and straight-line depreciated each year for 5 or 10 years.
Deduction of interest		In general, companies owning properties are entitled to fully deduct interest on loans. Individual property owners can deduct 45% of loan interest. The deduction percentage varies each year, and there are some specific advantages for first-time home-buyers.
Wealth taxes		Wealth taxes are not in effect in Finland.
Inheritance and gift taxes		

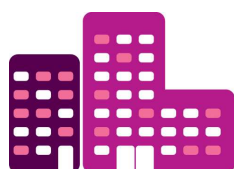


Other taxes on property	All property	National property tax is based on assessed taxation value. Rates vary: <ul style="list-style-type: none"> • 0.86% – 1.8% general property tax • 0.41%–0.9% for residential properties • 0.93%–1.8% for non-permanent residences • 2%–6%. for undeveloped properties • 0.8%–2.85% for power plant sites Estates owned by non-profit organisations can be exempted from property tax if granted by municipality.
Taxation of profit on disposal	All property	Owner-occupied houses occupied by the owner or a family member for at least two consecutive years during the ownership are exempt from tax on profit on disposal. Investment properties are taxed at 20% of the difference between acquisition cost and selling price. Private individuals are subject to capital income tax on profit on disposal at 30% up to EUR 30,000 and 34% on the amount exceeding EUR 30,000.
Special companies for property investment		Special company types for property investment exist in Finland. These include: <ul style="list-style-type: none"> • - Joint-stock property company • - Limited liability housing company • - Mutual real estate company
Tax planning tips		
Any further information		
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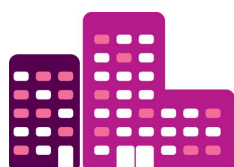


FRANCE

	Property type	Requirements
Permissions required by a foreign investor		No permission is required for foreign investment in French real estate.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold Leasehold	Registration duty is payable, amounting to 5.09% of the acquisition amount. This rate is applicable to all property sales which are not liable to VAT or to a more favourable tax system. The rate for rural properties is 0.715%.
Value Added Tax on acquisition	All property	In the case of a sale made by a real estate professional, the VAT rate amounts to 20% of the purchase.
Capital allowances / tax depreciation	Commercial and residential	Depreciation allowances are available: <ul style="list-style-type: none"> • Commercial buildings: 2–5% • Industrial buildings: 5–10% • Plant and machinery: 10–20% Residential depreciation allowances are available for residential buildings.
Taxation of rents	All property	<ul style="list-style-type: none"> • For non-resident individuals, income tax is levied between 20% and 45%. A social contribution (CSG-CRDS) is also due at a rate of 15.5 %. (This rate might increase to 17.2 % on January 2018). • For non-resident corporations, corporate income tax rate amounts to 33.33% (15% within the limit of tax basis of EUR 38,120).
Deduction of expenses	All property	Repairs and maintenance expenditure and expenses relating to the management and administration of property are tax deductible.
Deduction of interest	All property	<ul style="list-style-type: none"> • For non-resident corporations, interest is deductible on an accrual basis. • For non-resident individuals, interest is deductible on a paid basis.
Wealth taxes	All property	Wealth tax is payable by non-resident individuals with net assets in France exceeding EUR 1.3 million. Wealth tax rate is between 0.5% and 1.5%.
Inheritance and gift taxes		Non-resident individuals are liable to gift and inheritance taxes on property in France, payable on the market value (after deductions and rebates). Rates vary from 5% to 60% depending on the value of the inheritance and the relationship between the parties. Gift tax

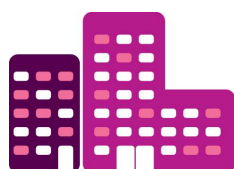


		is increased by 0.70% (publicity tenure tax).
Other taxes on property	All property and guarantees on property	In some cases, French or non-resident company owners of one or several properties are liable to an annual tax amounting to 3% of the fair value of these properties. However, many exemptions exist.
Taxation of profit on disposal	All property	<ul style="list-style-type: none"> • For non-resident individuals, capital gains are subject to personal income tax with some particularities. For instance, a rebate on capital gain is granted per year of ownership of the property, resulting in a total exemption after 22 years of holding the property. The capital gains tax rate for non-resident individuals is 19%. • A social contribution (CSG-CRDS) at a rate of 15.5% is also due. (This rate might increase to 17.2 % on January 2018). The rebate for CSG-CRDS is not the same as for income tax and only results in total exemption after holding the property for 30 years. • A specific tax is due on capital gains over EUR 50,000, with a rate varying from 1% to 6%. • Non-European Union tax residents must appoint a fiscal representative in France. • For non-resident corporations, the corporate income tax rate on capital gains is 33.33% and is due upon the sale as a withholding tax.
Special companies for property investment		<ul style="list-style-type: none"> • Civil companies (Sociétés civiles immobilières) • Commercial companies • SIIC (Société à prépondérance immobilière cotée – equivalent of REIT regime))
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY GVA CS 81691, 105 avenue Raymond Poincaré, 75116, Cedex 16, Paris F-75771, France Contact Muriel Nouchy Email muriel.nouchy@uhygva.com Phone +33 1 45 00 76 00 Website www.uhygva.com	

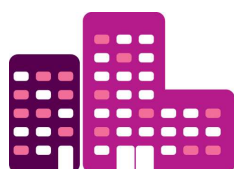


GERMANY

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for foreign investment in German real estate.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold / Leasehold	Depending on the state, a 3.5%-6.5% transfer tax is payable on any obligation to transfer, sell or exchange German real estate. It must be paid in order to register the property in the name of the new owner.
	Grant of lease	Normally, no real estate transfer tax is payable on grant of lease.
Value Added Tax on acquisition	All property	VAT is not usually payable on the sale and income from rent of real estate. However, if the tenant is another business, the landlord may choose to charge VAT. The VAT rate is 19%.
Capital allowances / tax depreciation	Commercial property (buildings only)	In general, depreciation is 3% per annum (straight line) for newly-constructed commercial buildings (from 1 April 1985). In other cases, a reduced rate of 2% or 2.5% is applicable.
	Residential property (buildings only)	Declining depreciation was abolished in 2006. Straight-line depreciation is 2% per annum. Many factors determine the rate, so it is identified on a case-by-case basis.
Taxation of rents	All property	<p>Corporations:</p> <ul style="list-style-type: none"> • Corporate tax with a tax rate of 15% and a solidarity surcharge of 5.5% – total 15.825%. • When the action is commercial, a trade tax is also payable. • If distributed to a natural person, there is a withholding tax of 25%. <p>Partnerships and individuals:</p> <ul style="list-style-type: none"> • Partnerships are not subject to taxes. They are transparent, meaning the shareholders are the tax subjects. • If the shareholder is a corporation, the rent is also subject to corporate tax. • If the shareholder is an individual, income tax applies at a rate of up to 45%.



		A solidarity surcharge of 5.5% is levied on income and corporation tax. This surcharge is supposed to support the unity of Germany and is expected to be eliminated in the future.
Deduction of expenses	All property	Repair and maintenance expenses are deductible in so far as they are not counted as acquisition costs. Costs of management and administration of property are also deductible.
Deduction of interest	Commercial	Interest is deductible when the property is used for commercial purposes. However, there are some limitations to the deduction, e.g. the interest barrier. Non-resident companies or individuals can deduct interest on a paid basis.
	Residential	Interest is not deductible on residential property unless the property is linked with the occupation of the owner.
Wealth taxes		Wealth tax was abolished in 1996.
Inheritance and gift taxes	All property	Gift and inheritance tax is payable by both residents and non-residents. The basis for assessment is the fair market value minus the liabilities of the estate, personal allowance and so on. Different rules apply depending on whether the property is inherited through a business or through an individual.
Other taxes on property	All property	Real property tax is a local tax based on the assessed value of land and buildings. The rate is set by individual municipalities. If the property is rented out, the real property tax will usually be allocated to the tenant by the landlord. There is a dispute as to whether real property tax is in compliance with German constitutional law.
Taxation of profit on disposal	All property	<ul style="list-style-type: none"> • For companies, profits from real estate sales are treated as taxable business income. Profit on disposal is subject to corporation and trade tax respectively to income and trade tax. • For individuals, if the property belongs to a business, the same applies as for companies. • If the property belongs to the private sphere the sale is normally taxable when it occurs within 10 years of acquisition.



		<ul style="list-style-type: none"> Individuals or certain partnerships who sell more than 3 property units within a short period of time are considered property dealers and must pay trade tax in addition to income tax.
Special companies for property investment	All property	There are provisions for special structured property companies (KAGB, InvStG and REIT).
Tax planning tips		Trade tax can be avoided if the only purpose of the company is to lease property.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>BERLIN</p> <p>UHY Lauer & Dr. Peters KG Zimmerstrasse 23, Berlin D-10969, Germany Contact Ulla Peters Email peters@uhy-berlin.de Phone +49 30 22 65 93 0 Website www.uhy-berlin.de</p> <p>BREMEN</p> <p>Clostermann & Jasper Partnerschaft Kleiner Ort 5, D-28357 Bremen, Germany Contact Oliver Gampper, Torsten Jasper Email og@clostermann-jasper.de / tj@clostermann-jasper.de Phone +49 421 16 23 70 Website www.clostermann-jasper.de</p> <p>COLOGNE</p> <p>Dr. Leyh, Dr. Kossow & Dr. Ott KG Siegburger Straße 215, D-50679 Cologne, Germany Contact Gunter Stoeber, Horst Leyh, Birgit Seidel Email gunter.stoeber@lko.de / horst.leyh@lko.de / seidel@lko.de Phone +49 221 36 00 60 Website www.lko.de</p> <p>FRANKFURT</p> <p>UHY Wahlen & Partner Walther-von-Cronberg-Platz 13, D-60594 Frankfurt am Main, Germany Contact Thomas Wahlen Email thomas.wahlen@uhy-wahlen.de Phone +49 69 6605 9379 0 Website www.uhy-wahlen.de</p>	



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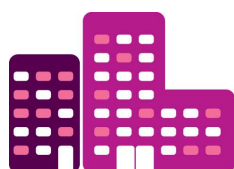
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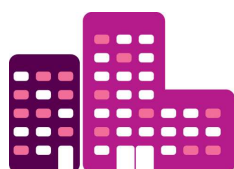


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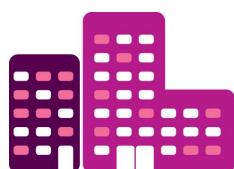
	Property type	Requirements
Permissions required by a foreign investor	All property	<p>There are no restrictions on foreign investors buying property or engaging real estate business, provided they meet the minimum capital requirement in Ghana. For joint enterprises with a Ghanaian, this is USD 200,000; for foreign ownership only, this is USD 500,000.</p> <p>Foreign investors are required to register with the Registrar General's Department for a certificate of incorporation and commencement.</p> <p>Entities are required to register with the Ghana Investment and Promotion Centre (GIPC), Ghana Revenue Authority (GRA), the Social Security and National Health Insurance Trust (SSNIT) and local authorities.</p>
Types of tenure	All property	<p>There are restrictions on the type of interest foreigners can hold.</p> <ul style="list-style-type: none"> • A foreigner cannot hold a freehold interest in land or a lease exceeding 50 years. • If a non-Ghanaian buys a freehold interest in land, it will be converted to a 50-year lease.
Transfer taxes on acquisition	All property	<p>Capital gains tax is no longer separate. Gains from the realisation of assets are subsumed in determining the assessable income from investment and business activity. Gains are also exempt if the entire amount is reinvested in another property within a year. Individuals may, however, opt not to subsume the gain and pay at a rate of 15% on disposal of property.</p>
Value Added Tax on acquisition	All property	<p>The sale of each unit of immovable property by an estate developer is taxable under VAT law at a flat rate of 5%, calculated on the value of the unit of immovable property. All other taxable supplies/services made by estate developers as defined by VAT law are taxable at the standard VAT/NHIL rate of 17.5%.</p>
Capital allowances / tax depreciation	All property	<p>Capital allowances are granted in respect of fixed assets (depreciable assets), both tangible and intangible, acquired by persons in businesses for each year of assessment</p>



		<ul style="list-style-type: none"> • The assets should be capital in nature • The asset should be owned by the business • The asset should be in the business up to the end of the year • The asset should be used in carrying on business during the period • The Commissioner of the Ghana Revenue Authority (GRA) should be informed of any new asset acquired one month after its usage in the business.
Taxation of rents	All property	<p>Rental income earned by non-resident is subject to a final withholding tax of 15% levied on the gross income.</p> <p>Rental income earned by residents is subject to 8% tax.</p>
Deduction of expenses	All property	<p>The following expenses are deductible:</p> <ul style="list-style-type: none"> • Rates, improvement costs, legal fees and other expenses necessarily incurred in the process of selling the property • Mortgage interest incurred in constructing or acquiring the premises • 30% standard allowance in respect of premises.
Deduction of interest	All Property	Deduction of interest is allowed in the calculation of rental income or provided the loan is for the purpose of the business.
Wealth taxes	All property	In Ghana, taxes on wealth are known as Net Worth Taxes. The taxes are levied on the income of individuals who do not keep accounts, and are calculated on savings plus drawing, less non-business income.
Inheritance and gift taxes	All property	No inheritance tax is levied in Ghana. Gift tax is also no longer levied separately. Gifts received in lieu of employment, business and investment are included in calculating the gains and profits from employment, business and investment.
Other taxes on property	All property	Property tax is levied annually by local authorities on the estimated value of the property, depending on the classification of the area in which it is located. Rates range from 0.5% to 3%. Property documents are required to enable the authority to calculate the rate. In the absence of these, the authority will decide on the property value.

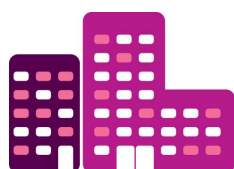


Taxation of profit on disposal	All property	<ul style="list-style-type: none"> • When an asset is disposed of, the realised value is taken out of the asset pool it came from before the rate of capital allowance is applied. • Where the realised value on a disposed asset exceeds the written-down value of the asset, the excess is included in the business income and taxed at the appropriate tax rate.
Special companies for property investment	Real estate for low-cost housing.	Real estate for low-cost housing is subject to tax at the rate of 1% for a period of 5 years. Companies engaging in real estate of low-cost are issued with a certificate certifying affordability of residential premises by the Minister responsible for work and housing.
Tax planning tips	All property	<ul style="list-style-type: none"> • Site accommodation for workers is exempt from tax. • Interest on loan finance is tax deductible, while dividends are not.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Voscon Chartered Accountants No C 806/4 Boundary Road, Tudu, adjacent to City Paints Supply, Accra, Ghana Contact Henry Djangmah Email info@uhyvoscon-gh.com Phone +233 302 683430 Website www.uhyvoscon-gh.com</p> <p>UHY Godwinson (CHARTERED ACCOUNTANTS) C 904/15, Olusegun Obasanjo Way, Pig Farm Junction R/A, (Geoman House), Accra, Ghana Contact Godwin Azasu Email g.azasu@uhygodwinson-gh.com Phone +233 302 232 655 Website www.uhygodwinson-gh.com</p>	



GREECE

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required by foreign investors in real estate in Greece, unless the property is located at a border area. In such cases, special permission is required. Greece has freeholds and lease-back properties from banks generally available to previous owners.
Types of tenure		Generally freehold
Transfer taxes on acquisition		A transfer tax of 3% is payable to the tax authorities, and 3% to municipalities.
Value Added Tax on acquisition		VAT on acquisition is charged at 24%.
Capital allowances / tax depreciation		Tax depreciation is 5%.
Taxation of rents		Individuals are taxed separately on rental income according to a special tax scale. Companies are taxed at 29% on rental income.
Deduction of expenses		Companies can deduct expenses related to repairs.
Deduction of interest		Deduction of interest is allowable.
Wealth taxes		Individuals are subject to wealth taxes.
Inheritance and gift taxes		Inheritance and gift taxes are applicable.
Other taxes on property		Property tax (ENFIA) is levied according to the net asset value.
Taxation of profit on disposal		For individuals, taxation of profit on disposal is not application for the first transaction. Companies are subject to taxation of profit on disposal on all sales.
Special companies for property investment		Although offshore companies were used previously, this is no longer a preferred way of acquiring Greek real estate due to ongoing tax investigations. The current trend is to invest using an S.A. (anonymous company).
Tax planning tips		
Any further information		The acquisition or disposal of property is subject to public notary fees of 1%, and on an incremental scale over a certain amount.



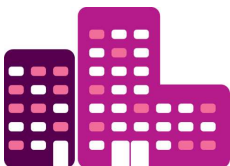
**UHY MEMBER FIRM
CONTACT DETAILS****UHY Axon Certified Auditors S.A.**

75 Patision Street, Athens GR-10434, Greece

Contact Efthymios Antonopoulos & Yiangos Charalambous

Email ycharalambous@axonaudit.gr

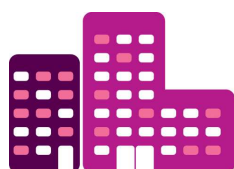
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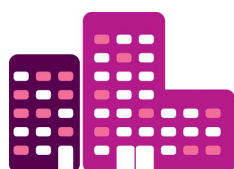
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GUATEMALA

	Property type	Requirements
Permissions required by a foreign investor	All property	Foreign investors in Guatemalan real estate must have a tax identification number. There are no tax obligations for this.
Types of tenure	All property	Freehold and leasehold
Transfer taxes on acquisition	All property	A 3% stamp duty is payable on the transfer by sale or exchange of real estate for the second or subsequent transfer or exchange.
Value Added Tax on acquisition	All property	VAT is levied at 12% on the first sale only.
Capital allowances / tax depreciation	All property	Buildings only, at a maximum rate of 5% per annum.
Taxation of rents	All property	<p>Companies where the main business turnaround relates to real estate can opt to register with one of two tax regimens, where the rate is based on either:</p> <ul style="list-style-type: none"> • 25% of the net profit on rental income • 7% of the rental revenue. <p>For companies where the main business activity is not real estate, but where they are registered for tax on a 25% net profit basis for their main line of business, rental income is taxed at 7% of the rental revenue.</p> <p>In the purchase of property, the deductible cost corresponds to the cost operated in public records.</p>
Deduction of expenses	All	Cost of the property
Deduction of interest	All	Interest is deductible as a cost for companies with business real estate, and deductible as an expense for companies for the lease and sale of real estate where they do not have commercial activity in real estate.
Wealth taxes	All	Wealth tax is levied at 6%.
Inheritance and gift taxes	All	None
Other taxes on property	All	Income tax on real estate (IUSI) is levied at 0.9% per annum on the registered value of the property.

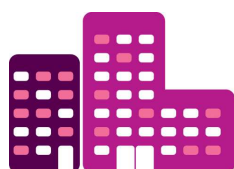


Taxation of profit on disposal	All	<p>Companies in which the main business change relates to real estate can opt for one of two schemes for the imposition of benefits on disposal, where the rate is based on:</p> <ul style="list-style-type: none"> • 25% of net proceeds from disposal • 7% of income from disposal <p>For companies where the main business activity is not real estate, but where they are registered for tax on a 25% net profit basis for their main line of business, taxation of profits on disposal applies at 10% of the total revenue, less the cost of the property.</p>
Special companies for property investment		<p>There are no special companies for holding property investment. However, for liability and tax planning purposes, corporations are commonly used by non-resident owners.</p>
Tax planning tips		<p>Non-resident companies or individuals investing in Guatemala should explore the different structures available for each transaction. Depending on the structure used, the reduced tax or exemption may apply.</p>
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Perez & Co 2a calle 24-00 zona 15 Vista Hermosa II, Edificio Domani, Nivel 17 Oficina 1702, Guatemala City, Guatemala Contact Omar Pérez Email operez@uhy-perez.com Phone +502 2503 5900 Website www.uhy-perez.com</p>	

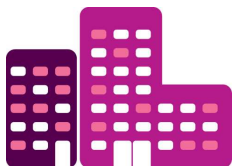


HONDURAS

	Property type	Requirements
Permissions required by a foreign investor	All property	Foreign investors must have a Tax Identification Number (RTN). There are no tax obligations for this.
Types of tenure	All property	Full domain, usable domain, lease
Transfer taxes on acquisition	All property	Registration taxes of HNL 200.00 for the first 1,000.00 and HNL 1.50 for each subsequent thousand. Tradition tax at 1.5% on the value of the property. Capital gains tax at 10% on profit.
Value Added Tax on acquisition	All property	The sale of real estate is exempt from VAT, except leasing.
Capital allowances / tax depreciation	All property	The estimated time of depreciation is 40 years, at a maximum rate of 2.5% per year.
Taxation of rents	All property	25% income tax, plus 5% on income of over HNL 1 million, or 1.5% on income exceeding HNL 10 million per year – whichever is greater. You must also pay tax on Commerce and Services depending on the amount obtained in the period as income, ranging from HNL 0.30-0.40 per thousand, regressing to HNL 0.15 per thousand. Other municipal taxes are added depending on the location of the property.
Deduction of expenses	All property	Depreciation and expenses incurred, if it is a legal person.
Deduction of interest	All property	Interest is deductible as a cost for companies with business real estate, and deductible as an expense for companies for the lease and sale of real estate where they do not have commercial activity in real estate.
Wealth taxes	All property	None
Inheritance and gift taxes	All property	None
Other taxes on property	All property	Real estate tax, based on the value and location of the property, at a rate of HNL 3.50 per thousand for urban property and HNL 2.50 for rural property.
Taxation of profit on disposal	All property	Tax on capital gains at 10%, or operating profit if your activity is the sale of real estate at 25%.
Special companies for property investment		None

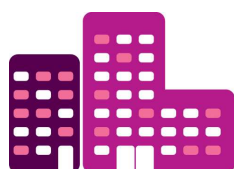


Tax planning tips		Investment in Honduras by a non-resident company or individual may lead to different alternative structures, which are worth exploring specifically for each transaction. Some tax can be eluded or duplicated, depend of the structure used.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Auditores y Consultores, S.A. Tres Caminos 5ta calle, No. 354, M.D.C, Tegucigalpa, Honduras Contact Omar Perez Rosales Email operez@uhy-hn.com Phone +504 2239 1305 Website www.uhy-hn.com	

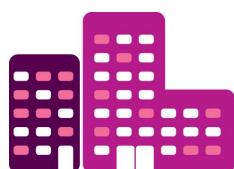


HONG KONG

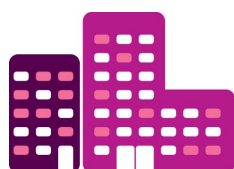
	Property type	Requirements
Permissions required by a foreign investor	All types	There is no restriction on foreign investors acquiring real estate in Hong Kong.
Types of tenure	All types	All are leasehold land with renewal rights up to the year 2047.
Transfer taxes on acquisition	All types	<p>Ad Valorem Stamp Duty (AVD) on transfers of properties with the following 2 scales payable on sale consideration or market value, whichever is higher:</p> <ul style="list-style-type: none"> • Scale 1 – higher rates from 1.5% to 8.5% (from 5 November 2016 onwards, a flat rate of 15%) • Scale 2 – lower rates from 1.5% to 4.25%
	Residential	<p>Where the property is a residential property, and the purchaser/transferee is a Hong Kong permanent resident acting on his/her own behalf and does not own any other residential property in Hong Kong at the time of acquisition, the instrument will be subject to AVD at lower rates (Scale 2).</p> <p>Special Stamp Duty (SSD) on the acquisition and disposal of residential properties on top of AVD, calculated at rates of 15%, 10% and 5% according to the holding period (less than 6 months, 6 to 12 months, and 12 to 24 months, respectively).</p> <p>Buyer's Stamp Duty (BSD) – Residential property acquired by any person (including an incorporated company), except a Hong Kong permanent resident, is subject to BSD at a flat rate of 15% on sale consideration or market value, whichever is higher, on top of AVD and SSD.</p>
Value Added Tax on acquisition	All types	None.
Capital allowances / tax depreciation	Industrial and commercial	<ul style="list-style-type: none"> • Industrial buildings – initial allowance at 20%; annual allowance at 4% on cost of construction. • Commercial buildings (including hotels, offices) – annual allowance at 4% on cost of construction.



	Residential	Residential property, if used for commercial purposes (such as staff quarters, earning rental income) – annual allowance at 4% on cost of construction.
Taxation of rents	All types	Rents received by companies are subject to Profits Tax at a rate of 16.5%. Rents received by individuals (residents and non-residents) are subject to Property Tax at a rate of 15%, after an allowance of 20% for repairs and outgoings. Individuals may elect for personal assessment, whereby all personal income is aggregated to enable taxpayers to utilise personal allowances, loss from proprietor/partnership businesses and mortgage interest.
Deduction of expenses	All types	For companies, all operating expenses (including repairs, maintenance, building management fees, government rent and rates) are deductible to the extent that they are incurred for rental income. For individuals, no expenses are allowed as the allowance of 20% for repairs and outgoings is given.
Deduction of interest	All types	For companies, interest on borrowing for generating taxable income is deductible. For individuals, interest on borrowing for generating taxable income is not deductible unless an election for personal assessment is made.
Wealth taxes	All types	None.
Inheritance and gift taxes	All types	Estate duty was abolished in 2006.
Other taxes on property	All types	Government rates are charged at a percentage of the rateable value (which is the estimated annual rental value) of the property. The current rate is 5%.
Taxation of profit on disposal	All types	Gains on disposal of capital assets are not subject to tax. However, profit from the sale of properties as a trading activity is subject to tax. (See SSD in “Transfer taxes on acquisition” above).
Special companies for property investment		

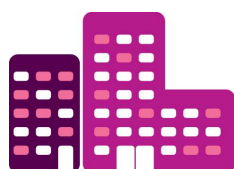


Tax planning tips		It is advisable to use a company to hold property. The transfer of ownership is done by transfer of shares, subject to stamp duty of 0.2% on net assets of the company, as compared to AVD (see “Transfer taxes on acquisition” above). Unlike property held by individuals, all expenses for generating taxable profit are deductible.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>Tai Kong CPA Limited 21/F Chinachem Tower, 34-37 Connaught Road Central, Central District, Hong Kong Contact Robert Kong Email robertkong@tkcpa.com.hk Phone +852 2892 2800 Website www.tkcpa.com.hk</p> <p>UHY Vocation HK CPA Limited 3/F Malaysia Building, 50 Gloucester Road, Wan Chai District, Hong Kong Contact David Ng Email dng@uhy-hk.com Phone +852 2332 0661 Website www.uhy-hk.com</p>	

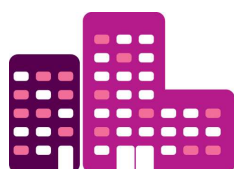


HUNGARY

	Property type	Requirements
Permissions required by a foreign investor	Real estate other than land and forest	Natural and legal persons resident in the EEA, natural persons resident in Switzerland and branches of non-EEA resident companies may acquire real estate in Hungary without permission. Branches of non-EEA companies are limited to acquiring property that is used for their business activity. All other acquisitions are subject to permission.
	Land and forest	Foreign companies may not acquire land and forest. Natural persons who are EU citizens may only acquire land and forest if they have lived in Hungary for 3 years, have been engaged in agricultural activities for 3 years, and intend to settle in Hungary working as a private entrepreneur engaged in agriculture.
Types of tenure		
Transfer taxes on acquisition		Transfer tax of 4%, which also applies to transfer of companies holding real estate. Transactions between related parties (companies) are taxed at a reduced rate of 2% if the property is sold within 2 years and the sale is registered with the land registry, or at 3% if property is sold within 2 years.
Value Added Tax on acquisition		By default, real estate is VAT exempt. VAT is charged at 27% on construction sites and property with an occupancy permit not older than 2 years or property for which no occupancy permit has yet been issued. Taxpayers may opt to pay tax on sales, which are exempt by default. A reverse charge applies in some transactions.
Capital allowances / tax depreciation		Corporate tax depreciation is between 2% and 6%, based on the useful life of real estate (5% if leased). Persons subject to personal income tax are entitled to 2%.
Taxation of rents		9% for persons subject to corporate tax, 15% for persons subject personal income tax. If the rental income of a person subject to personal income tax exceeds HUF 1,000,000, a further 14% health contribution is paid on the total rental income.

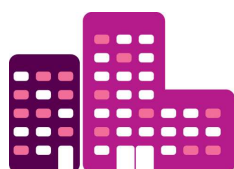


Deduction of expenses		Conditions apply. Natural persons subject to personal income tax may assume a 10% cost ratio. This excludes deduction of further expenses.
Deduction of interest		Interest may only be deducted under corporate taxation. Conditions apply, including thin capitalisation rules.
Wealth taxes		None
Inheritance and gift taxes		18% general, 9% on residential property. Immediate relatives and spouses are exempt. Other conditions may apply.
Other taxes on property		Local taxes levied by municipalities (based on local authority decision): <ul style="list-style-type: none"> • Building tax (maximum HUF 1100/m²/year or 3.6% of adjusted market value) • Land tax (maximum HUF 200/m²/year or 3% of adjusted market value) • Communal tax (maximum HUF 17,000/year for individuals)
Taxation of profit on disposal		9% for persons subject to corporate tax, 15% for persons subject personal income tax. Persons subject to personal income tax enjoy an allowance based on years owned. Disposal after 5 years is fully exempt from personal income tax.
Special companies for property investment		Regulated real estate investment companies; public companies only, subject to registration by tax authority. Further conditions apply.
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	Bergmann Accounting & Auditing 186 Váci ut, Budapest H-1138, Hungary Contact József Kiss Email jozsef.kiss@bergmann.hu Phone +36 20 745 7095 Website www.bergmann.hu	



INDIA

	Property type	Requirements
Permissions required by a foreign investor	Commercial	In the case of a branch office (BO), liaison office (LO) or project office (PO) set up with the approval of the Reserve Bank of India (RBI), a declaration must be filed for any property acquired for the purpose of carrying out any permitted activity.
	Residential	For a private limited company incorporated in India, there are no specific restrictions except for companies with foreign direct investment engaged in the construction development sector.
Types of tenure	All property	This depends on whether the property is on freehold or leasehold land.
Transfer taxes on acquisition	All property	Stamp duty is payable at slab rates ranging from 1 % to 6% based on the total value of the property.
Value Added Tax on acquisition	All property	GST is payable at 12% of the value of the property (under construction or development) on the first purchase directly from the builder.
Capital allowances / tax depreciation	All property	Tax depreciation of 10% for commercial property and 5% for residential property.
Taxation of rents	All property	30% plus applicable cess and surcharge.
Deduction of expenses	All property	A notional deduction of 30% of the annual rent is available if the rental income is assessed as income from property rather than as business income. Other taxes paid in respect of any property are permitted as a tax-deductible expense.
Deduction of interest	Commercial	Interest is deductible in case of a BO, LO or PO, as long as the borrowing is approved by the RBI.
Wealth taxes		Not applicable
Inheritance and gift taxes		Not applicable
Other taxes on property	All property	Local body taxes and other statutory charges.
Taxation of profit on disposal	All property	Tax on long-term capital gains at 20% plus applicable cess and surcharge (if sold after 3 years of purchase). Tax on short-term capital gains at 30% plus applicable cess and surcharge (if sold within 3 years of purchase).

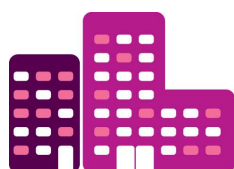


Special companies for property investment		
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>Chandabhoy & Jassoobhoy 208 Phoenix House, A Wing, 2nd Floor, 462 Senapati Bapat Marg, Lower Parel, Mumbai 400 013, India Contact Sunil Hansraj Email mail@cnj.in Phone +91 22 2498 1516 Website www.cnj.in</p> <p>Lodha & Co Esplanade Mansion, 14 Government Place (East), Kolkata 700 069, India Contact R.P. Singh Email rpsingh@lodhaco.com Phone +91 33 4040 0000 Website www.lodhaco.com</p>	

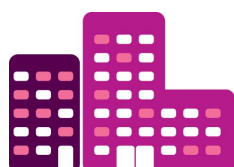


INDONESIA

	Property type	Requirements
Permissions required by a foreign investor		<p>Private foreign investors (individuals) are permitted to own a strata title apartment with a minimum price of IDR 10 billion and have a property right for 20 years with a possibility to extend thereafter. For example, for a Jakarta location the minimum price is IDR 5 billion, (Permen Agraria No 13 of 2016).</p> <p>Foreign investment companies can own a land/building with no restriction, but the term is also for 20 years and can be extended for the same period thereafter.</p> <p>FIC (foreign investment companies) need to be set up as a limited liability company and obtain a licence from the Coordinating Board of Investment.</p>
Types of tenure		
Transfer taxes on acquisition		<p>2.5% final tax for the seller and 5% regional contribution for the transfer of rights, payable by the buyer.</p> <p>However, for transfers of simple houses and simple apartments conducted by taxpayers engaged in a property development business, the tax rate is 1%. This tax must be paid by the time the rights to land and building are transferred to the transferee.</p> <p>Proceed from the transfer of real estate assets to a Real Estate Investment Fund (<i>Kontrak Investasi Kolektif – Dana Investasi Real Estate/KIK-DIRE</i>) is subject to 0.5% tax rate.</p>
Value Added Tax on acquisition		VAT is charged at 10%, for property and town house non-strata title valued above IDR 20 billion. In addition, for apartments, condominium and townhouse strata-title valued above IDR 10 billion, a luxury tax of 20% is also applied.
Capital allowances / tax depreciation		Not applicable
Taxation of rents		10% final tax

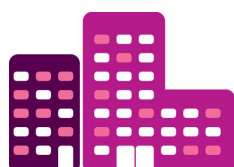


Deduction of expenses		No expenses can be deducted by the seller.
Deduction of interest		No interest can be deducted by the seller.
Wealth taxes		Not applicable
Inheritance and gift taxes		If the property owned has been declared in an annual tax submission, no inheritance tax is applied. The transfer of title is taxed at 2,5% of the fair market value.
Other taxes on property		Land tax
Taxation of profit on disposal		Final tax of 2.5% as of 09 September 2016 (replacing 5% rate).
Special companies for property investment		Proceed from the transfer of real estate assets to a Real Estate Investment Fund (<i>Kontrak Investasi Kolektif – Dana Investasi Real Estate/KIK-DIRE</i>) is subject to 0.5% tax rate.
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	KAP Hananta Budianto & Rekan Jl. Wijaya II-79, Kebayoran Baru, Jakarta 12160, Indonesia Contact Venancia Wijono Email info@hananta.com Phone +62 21 723 5656 Website www.hananta.com	

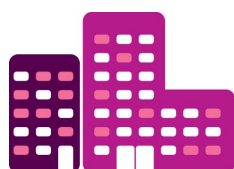


IRELAND

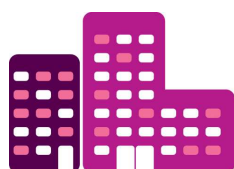
	Property type	Requirements
Permissions required by a foreign investor		None
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold / Leasehold	<p>Stamp Duty is payable on documents that transfer/agree to transfer an interest in property. The amount of Stamp Duty payable is calculated by reference to the value of the property transferred. The rates of Stamp Duty payable are as follows:</p> <ul style="list-style-type: none"> • Transfer of commercial property – flat rate of 2% • Transfer of residential property –1% on first EUR 1 million and 2% on excess. <p>Stamp Duty is also payable on lease agreements. The rate to be applied is calculated by reference to the duration of the lease.</p>
Value Added Tax on acquisition		<p>The transfer of property will be subject to VAT at a rate of 13.5% where the property is considered “new”. The supply of an “old” property is exempt from VAT with a joint option to tax. There are complex rules in place to determine whether a property is considered “old” or “new”. A full VAT history of the property is required to ascertain such information.</p> <ul style="list-style-type: none"> • No VAT is charged on the capitalised value of long leases. • All leases granted after 1 July 2008 are exempt from VAT. A landlord can opt to tax a letting (except residential lettings) whereby the rents become subject to VAT at 23%. • The supply of new properties within the first 5 years is always liable to VAT. <p>A capital goods scheme applies to properties for up to 20 years to readjust the VAT recovery in line with the levels of recovery entitlements of the business.</p>



Capital allowances / tax depreciation		<p>A capital allowances history of the property should be sought prior to purchase. On new buildings, an engineer's report may be required.</p> <p>Industrial buildings attract a 4% straight line deduction on the net cost of the building. For hotels, this is 15% p.a. for 6 years, then 10% in year 7.</p> <p>Other properties benefitting from these allowances include holiday cottages, student accommodation, third level education, nursing homes, sports injury clinics, multi-storey car parks, park-and-ride sites, and rental refurbishment schemes.</p>
Taxation of rents	Commercial / Residential	<p>A company is subject to corporation tax at a rate of 25% on rental profits. Any undistributed profits of a property company are also liable to a 20% surcharge.</p> <p>An individual is subject to income tax at a rate of either 20% or 40% on rental profits received. The tax payable is determined based on the individual's personal circumstances and income levels.</p> <p>A charge to Universal Social Charge (USC; ranging from 0.5% to 8% dependant on income levels) and Pay Related Social Insurance (PRSI; 4%) may also arise on the rental profits received, dependant on the individual's personal circumstances.</p>
Deduction of expenses	Commercial / Residential	<p>All expenses incurred in connection with the provision of accommodation are deductible from gross rental income when computing taxable profits. Any expenditure incurred on fixtures and fittings are deductible over an eight-year period from the date of acquisition, at a rate of 12.5% of the original cost.</p>
Deduction of interest	Commercial / Residential	<ul style="list-style-type: none"> • Generally, interest incurred on loans used to purchase or improve let property will qualify as a deduction from gross rents. • A deduction for the full amount of loan interest incurred is available where the property let is commercial. • Mortgage interest relief for rented residential property restricted to 80% of the actual interest paid in the relevant tax year.
Wealth taxes		<p>There is no wealth tax in Ireland.</p>

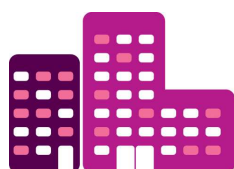


Inheritance and gift taxes	Commercial / Residential	Capital Acquisitions Tax (CAT) is a charge to tax on gifts and inheritances in Ireland and is currently charged at a rate of 33%. There are different exemption thresholds dependant on the relationship between the transferor and transferee. There are certain exemptions from CAT, including transfers between husband and wife.
Other taxes on property	Commercial / Residential	<ul style="list-style-type: none"> Residential property owners are liable to a Local Property Tax, which is determined based on the market value of the property at a specified date. Commercial rates apply to commercial properties; there is a 50% exemption for vacant properties.
Taxation of profit on disposal	Commercial / Residential	<ul style="list-style-type: none"> Capital Gains Tax at 33% applies on any profit made on disposal of residential or commercial properties owned privately. Certain exemptions apply. For Irish resident companies, any profit made on the disposal of residential or commercial properties is subject to Corporation Tax at 25%.
Special companies for property investment		This is advisable for tax considerations, but not a requirement.
Tax planning tips	Company or personal ownership	It is recommended that advice is sought in relation to the structure of the holding of any property, e.g. personally or through a corporate. Furthermore, advice should be sought in relation to any VAT planning opportunities.
Any further information	Commercial / Residential	A tenant is obliged to withhold tax at the standard rate (20%) from rental income paid to a non-resident landlord.
UHY MEMBER FIRM CONTACT DETAILS	UHY Farrelly Dawe White Limited FDW House, Blackthorn Business Park, Coes Road, Dundalk, Co. Louth, Ireland Contact Alan Farrelly Email info@fdw.ie Phone +353 42 933 9955 Website www.fdw.ie	

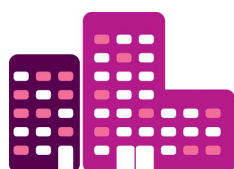


ISLE OF MAN

	Property type	Requirements
Permissions required by a foreign investor		No permission is required for foreign investment in Isle of Man real estate, although non-residents should register with the Isle of Man Treasury Income Tax Division and file non-resident income tax returns.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold / Leasehold / Grant of lease	No transfer taxes are payable on the transfer of Isle of Man property.
Value Added Tax on acquisition	Commercial	VAT is payable on the purchase of a freehold commercial building in the three-year period following practical completion or if the vendor formally elects to charge VAT, except in the case of certain rented property. Anti-avoidance rules can invalidate such elections.
	Residential	VAT is not charged on the acquisition of residential property. Conversion relief is available where commercial property is converted to residential use and sold on.
Capital allowances / tax depreciation	Commercial	Capital allowances are available on commercial property as follows: <ul style="list-style-type: none"> • Industrial and agricultural buildings – 100% First year allowance • Plant and machinery – 100 % First year allowance • Part or all of the first-year allowance may be disclaimed if beneficial. • Commercial buildings allowance in certain designated zones.
	Residential	Capital allowances are available on fixtures and fittings relating to residential property at a rate of 10% of the cost per year.
Taxation of rents	All property	Rent is taxable on an accruals basis at a rate of 20%.
Deduction of expenses	All property	Repair and maintenance expenses are deductible unless they are capital in nature. Costs of administration and other costs incurred relating directly to the management of the property are also deductible. Relief for bad debts may be allowed.

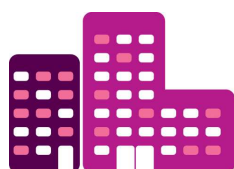


Deduction of interest	All property	In general, all loan interest to purchase or improve let Manx property incurred will be deductible from rental income provided paid to a Manx lender.
Wealth taxes		There are no wealth taxes in the Isle of Man.
Inheritance and gift taxes		There are no inheritance or gift taxes in the Isle of Man.
Other taxes on property	All property	Rates and water rates are charged on property by the local authority.
Taxation of profit on disposal	All property	Profit on disposal is not taxable unless a trading transaction.
Special companies for property investment		There are no special types of company for making investments into Isle of Man real estate.
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Crossleys LLC PO Box 1, Portland House, Station Road, Ballasalla IM99 6AB, Isle of Man Contact Paul Sayle Email psayle@crossleys.com Phone +44 (0)1624 822 816 Website www.crossleys.com	

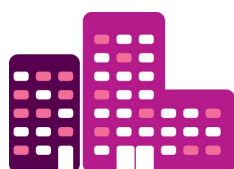


ISRAEL

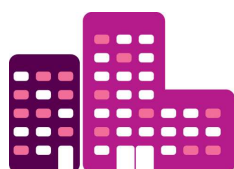
	Property type	Requirements
Permissions required by a foreign investor	All property	No special requirements
Types of tenure	All property	Leasehold, freehold, sale, rental
Transfer taxes on acquisition	All property	<p>Transfer taxes are generally payable by the purchaser of real estate.</p> <ul style="list-style-type: none"> • Regular rate: 6% • Apartment/house intended for residential use first and only home for Israeli residents or new immigrants: <ul style="list-style-type: none"> ▪ 0% up to the amount of ILS 1.6 million ▪ 3.5%, ILS 1.6–1.898 million ▪ 5%, ILS 1.898–4.896 million ▪ 8%, ILS 4.896–16.322 million ▪ 10%, ILS 16.322 million and above • Apartment/house intended for residential use (additional home): 8%–10% • New immigrants – apartment/house and business premises at a special concessionary rate, subject to conditions: 0.5% and 5%
Value Added Tax on acquisition	All property	<p>The standard rate of VAT in Israel is currently 17%. However, no VAT is imposed on an individual's purchase of a residential unit (apartment/house) from another individual. The sale of real estate to a dealer by a person whose business is not the sale of real estate as well as an aforesaid sale of real estate, other than the sale of a resident dwelling to a non-profit organisation or a financial institution is subject to VAT in Israel. Residential rental transactions for a period not exceeding 25 years are exempt from VAT.</p>
Capital allowances / tax depreciation	All property	<p>Depreciation is generally allowable on a straight-line basis for expenditure on buildings, but not on land (regularly divided as $\frac{1}{3}$ and $\frac{2}{3}$ building).</p> <ul style="list-style-type: none"> • Building owned by an industrial company or hotel: 5% • Other buildings: 4% • Other equipment: 6% up to 20% <p>Accelerated rates of depreciation are available for owners of certain properties.</p>



Taxation of rents	All property	<p>Taxable rental income accrued or derived in Israel, less expenses, is subject to tax.</p> <ul style="list-style-type: none"> • Commercial rental: progressive tax up to 47% • Residential rental, one of the three tracks below as per the tax payer annually election: <ul style="list-style-type: none"> ▪ Exemption on monthly rental income up to NIS 5,030 (in 2016). Where the rental amount exceeds the exemption sum, the double of the difference is taxed at marginal rates, with deductions allowable proportionally on the taxable amount. ▪ 10% on any amount with no deductible expenses ▪ Progressive tax up to 47%, with deductions allowable. • Income tax for companies: 24% (23% in 2018)
Deduction of expenses	All property	Allowed in some tracks, as detailed above
Deduction of interest	All property	Deductible against current income or while selling the property. Conditions apply.
Wealth taxes		None
Inheritance and gift taxes		None
Other taxes on property	All property	Local municipal taxes may apply. Individuals owning more than 2.5 apartments will be taxed on the third apartment income at a rate of 1% up to NIS 18,000 per apartment per year.
Taxation of profit on disposal	All property	<p>Real capital gains derived from the sale of an interest in real estate are as follows.</p> <p>Individuals:</p> <ul style="list-style-type: none"> • Marginal rate up to 47% on the portion of the gain attributed to the period before 07.11.2001 • 20% on the portion of the gain attributed to the period 07.11-2001-01.01.2012 • 25% on the portion of the gain attributed to the period after 01.01.2012 <p>Corporations: 24%, with the “inflationary amount” exempt to the extent it was accrued on or after 31.12.1993, and subject to a tax at a rate of 10% to the extent it was accrued prior to this</p>

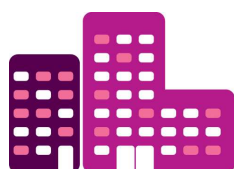


		<p>date. The “inflationary” amount is the part of the capital gain that equals the amount by which the adjusted balance of the original cost exceeds the balance of the original cost; the “balance of adjusted original cost” is the balance of the original cost, multiplied by the index on the day of sale and divided by the index on the day of acquisition, plus the balance of each improvement expense multiplied by the index on the day of sale and divided by the index on the day the improvement was finished.</p>
Special companies for property investment		REIT funds; house property companies
Tax planning tips		<p>There is a betterment tax exemption on sales of residential apartments under restrictions of the law.</p> <p>Incentives and benefits for building residential rental apartments are offered through the tax system. These include reduced tax on income derived from the lease of a “new rental building” (11% for companies; 20% for individuals).</p>
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Shtainmetz-Aminoach & Co CPAs Engel House, 88 Yigal Alon St, Tel Aviv, Israel Contact Mirit Hoffman Email mirit@cpa.co.il Phone +972 77 770 0000 Website www.cpa.co.il</p>	

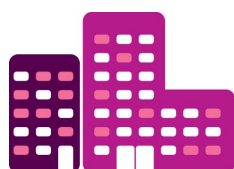


ITALY

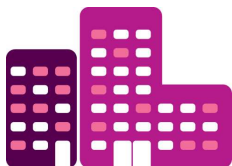
	Property type	Requirements
Permissions required by a foreign investor		No permissions are required by a foreign investor to acquire real estate in Italy.
Types of tenure	Freehold	Usufruct – maximum duration 30 years for legal persons or natural life for physical persons.
Transfer taxes on acquisition	Agricultural land	A registration tax of 15% is payable on agricultural land. If the purchaser is a qualified farmer, registration tax of 9% is payable.
	Residential	In the case of a resident individual purchaser who is acquiring a first home (non-luxury), registration tax of 2% is payable. In other cases, a registration tax of 9% is payable. A mortgage and cadastral registration tax of 3% is payable, except in the case of application of registration tax in a fixed amount or VAT, when such tax is payable at a fixed amount equal to EUR 100.
Value Added Tax on acquisition	All property	VAT is payable if the vendor is an entrepreneur at the following rates: <ul style="list-style-type: none"> • General rate: 22% • Purchaser's first home: 4% • Non-luxury home: 10%
Capital allowances / tax depreciation		Annual allowance equal to 3% is available for commercial and residential buildings owned by enterprises. Plant and equipment may be depreciated from 6% to 20% per annum depending on the activity.
Taxation of rents	All property	Resident companies are liable to corporation taxes at the rate of 28.82%. Non-resident companies, without a permanent establishment, are liable to income taxes at rate of 24%. Individuals (resident and non-resident) are liable to income tax at progressive rates from 23% to 43%.
Deduction of expenses	All property	If the building is rented, the taxable income for individuals (resident and non-resident) and non-resident companies is generally equal to 95% of the rental income without any deduction for actual expenses. Individuals can apply a substitute tax



		<p>treatment (if legal requirements are met) with a flat tax from 10% to 21%.</p> <p>If the building is rented and it is not destined for the company main business, the taxable income for a resident company is equal to the agreed rent less the sustained expenses to be deductible in an amount at maximum equal to the 15% of the rent.</p>
Deduction of interest	All property	<p>Interest on loans paid by a resident company is deductible from income only if the building is necessary for the main business of the company.</p> <p>Interest is not deductible for non-resident individual or company.</p>
Wealth taxes		There are no wealth taxes in Italy.
Inheritance and gift taxes	All property	Non-resident individuals are liable to gift and inheritance tax on property in Italy. The rates of tax vary from 4% to 8% depending on the nature and the size of the gift and the relationship between the parties. A cadastral registration tax of 3% is payable in all cases.
Other taxes on property	All property	<p>Municipal tax (IMU) is payable annually on the cadastral value of the property (ordinary rate 0.76%). Rates of tax vary from 0.46% to 1.06% depending on the municipality.</p> <p>Payment is by two six-monthly instalments.</p>
Taxation of profit on disposal	All property	<p>Resident companies are liable to corporation taxes at the rate of 28,82%.</p> <p>Individuals (resident and non-resident) and non-resident companies may apply a substitutive tax equal to 20% on profit arising from disposal.</p> <p>Individuals (resident and non-resident) and non-resident companies are not liable to tax if the disposal is made after more than 5 years after purchase.</p>
Special companies for property investment		Special Companies exist for the purpose of time-sharing.
Tax planning tips		<ul style="list-style-type: none"> • The use of a non-resident company to hold Italian real estate avoids gift and inheritance taxes. • If part of the purchase price is stated to be plant and equipment, increased depreciation allowances are available and registration duty may be reduced. • If an individual holds property for less than 5 years, profit on disposal may be subject

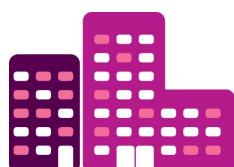


		to a substitutive tax (at the rate of 20%).
		<ul style="list-style-type: none"> • If an individual holds property for more than 5 years, profit on disposal may be free of income tax.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Advisor Srl (Tax & Accounting) Via Birmania 81, Rome 00144, Italy Contact Cristiano Fasanari Email roma.advisor@uhyitaly.com Phone +39 06 591 7469 Website www.uhyitaly.com	

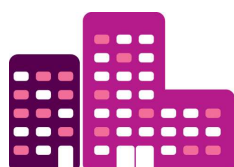


JAPAN

	Property type	Requirements
Permissions required by a foreign investor		No permission is required for foreign investors to acquire real estate in Japan.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		<ul style="list-style-type: none"> • Land: 3.0% • Residential building: 3.0% • Non-residential building: 4.0%
Value Added Tax on acquisition	Land	VAT is not chargeable on the acquisition of land.
	Buildings	VAT is payable on the sale of a building at the rate of 8% (2017).
Capital allowances / tax depreciation	Buildings	Years of depreciation differ according to the building material and the purpose of use. Buildings acquired after 1998 are depreciated using a straight-line method. There are no special tax benefits for capital allowances.
	All property	Corporations are liable to corporation tax at a rate of 30.86% (34.81% for SMEs). Individuals are liable to income tax at progressive rates up to a maximum of 55% (national tax 45% and local resident tax 10%).
Deduction of expenses	All property	Repairs and maintenance expenditure and expenses of management and administration are tax deductible.
Deduction of interest	All property	In general, interest payable on loans to acquire real estate for rental use is deductible against rental income. When rental business records a loss, part of the interest payable may not be deducted in aggregating profit and loss with other businesses.
Wealth taxes		There is no wealth tax in Japan.
Inheritance and gift taxes		Tax rates vary between 10% and 55%, depending on the value of the property inherited. Tax deduction for transfer between spouses is granted based on the number of heir-at-laws.

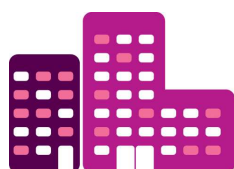


Other taxes on property	All property (land, buildings and depreciable assets)	Local authorities impose annual municipal property taxes, usually based on an assessed value. <ul style="list-style-type: none"> • Fixed asset tax: 1.4% of tax base • City planning tax: 0.3% of tax base
Taxation of profit on disposal	All property	Corporations are liable to corporation tax at a rate of 30.86% (34.81% for SMEs). Profits on disposal are regarded as business income. <p>For individuals, there are two tax rates according to the ownership period of the properties:</p> <ul style="list-style-type: none"> • 20.315% for a period of 5 years or less • 39.63% for a period of over 5 years
Special companies for property investment	All property	Special purpose entities (SPE) are available for certain property investments. Usually referred to as TMKs in Japan, SPEs are a specified purpose company created under the Act on Securitisation of Assets that purchases real estate as part of securitisation transactions. <p>Japan Real Estate Investment Trusts (J-REITS) are special corporations for owning real estate and issuing investment securities that are traded on the securities exchange.</p>
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Tokyo & Co Place Canada 3F, 7-3-37 Akasaka, Minato-ku, Tokyo 107-0052, Japan Contact Naoya Tomita, Tatsuya Kanome, Shoji Yasuda Email info@uhy-tokyo.or.jp Phone +81 3 5410 1391 Website www.uhy-tokyo.or.jp	

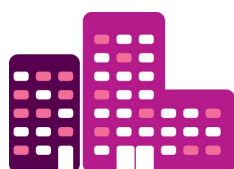


KENYA

	Property type	Requirements
Permissions required by a foreign investor	Land	Under the new constitution, non-citizens and companies with shareholders who are non-citizens are barred from owning property on freehold tenure. The law allows them to own property on lease for a period not exceeding 99 years.
Types of tenure		Freehold and leasehold. However, Article 65 of the constitution provides that non-citizens can only hold land on the basis of leasehold tenure which shall not exceed 99 years.
Transfer taxes on acquisition		Stamp duty, based on valuation of the property, is applicable. Transfer of property in urban areas attracts stamp duty at a rate of 4%, and in rural areas it attracts 2%.
Value Added Tax on acquisition	Commercial	VAT is charged at 16% on commercial properties. Companies must acquire a Kenya Revenue Authority (KRA) PIN and register for VAT obligation.
Capital allowances / tax depreciation	Commercial and industrial property	<p>Industrial Building Deduction (IBD)</p> <ul style="list-style-type: none"> Commercial buildings with services: 25% Residential buildings with services: 25% <p>Investment Deduction (ID): Qualifying investment exceeding KES 200 million (outside Nairobi or the municipalities of Mombasa or Kisumu).</p>
Taxation of rents	Residential	For residential property where turnover is less than KES 10 million, 10% on gross receipt of the rental is deducted and remitted to KRA on a monthly basis. Above KES 10 million, the net profit is taxed at a corporate rate of 30% annually.
	Commercial	For commercial properties, net profit is taxed at a corporation rate of 30% annually, and additionally, VAT at a rate of 16% is calculated on a monthly basis.
Deduction of expenses		Allowable expenses are outlined in Section 15 of the Income Tax Act. The expenses must have been incurred exclusively in the production of income.
Deduction of interest		Allowable interest deduction is specified in Section 15(3)(a) of the Income Tax Act.
Wealth taxes		Not applicable

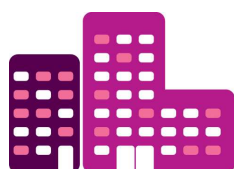


Inheritance and gift taxes		Not applicable
Other taxes on property		
Taxation of profit on disposal		Capital gains tax at a rate of 5% is charged on profit upon disposal of property. However, there are exemptions, for example if an individual is a property dealer (i.e. in the business of buying and selling land), or if the building is exempt from Capital Gains Tax.
Special companies for property investment		There are no special companies for property investment in Kenya. However, corporations are commonly used for taxation purposes.
Tax planning tips		Use a professional to advise on determining taxable income and allowable expenses. Use of capital allowances.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Kenya PO Box 13550-00800, 1st Floor, Centro House, Ring Road, Westlands, Nairobi, Kenya Contact Mwai Mbutia Email info@uhy-ke.com Phone +254 20 444 7196 Website www.uhy-ke.com	



KOREA, REPUBLIC OF

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required, but acquisition of land should be reported to the government.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	Transfer taxes apply, based on 2.8% of the acquisition price.
Value Added Tax on acquisition	Commercial Residential, land	VAT is assessed at 10% on transactions involving buildings owned by corporations or for individual business purposes. There is no VAT on residential houses or land.
Capital allowances / tax depreciation		Depreciation is at the rate of 1.7% to 50% per annum using straight line, based on the new acquisition price. Depreciation using the declining balance method is at the rate of 4.9% to 77.7% per annum.
Taxation of rents	All property	Rents arising from real estate are taxed according to a net income tax base. <ul style="list-style-type: none"> • Corporations: corporation tax at a rate of 11% to 24.2% • Individual: income tax at a rate of 6.6% to 44%.
Deduction of expenses	All property	Repairs and maintenance expenditure and the expenses of management and administration are tax deductible.
Deduction of interest	Commercial	Interest relating to buildings with a business purpose is deductible.
Wealth taxes		There is no wealth tax in the Republic of Korea.
Inheritance and gift taxes		Rates vary from 10% to 50% depending on the value of the inheritance and the relationship between the parties.
Other taxes on property		Property tax is charged as follows: <ul style="list-style-type: none"> • Land: from 0.2% to 0.5% of the tax base • Residential property: from 0.15% to 0.5% of the tax base • Other buildings: 0.25% of tax the base The tax base is 50% of the real estate value as estimated by the government. Property taxes vary depending on the location and type of real estate.

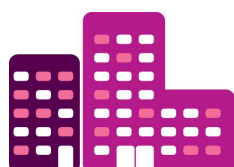


Taxation of profit on disposal		<p>For individuals:</p> <ul style="list-style-type: none"> • Possession more than 2 year: 9.9% to 39.6% of profit on disposal (progressive tax, including residence tax) • Possession less than 1 year: 55.5% of profit on disposal (including residence tax) <p>For corporations, profit on disposal is included in corporate taxable income and is subject to corporation tax. Corporations have an additional tax burden in the case of disposal of a house or land, where the profit is taxed at 30%.</p>
Special companies for property investment		There are no special companies for investment.
Tax planning tips		<ul style="list-style-type: none"> • In the Republic of Korea, tax on possession and transference is influenced by the location and state of real estate. • The trend of Korean tax law is to regulate possession of excessive real estate and vacant land.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Seil Accounting Corp Rm 507, Poongsung Building, 45gil 19 Olympics Ro Songpa gu, Seoul, Republic of Korea Contact Sam-Won Hyun Email cpahn@hanmail.net Phone +82 2 470 4666 Website www.seiltax.co.kr</p>	



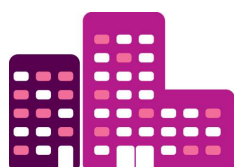
KUWAIT

	Property type	Requirements
Permissions required by a foreign investor	All real estate	Foreign investment in real estate is traditionally not allowed and has more recently become highly restricted.
Types of tenure		Freehold
Transfer taxes on acquisition	All real estate	Stamp duty on acquisition or transfer
Value Added Tax on acquisition	All real estate	Stamp duty on acquisition or transfer
Capital allowances / tax depreciation	All real estate	Not applicable
Taxation of rents	All real estate	Not applicable
Deduction of expenses	All real estate	Not applicable
Deduction of interest	All real estate	Not applicable
Wealth taxes	All real estate	Not applicable
Inheritance and gift taxes	All real estate	Not applicable
Other taxes on property	All real estate	Not applicable
Taxation of profit on disposal	All real estate	Stamp duties only
Special companies for property investment	All real estate	Not applicable
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Fawzia Mubarak Al-Hassawi Al-Hamra Business Tower, 18 th Floor, Block B, Sharq Area, Kuwait City, PO Box 20316, Safat, Kuwait 13064, Kuwait Contact Mohamed Bouattour Email mohamedbouattour@uhy-kw.com Phone +965 9412 0452 Website www.uhy-kw.com	

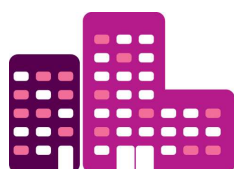


MALAYSIA

	Property type	Requirements
Permissions required by a foreign investor		Acquisition of property other than residential units is subject to approval by the Foreign Investment Committee. Generally, foreigners are limited to purchasing property priced above RM 1 million in Peninsular Malaysia and RM 350,000 in Sabah/Sarawak. The limit of acquisition price falls under the purview of the state authorities.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Stamp duty is levied at rates between 1% and 3% of the value of property transfer. The rate of stamp duty on the transfer of property valued at over than RM 1 million is set to increase from 3% to 4% as of 1 January 2018.
Value Added Tax on acquisition	Residential Commercial	Residential is not subject to VAT (GST) in Malaysia. Commercial property is subject to VAT (GST) at a rate of 6%.
Capital allowances / tax depreciation	Industrial buildings	Industrial Building allowances (IBA) are given for new industrial buildings with a qualifying purpose as follows: <ul style="list-style-type: none"> • Initial allowance: 10% • Annual allowance 3%
Taxation of rents		<ul style="list-style-type: none"> • Resident companies are taxed at the rate of 20%-24% while those with paid-up capital of RM 2.5 million or less are taxed based a progressive rate of 18%-24%. • Non-resident companies are taxed at the rate of 24%. • Resident individuals are taxed based on a progressive rate of 0%-28%. • Non-resident individuals are liable to an income tax rate of 28%.
Deduction of expenses		Repair and maintenance expenses are deductible unless they amount to an improvement. Administration expenses incurred in managing real estate are also deductible if the owner is engaged in the business of renting out properties.
Deduction of interest		Companies (resident and PE) are generally able to deduct interest on borrowings to acquire Malaysian real estate. This does not apply to non-resident individuals.

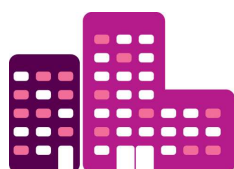


Wealth taxes		There are no wealth taxes in Malaysia.
Inheritance and gift taxes		There are no estate and gift taxes in Malaysia.
Other taxes on property		The state government imposes an annual quit rent based on the value of the land. Local authorities impose annual assessment taxes (assessment) based on the rateable value of the property.
Taxation of profit on disposal		Capital gains realised by companies (resident and non-resident) are liable to real property gains tax. The rate of tax for companies and individuals who are Malaysian citizens or permanent residents depends on the period of ownership. The highest tax rate of 30% applies to property sold within five years. Capital gains from the disposal of any real property by non-citizen individuals and non-permanent residents are subject to a flat tax rate of 30% if disposed within five years and 5% in the sixth year and thereafter.
Special companies for property investment		Real Estate Investment Trusts (REITS)
Tax planning tips		<ul style="list-style-type: none"> • Identify all items of plant and machinery in office and retail premises to maximise capital allowances. • For non-resident individuals, incorporate a company in Malaysia for the purpose of Malaysian real estate to obtain financing from Malaysian banks and thus avoid withholding tax on interest payments.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Loh	2nd Floor, Silver Square, 309-J, Perak Road, 10150, Penang, Malaysia Contact Loh Chye Teik Email uhy-loh@uhy-my.com Phone +604 281 4628 Website www.uhy.com.my



MAURITIUS

	Property type	Requirements
Permissions required by a foreign investor	All property	A non-citizen who wishes to hold or acquire an immovable property requires an authorisation under the Non-Citizens (Property Restriction) Act. Authorisations are granted, as the case may be, either by the Prime Minister's Office; or the Board of Investment. No authorisation is required if the immovable property is held for commercial purposes under a lease agreement not exceeding 20 years, or by inheritance or effect of marriage.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Duties payable: <ul style="list-style-type: none"> • Land transfer tax payable by the seller (5% of the value of the property) • Registration duty payable by the purchaser (5% of the value of the property) • IRS and RES attract different duties & taxes
Value Added Tax on acquisition		VAT at the rate of 15% is payable on the acquisition of property in Mauritius.
Capital allowances / tax depreciation	Industrial and commercial	Capital allowances, in the form of annual allowances, are available and are computed on a reducing balance basis or cost: <ul style="list-style-type: none"> • Industrial and commercial premises (excluding hotels) – 5% of cost • Industrial premises dedicated to manufacturing – 30% of base value • Hotels – 30% of base value
Taxation of rents	All property	Rent is taxable on an accruals basis. Companies and individuals are both liable to income tax at a flat rate of 15%.
Deduction of expenses	All property	Repair and maintenance expenses are deductible unless they are capital in nature. Costs of administration and other costs incurred relating directly to the management of the property are also deductible.
Deduction of interest	All property	In general, interest paid on borrowing to acquire property is deductible against rental income from the property.
Wealth taxes		Not applicable

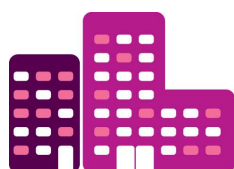


Inheritance and gift taxes		Not applicable
Other taxes on property		Municipal tax
Taxation of profit on disposal		No capital gains tax is applicable in Mauritius.
Special companies for property investment		Not applicable
Tax planning tips		<ul style="list-style-type: none"> • No capital gains tax • A company holding a Category 1 Global Business Licence, which is taxed at a maximum effective rate of 3%, may acquire a residential unit under the RES scheme
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY & Co Duke of York Street, Champ de Mars, Port Louis, Mauritius Contact Nirmal Heeralall Email contact@uhy.co.mu Phone +230 213 34 61 Website www.uhy.co.mu	

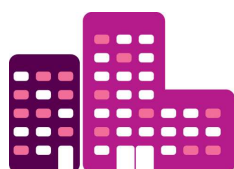


MEXICO

	Property type	Requirements
Permissions required by a foreign investor	All property	Foreign investors must obtain a permit to acquire real estate in Mexico, which is granted by the Mexican Government.
Types of tenure		Permanent and by trust fund (50 years). There are restricted zones (150 km of the border and 50 km of the coast of the Mexican Republic) where foreign investors may only acquire property through a trust fund. The trust has a duration of 50 years, which can be renewed once the term expires.
Transfer taxes on acquisition		Foreigners with a permanent residence pay income tax on the profit generated in comparison to the price and appraised value at a rate of 35%. Deductions are applicable. Foreigners without permanent residence do not pay income tax.
Value Added Tax on acquisition	Residential Commercial	No VAT is paid on residential property. VAT at a rate of 16% applies to buildings or properties which will be used for office or business.
Capital allowances / tax depreciation	All property	Properties are depreciated over 20 years (straight line), 5% per year.
Taxation of rents	All property	Foreigners with permanent residence: 35% over the profit compared to the price, less deductions. Foreigners without permanent residence: income derived from the lease of real or personal property is taxed at a flat rate of 25% with no deductions.
Deduction of expenses	All property	For bought property: <ul style="list-style-type: none"> • Foreigners with permanent residence: commissions or local taxes • Foreigners without permanent residence – none For rental property: <ul style="list-style-type: none"> • Foreigners with permanent residence: maintenance, salaries, local property taxes and other expenditure associated with rental income are deductible in the period in which they are incurred, or 35% of rental income.

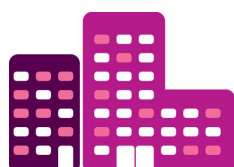


		<ul style="list-style-type: none"> • Foreigners without permanent residence: none
Deduction of interest	All property	<p>For bought and rental property:</p> <ul style="list-style-type: none"> • Foreigners with permanent residence: interest from mortgage lending with a limit of USD 6,400 (annual tax only) • Foreigners without permanent residence: none
Wealth taxes		Mexico does not impose a wealth tax.
Inheritance and gift taxes		<p>Mexico does not impose inheritance tax. However, for foreigners with permanent residence, in the case of inheritance, taxable income is calculated on the profit generated in comparison to the price and appraised value at a rate of 35%. Deductions are applicable.</p> <p>Local taxes on gifts vary by state from 1% to 6%. For foreigners both with and without permanent residence, the tax is equal to 1% of the value of the gift, provided that the federal entity in which the gift is paid has not established a local tax of more than 6%. Otherwise, the tax is 21 %.</p>
Other taxes on property		Local taxes, dependent on state.
Taxation of profit on disposal		<ul style="list-style-type: none"> • Foreigners with permanent residence: tax is withheld from the total amount according the rates set by the authorities, up to 35%. • Foreigners without permanent residence: income derived from the sale of property is taxed at a flat rate of 25% with no deductions.
Special companies for property investment		There are no special companies for real estate investment in Mexico.
Tax planning tips		
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Glassman Esquivel y Cía S.C. Av. Paseo de la Reforma No. 195 Pisos 16, 17 y P.H., Del. Cuauhtémoc, Col. Cuauhtémoc, Mexico D.F. C.P. 06500, Mexico Contact Alejandra Sandoval Santiago Email ssa@uhy-mx.com Phone +52 55 5566 1888 Website www.uhy-mx.com</p>	



MOROCCO

	Property type	Requirements
Permissions required by a foreign investor	Commercial and residential	No permission is required for foreign investment in Moroccan real estate, other than for the purchase of agricultural land.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Registration duty (% of the acquisition amount): <ul style="list-style-type: none"> • Built land: 4% • Land available for construction: 4% • Other: 6%
Value Added Tax on acquisition	All property	<ul style="list-style-type: none"> • Undeveloped land is not subject to VAT • The sale of a property by a private individual is VAT-free • For property for construction/sales made by a real estate professional, VAT is charged at 20% of the purchase
Capital allowances / tax depreciation	Commercial and residential	Depreciation allowances are available for buildings at the following rates: <ul style="list-style-type: none"> • Commercial buildings: 4–5% • Industrial buildings: 5% • Plant and machinery: 10–20%
Taxation of rents	All property	<ul style="list-style-type: none"> • For all individuals, income tax is charged at between 14% and 38%. • For corporations, the income tax rate amounts respond to the progressive scale within the subject territory (approx. 10% to 30%). • Income tax is generally lower inside free zones.
Deduction of expenses	All property	<ul style="list-style-type: none"> • Corporations: repairs and maintenance expenditure and expenses of management and administration are tax deductible. • Private individuals: a standard allowance of 40% of rent.
Deduction of interest	All property	<ul style="list-style-type: none"> • Corporations: interest accrual is deductible • Private individuals: interest is deductible on a paid basis
Wealth taxes		None
Inheritance and gift taxes		Registration duty of 1% is charged on inheritance. There is no tax on gifts to family and relatives.
Other taxes on property	All property	Taxes for communal services
Taxation of profit on disposal		None

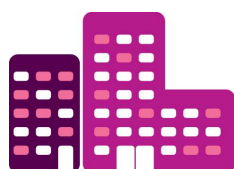


Special companies for property investment		None
Tax planning tips		Contact a tax advisor before investing in real estate as a private individual or a company.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Ben Mokhtar & Co 15 Rue Imam Assili Residence, Takafoul 1er etage, Tangier 9002000, Morocco Contact Najlaà Ben Mokhtar or Mohamed Ben Mokhtar Email contact@uhy-benmokhtar.ma Phone +212 539 94 45 93 Website www.uhy-benmokhtar.ma	

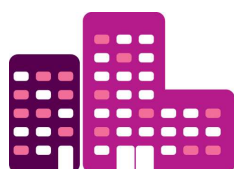


NETHERLANDS

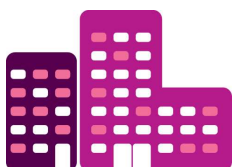
	Property type	Requirements
Permissions required by a foreign investor		No permission is required for foreign investment in Netherlands real estate
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold/leasehold	Anyone who acquires real estate in the Netherlands (including beneficial ownership and certain interests in real estate companies) must pay transfer tax on the value of the real estate. The transfer tax is 2% for residential and 6% for commercial and other properties. The tax has to be paid before the property can be registered in the name of the owner. When buying real estate that is charged with VAT, a transfer tax exemption may apply.
Value Added Tax on acquisition	All property	The supply of Dutch real estate is VAT-exempt, except in 2 cases: <ul style="list-style-type: none"> • Supply of a newly constructed buildings, no later than two years after first occupation • Other supplies where seller and purchaser have opted for taxation. <p>The VAT paid upon acquisition is recoverable in as far as the property is used for activities subject to VAT. The standard VAT rate is 21%.</p>
Capital allowances / tax depreciation	Commercial	Depreciation for tax purposes reflects the economic life of the asset. Depreciation is calculated on a straight-line basis: <ul style="list-style-type: none"> • All types of commercial buildings, 2% to 4% per annum • Plant and machinery, 10% to 20% per annum.
Taxation of rents	All property	No allowances are available for the cost of residential property.
Deduction of expenses	All property	Corporations: <ul style="list-style-type: none"> • Resident and non-resident companies are liable to corporation tax at the rate of 20% on income up to EUR 200.000 and 25% on income exceeding EUR 200.000 (2017). Related expenses are deductible. • Foreign foundations under certain conditions are exempt from corporation taxes on real estate.



		<p>Individuals:</p> <ul style="list-style-type: none"> • Non-resident individuals are liable to income tax on real estate. Related expenses are not deductible. • As of 2017, assets (assets -/- debts) up to EUR 25.000 as an individual, and EUR 50.000 as a couple, are exempt from tax. Tax on capital above the tax-free amount is calculated according to three brackets: <ul style="list-style-type: none"> ▪ assets between EUR 25,000 and EUR 100,000 are taxed at 0.86% ▪ assets between EUR 100,000 and EUR 1,000,000 are taxed at 1.39% ▪ assets above EUR 1,000,000 are taxed at 1.62% <p>For foreign property owners, double taxation relief is given in the many bilateral tax treaties.</p>
Deduction of interest	All property	<p>For enterprises, interest is deductible from rental income. There is no withholding tax on rents paid to a non-resident.</p> <p>For individuals, no expenses are deductible if it is lease to a third party. If the tax payer is a related party, other rules can apply.</p>
Wealth taxes	All property	There are no wealth taxes, other than local taxes.
Inheritance and gift taxes	All property	Acquisitions by way of inheritance and marriage are not regarded as transfers and are tax exempt.
Other taxes on property	All property	Local government bodies levy an annual municipal tax based on the value and size of commercial and residential properties.
Taxation of profit on disposal	All property	<p>Capital gains realised by companies (resident and non-resident) are liable to corporation tax at the rate of 20% or 25%.</p> <p>For individuals, capital gains realised by non-resident individuals are not liable to tax in the Netherlands. No tax is payable on leasing to non-related parties. However, if the individual has purchased the property with the intention of resale in the short term, any gain on sale may be treated as a trading profit taxable as income at progressive rates.</p>
Special companies for property investment	All property	Fiscal investment institution (FBI) for collective investment. Tax rate CIT 0%, but strict rules apply on minimum number of shareholders and distribution of profits.

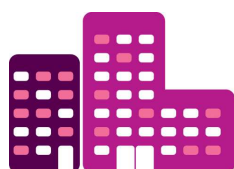


Tax planning tips	All property	Contact a Dutch tax specialist before investing in Dutch real estate.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	Govers Accountants/Consultants Beemdstraat 25, PO Box 657, 5600 AR Eindhoven, Netherlands Contact Bas Pijnaker Email pijnaker@govers.nl Phone +31 40 2 504 504 Website www.govers.nl	

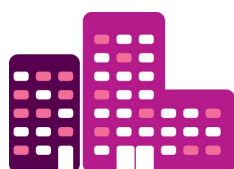


NEW ZEALAND

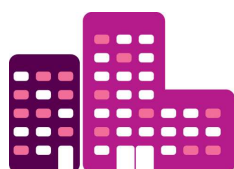
	Property type	Requirements
Permissions required by a foreign investor	Residential and commercial	Consent is required from the Ministers of Land Information and Finance to purchase land, either directly or by purchase of shares in a company which owns non-urban land which exceeds five hectares, or subject to certain size criteria is part of an island or includes or adjoins a foreshore or lake; or is part of certain recreational, heritage or historic locations.
Types of tenure	Residential and commercial	Freehold, leasehold, unit titles, cross-lease
Transfer taxes on acquisition		None
Value Added Tax on acquisition	Residential	For residential property acquired, being taxable supplies from GST-registered vendors, GST is charged at 15% on the sale by the vendor (e.g. a builder or developer). Any GST paid on acquisition cannot be claimed by the purchaser, unless the purchaser is conducting a taxable activity that includes the trading in, development of or subdivision of land or building for resale. Land acquired for providing residential rental accommodation is a GST-exempt activity.
	Commercial	<ul style="list-style-type: none"> • For GST-registered individuals and entities, GST is charged at 15%. • If the land sold by the vendor was part of their GST taxable activity and the land will form part of the purchaser's GST taxable activity, GST is charged at 0% (e.g. a builder). • For GST-registered individuals and entities GST is at 15%. <p>A commercial property investment may also be sold as part of a 'going concern' at 0% GST if both parties are GST-registered. Generally, GST must be charged on the rent of commercial properties and may be claimed on most expenses, but not on financial services such as interest.</p>
Capital allowances / tax depreciation	Residential and commercial	<ul style="list-style-type: none"> • Buildings: 0% • Land: 0%



Taxation of rents	Residential and commercial	All net rental income must be returned annually and is taxed: <ul style="list-style-type: none"> • Companies: 28% • Trustee income: 33% • Individuals: marginal rates between 10.5% and 33%
Deduction of expenses	Residential and commercial	All expenses incurred in producing the rental income (except fines and penalties) are deductible. Capital improvements to Land and Building are not tax deductible. Any costs incurred in acquiring or disposing of a property, except for the legal fees, are treated as capital transactions and are either added to the cost of purchase or deducted from the sale proceeds. Legal fees are deductible if related to the rental property and total legal expenses of the tax payer for the income year are NZD 10,000 or less.
Deduction of interest	Residential and commercial	The costs of borrowing funds to invest in the rental property are deductible. Thin capitalisation rules may work to limit the interest deduction where the taxpayer is part of a multinational group.
Wealth taxes	Residential and commercial	There are no wealth taxes in New Zealand.
Inheritance and gift taxes	Residential and commercial	There are no inheritance taxes in New Zealand.
Other taxes on property	Residential and commercial	Local government bodies annually levy rates on each property within their jurisdiction. Any changes by the local authority of the zoning of the land between categories of residential and commercial will affect the amount rates levied on the property. The rates form part of the tax deductible operating expenses.
	Commercial	As a matter of general practice, any rates incurred on commercial properties are recovered from the tenants in addition to the rental income.
Taxation of profit on disposal	Residential	Capital Gains tax to be paid on any gains from residential property bought after 30 September 2015 and sold within two years (so-called bright-line test). Generally, the two-year period starts on the date the property transfer is registered with Land Information New Zealand (LINZ) and ends on the date a



	Residential and commercial	<p>Sale and Purchase agreement is signed. There are four exclusions to the bright-line test:</p> <ul style="list-style-type: none"> • The property is family/main home • Seller inherited the property • Seller is the executor or administrator of a deceased estate • Seller acquired the property under a relationship property agreement and sold land after two years from original purchase date (purchase date is a date prior to the relationship property agreement date). <p>Profits on the sale of any property purchased with the intention of reselling are taxable (except a personal home), as are profits on a sale within 10 years of acquisition if the seller or an 'associated person' is a property dealer, developer or builder. In addition, where the purchaser is not buying a residence or a business of farming or agriculture and the land increases in value by 20% or more due to re-zoning (e.g. residential to commercial) or granting consents or removal of a restriction or because of the likelihood of these betterment factors, then the gains made within 10 years of purchase are taxable. A deduction is allowed against these re-zoning gains, being the greater of an amount of NZD 1,000 or 10% of the gain for every complete year the land was held. Depreciation recovered on sale is taxable.</p>
Special companies for property investment	Residential and commercial	<p>There are no special types of companies for property investment in New Zealand. However, some investors use either a Look Through Company (LTC) or Limited Partnership (LP), which enable profits and losses to be directly attributed to Shareholders'/Partners' New Zealand tax return (i.e. LTC or LP as a flow through entity).</p>
Tax planning tips	Residential and commercial	<p>Although New Zealand does not have specific Capital Gains Tax legislation, it does have Income Tax rules that can tax gains on the disposal of land under various circumstances. Some of these rules have been alluded to in this guide and New Zealand's extensive associated person tests can work to cause gains on land sales to be taxable where the</p>



		<p>vendor is associated to a related (tainting) party. Therefore, it is advisable to obtain New Zealand Tax advice prior to the acquisition or disposal of land.</p>
<p>Any further information</p>	<p>Residential and commercial</p>	<p>Many larger properties are required to have an annual Building Warrant of Fitness (BWof). Investors should establish if this is required for the building and if the building is currently compliant. Prospective purchasers should also ensure that any modification made to the building complies with the building code and that a compliance certificate has been issued by local government. Before any development work is carried out on the property, a Resource Consent may be required from the local authority.</p>
	<p>Commercial</p>	<p>The Building (Earthquake-prone Buildings) Amendment Act 2016 (the Amendment Act) is expected to come into effect on 1 July 2017. This contains major changes to the current system for identifying and remediating earthquake-prone buildings under the Building Act 2004. Under the new legislation:</p> <ul style="list-style-type: none"> • The threshold for defining an earthquake-prone building (less than one-third of the strength required for a new building) remains, with amendments to clarify certain aspects (including that it applies to parts of buildings). • New Zealand is categorised into areas of high, medium and low seismic risk with timeframes for identifying potentially earthquake-prone buildings and strengthening earthquake-prone buildings of 15, 25 and 35 years, dependent on the seismic risk of the area. <p>The legislation may affect some property owners, causing significant compliance and building structure enhancement costs.</p>
<p>UHY MEMBER FIRM CONTACT DETAILS</p>		<p>UHY Haines Norton (Auckland) Ltd 22 Catherine Street, Henderson, Auckland 0612, New Zealand P O Box 21 143, Henderson, Auckland 0650, New Zealand Contact Grant Brownlee Email info@uhyhn.co.nz Phone +64 9 839 0087 Website www.uhyhn.co.nz</p>

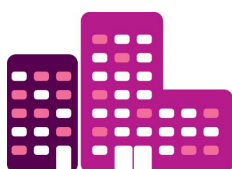


NIGERIA

	Property type	Requirements
Permissions required by a foreign investor	Commercial and residential	No permissions are required for foreign investors to invest in real estate in Nigeria. All that is required is registration of business.
Types of tenure	All property	Freehold and leasehold
Transfer taxes on acquisition	Commercial	<p>Capital gains (10%), VAT (5%), Companies Income Tax (30%), Education Tax (2%)</p> <p>Stamp Duties – NGN 0.75 for every NGN 50 for transfer or sale of real property; NGN 0.16 for every NGN 200 for lease and rental agreements.</p> <p>In Lagos State, a flat Stamp Duty rate of 2% of the consideration of the property transaction is charged when applying for Governor’s consent to the transfer of any interest in a landed property.</p> <p>State Property Taxes – 3% as registration fee and 8% as Governor’s consent fee.</p> <p>Lagos State Land Use Charge Rate – 0.394% of the assessed value of the property.</p>
	Residential	<p>New owner-occupier/individual properties are assessed at an annual land use charge rate of 0.132% of the assessed value of the property.</p> <p>Personal Income Tax (between 7% - 24%).</p>
Value Added Tax on acquisition		VAT is chargeable at 5%.
Capital allowances / tax depreciation	Commercial	Capital allowances are available for commercial property at a rate of 10% per annum straight line on plant and equipment.
	Residential	No allowances are available for residential property.
Taxation of rents	Commercial and Residential	Withholding Tax at 10%, VAT at 5%.
Deduction of expenses	Commercial and Residential	Agency/consultancy fees
Deduction of interest	Commercial	<p>Interest is included in the company’s account.</p> <p>Deductions are allowable for interest paid on</p>



	Residential	a loan for an owner-occupied residential property.
Wealth taxes	All property	Nigeria does not have separate wealth taxes.
Inheritance and gift taxes	All property	Not chargeable to capital gains tax.
Other taxes on property	Commercial and Residential	Property in the Federal Capital Territory (FCT) of Nigeria has a rate of assessment as follows: 1.5% of appraised value, and 1% of appraised value on non-residential.
Taxation of profit on disposal	Commercial	VAT and capital gains tax. Stamp duty of 1.5% of value of transaction must be paid within 40 days after the date of execution of the instrument, in the case of instruments liable to stamp duty at a nominal rate, and within 30 days after execution in the case of instruments liable to stamp duty at an ad valorem rate. Taxation of profit on disposal differs in the 36 states of Nigeria. In Lagos State, for instance (Nigeria's main commercial centre), other fees payable in connection with a transfer of land amount in the aggregate to 3% of the assessed fair market value of the property. This is broken down into: <ul style="list-style-type: none"> • governor's consent fees – 1.5% • capital gains tax – 0.5% • stamp duties – 0.5% • registration fees – 0.5%.
	Residential	Exempt from capital gains tax.
Special companies for property investment	All property	There are no special companies for investment in Nigerian real estate.
Tax planning tips		Separation of private property from commercial property. The use of tax consultants in tax planning is imperative.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Maaji & Co 22 Town Planning Way, Ilupeju, Lagos, Lagos State, Nigeria Contact Gabriel Idahosa Email g.idahosa@uhy-ng-maaji.com / l.etukakpan@uhy-ng-maaji.com Phone +23 480 2329 5410 / +23 480 3547 4613 Website www.uhy-ng-maaji-com	

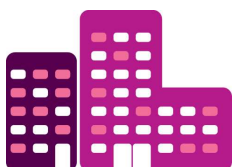


NORWAY

	Property type	Requirements
Permissions required by a foreign investor		No permission required
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		With some exceptions, stamp duty is payable at 2.5% on the market value on transfer by sale of real estate. Leasing contracts for real property are not subject to stamp duty.
Value Added Tax on acquisition	All property	Transfer of real estate is normally not subject to VAT
Capital allowances / tax depreciation	Commercial	Tax depreciation is available as follows: <ul style="list-style-type: none"> • Office buildings: 2% per annum • Other buildings: 4–10% per annum
Taxation of rents	All property	Companies (resident and non-resident) are liable to corporate income tax at 24% on net rental income. Non-resident individuals are liable to Norwegian income tax at progressive rates from 24%.
Deduction of expenses	All property	Repairs and maintenance expenditure and costs of administration are normally deductible from rental income for tax purposes.
Deduction of interest	All property	In general, all interest in Norway is deductible from the rental income for tax purposes whether or not the lender is resident in Norway.
Wealth taxes	All property	There are no wealth taxes for companies. Individuals are subject to wealth taxes on capital exceeding MNOK 1.5 at a flat rate of 0.85%.
Inheritance and gift taxes	All property	There are no inheritance and gift taxes.
Other taxes on property	All property	Property tax applies to the assessed value of real property at rates between 0.2% and 0.7% depending of the location of the property. Some municipal authorities do not levy this tax.
Taxation of profit on disposal	All property	Gains on disposal of property by companies (resident and non-resident) are liable to corporate income tax at 24%. Non-resident individuals are liable to



		Norwegian income tax at progressive rates from 24%.
Special companies for property investment		There are no special companies for real estate investment in Norway.
Tax planning tips		It may be advantageously to own real estate through a limited company. When a company owning a real estate is sold, there is no stamp duty on transfer and, in many, cases no tax on profit of the sale of the shares when shares are owned by a limited company.
Any further information		Distribution of dividends to shareholders resident outside the EEA are subject to a 25% withholding tax, unless the rate is reduced under treaty.
UHY MEMBER FIRM CONTACT DETAILS	Revisorgruppen AS (Oscars gate 30), PO Box 7154 Majorstuen, Oslo N-0307, Norway Contact Kirsti Armann Email post@rg.no Phone +47 23 20 49 00 Website www.rg.no	



PAKISTAN

	Property type	Requirements
Permissions required by a foreign investor	Commercial / Residential	No real person foreigner can purchase property in his/her name without the special approval from Ministry of Interior through District Administration. However, there is no restriction on purchase of property by foreign wholly owned companies.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	Transfer taxes averaging 6% of the purchase value are payable. Capital Value Tax at 2% of the value recorded or PKR 100 per square foot, whichever is higher, is charged. Adjustable withholding income tax is also deducted at a rate of 2% for filers and 4% for non-filers.
Value Added Tax on acquisition		No VAT is applicable on acquisition of property.
Capital allowances / tax depreciation	Commercial / property used for business purposes	Initial allowance at the rate of 15% of the cost of the building (being a depreciable asset) is allowed in the year of acquisition. Tax depreciation at the rate of 10% is allowed on reducing balance method.
	Residential / other	No allowance / tax depreciation is allowed on buildings either rented or used personally.
Taxation of rents		Companies are liable to pay tax at the rate of 31% on income from property, after deduction of certain expenses. Individuals and AOP pay tax at slab rates between 5%–20% on income exceeding PKR 200,000.
Deduction of expenses		Companies are allowed maintenance and repair allowances of 20% of the rental income and other specific expenses like insurance, property tax, etc., as specified in the Income Tax Ordinance, 2001. Individuals and AOP are not allowed any deduction under this head of income.
Deduction of interest		Deduction of interest is an allowable expense against income from business for all taxpayers. However, in case of income from property, an interest expense is an allowable



		expense against rental income for companies only. Except for individuals who are entitled to a deductible allowance of interest paid during the year on a loan obtained for the construction of a house.
Wealth taxes	All property	Wealth tax is not applicable on property in Pakistan.
Inheritance and gift taxes	All property	Any property received by means of gift or inheritance is not subject to tax.
Other taxes on property	All types	Property tax is levied on the basis of annual rental value of the property, as determined by the government authorities. Rates vary depending on province.
Taxation of profit on disposal	Commercial / property used for business purposes Residential / other	Gain on sale of depreciable assets is taxable. Capital gain on disposal of property (residential or commercial other than owned by businesses) is taxable at the rate of 10% to 5 % for the holding period from one year to three years. There is no tax on disposal after three years. An adjustable advance income tax @ 1% is charged from filers and 2% from non-filers at the time of sale of property.
Special companies for property investment		All the companies engaged in Real Estate development are regulated by Securities and Exchange Commission of Pakistan (SECP). SECP is mulling to restrict offering of any new real estate projects without forming companies. However, a Real Estate Investment Trust (REIT) can be set up as per Rules issued by the Securities and Exchange Commission of Pakistan (SECP).
Tax planning tips		Due to variety of issues involved and different tax rates for different categories of persons, there is wide scope for tax planning.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Hassan Naeem & Co Lahore Office: 193-A Shah Jamal, Lahore 54000, Pakistan Contact Naeem Akhtar Sheikh Email sheikhnaeem@uhy-hnco.com Phone +92 42 3540 3550 Website www.uhy-hnco.com	



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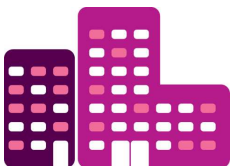
402 Progressive Centre 30-A, PECHS, Block 6, Shakra-e-Faisal,
Karachi.

Contact Imran Iqbal

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PANAMA

	Property type	Requirements
Permissions required by a foreign investor		Foreign investors require a passport and a visa for any bank procedures. There are special procedures that must be followed regarding the acquisition of property.
Types of tenure	Titled property	Obtained through purchase of a title of property, which applies to properties duly recorded and with title in the Public Registry of Panama.
	Concessions	Concessions are leases, typically from the government, lasting for periods of 20, 40 or 60 years, most commonly in coastal areas. These rights must be negotiated with the government, which may impose various conditions with respect to land use.
	Right of possession	Right of possession (<i>derecho posesorio</i>) is achieved through obtaining title for property in areas without recorded titles.
Transfer taxes on acquisition	All property	Transfer tax must be paid by the seller at the time of transfer of the property. The 2% property transfer tax rate is applied to the higher of the following amounts: <ul style="list-style-type: none"> • sales price set forth in the public deed of transfer • Cadastral value of the property on the date of acquisition, plus a surcharge of 5% for each 12-month period of ownership. To execute the deed of transfer before a Notary Public, the seller of real estate must submit evidence to demonstrate that the corresponding transfer tax and capital gains tax have been paid.
Value Added Tax on acquisition		Not applicable
Capital allowances / tax depreciation		Capital gains tax is levied at 3%. There is no tax depreciation. The sale of real estate has a special tax treatment related to the regularity of the activity by the seller. Firstly, the buyer of the real estate will withhold 3% of the higher amount between sale price or the cadastre value, and remit it to the Tax Department. The seller will calculate a 10% tax on the profit. If the 10% of the profit is higher than the 3% withheld



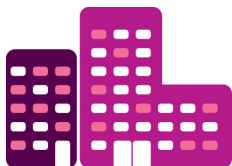
		<p>by the buyer, the seller can choose to consider the 3% as the definite tax. If the 10% of the profit is lower than the 3% withheld by the buyer, the seller can request a reimbursement for the difference. This is applicable for taxpayers who do not sell more than 10 properties within a tax year (not frequent sellers).</p> <p>Secondly, if the taxpayer's ordinary business is the sale of real estate, the following table will be applied:</p> <ul style="list-style-type: none"> • If the value of the property is up to PAB 35,000 –0.5%; • PAB 35,001 to PAB 80,000 –1.5%; • Over PAB 80,000-2.5%, and if the transfer is referred to new commercial places – 4.5%. <p>This is calculated over the value expressed in the Public Registry, or the price of the transaction (whichever results in the higher amount).</p> <p>Real estate cannot be depreciated in less than 30 years.</p>
Taxation of rents	All property	25% on taxable income or revenue, including all income derived from business activities and rental of property in Panama.
Deduction of expenses		All expenses incurred wholly and exclusively in the production of taxable income or in the conservation of its source are allowed as deductions for income tax purposes, regardless of where the expense is incurred. Expenses incurred during one tax year may not be deducted the following year, except those which, by their nature, cannot be determined in the current tax year.
Deduction of interest		Interest income derived from the following investments is exempt from withholding tax: <ul style="list-style-type: none"> • Savings and time deposits held in Panamanian banks; • Panamanian government securities; • Securities issued by companies registered with the National Securities Commission, if the securities were acquired through a securities exchange established to operate in Panama; • Interest and commissions paid by banking institutions in Panama to international



		<p>banks or financial institutions established abroad, in connection with loans, bankers' acceptances and other debt instruments;</p> <ul style="list-style-type: none"> • Interest paid to official or semiofficial institutions of international bodies or foreign governments; • Interest paid to foreign investors, if the capital on which such interest is paid is exclusively intended for housing projects for people of low income. <p>Interest is deductible if it is incurred on loans or credits necessary for the production of taxable income. If non-taxable interest income from savings accounts or certificates of deposit is earned, the only interest deductible is the excess of the interest expense over the non-taxable interest income.</p>
Wealth taxes		Not applicable
Inheritance and gift taxes		Inheritance taxes in Panama have been completely abolished. Despite this, taxes on gifts (inter vivos) of properties located in Panama are in effect, and the rate depends on the degree of relationship between the donor and the recipient.
Other taxes on property		<p>Properties with a registered value of USD 30,000 or less are not subject to property tax. Properties worth more than USD 30,000 are taxed as follows:</p> <ul style="list-style-type: none"> • 1.75% from USD 30,000 to USD 50,000 • 1.95% from USD 50,000 to USD 75,000 • 2.1% on any property valued above USD 75,000
Taxation of profit on disposal		Not applied in Panama
Special companies for property investment		Developers: Panama Pacifico There are no special companies, except in the area of concessions (e.g. London & Regional Panama (LRP)).
Tax planning tips		The Real-Estate Development Trust is a specialised type of management trust in which a property owner, a developer and/or promoter, and a bank and/or investor, pool assets in the hands of a professional trust company, which is responsible for the supervision of the administration of the cash

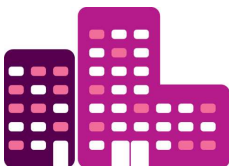


		flows and construction timelines of a building project, and transfers the built units to the buyers and the profits to the beneficiaries.
Any further information		
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PERU

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for foreign investment in real estate in Peru.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		A 7% duty is payable on the transfer by sale or exchange of real estate.
Value Added Tax on acquisition	Commercial	New commercial buildings are subject to VAT at 19%.
	Residential	New residential buildings are subject to VAT at 19%.
	Commercial and residential	Used buildings and land used are not subject to VAT.
Capital allowances / tax depreciation	Commercial	An allowance of 3% is available on the costs of the construction of commercial property per annum straight line. Machinery and equipment is depreciated at various rates, usually between 10% and 20% per annum.
	Residential	No allowances are available for residential property.
Taxation of rents	All property	Companies (resident and non-resident) are liable to a corporate income tax rate of 28% after deduction of expenses.
Deduction of expenses	All property	Expenses of repair and maintenance are generally deductible for both corporations and individuals.
Deduction of interest	All property	In general, interest paid on loans for the acquisition of real estate in Chile is deductible from rental income.
Wealth taxes	All property	There is no annual wealth tax in Peru.
Inheritance and gift taxes	All property	There are no gifts or inheritance taxes in Peru.
Other taxes on property	All property	There are various provincial taxes on real estate. The rates of tax vary from province to province, but amounts are not material.
Taxation of profit on disposal	All property	Companies (resident and non-resident) are liable to a corporate income tax rate of 30%.
Special companies for property investment		Real estate investment corporations; real estate and investment stock companies.
Tax planning tips		There is no obligation to realise investments in Peru.



Any further information	
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PHILIPPINES

	Property type	Requirements
Permissions required by a foreign investor		40% foreign equity is permitted for land ownership.
Types of tenure	Leasehold	A foreign national and/or corporation may enter into a lease agreement with a Filipino landowner for an initial period of up to 50 years, renewable for another 25 years. Foreigners are allowed to lease private land for a period of up to 75 years. They can also purchase condominium units and townhouses up to 40% of the total available in a single property block. It is generally necessary to obtain permission from the local government for new construction, renovations or changes in land use
Transfer taxes on acquisition		<ul style="list-style-type: none"> • Capital Gains Tax – 6% of actual sale price, market or zonal value, whichever is higher • Document Stamp Tax – 1.5% of the actual sale price, market or zonal value whichever is higher • Transfer Tax – 0.5% of the actual sale price, market or zonal value whichever is higher • Registration Fee – 0.25% of the actual sale price, market or zonal value whichever is higher.
Value Added Tax on acquisition		<p>Sale of property is subject to VAT of 12% if habitually engaged in real estate. VAT applies when the selling price starts at:</p> <ul style="list-style-type: none"> • House and lot – PHP 3.19 million • Lot only – PHP 1.919 million.
Capital allowances / tax depreciation	All property	Corporations may deduct a reasonable allowance for the exhaustion, wear-and-tear or obsolescence of property used in trade or business. This allowance may be computed using the straight-line method, declining-balance method, sum of years digits method, or any other method that may be prescribed by the Department of Finance on the recommendation of the Commissioner of Internal Revenue.
Taxation of rents	All property	<ul style="list-style-type: none"> • Rents received by lessor-companies are included in the determination of income, subject to corporate tax at 30%. • Rents realised by individual taxpayers are



		<p>subject to 32% tax. Rents paid by lessees are subject to 5% creditable withholding tax.</p> <ul style="list-style-type: none"> VAT on lease applies only for amounts in excess of PHP 10,000.
Deduction of expenses		Corporations may deduct all ordinary and necessary expenses paid or incurred during the tax year in carrying on their trade or business. These expenses include reasonable salaries or other compensation paid for the benefit of the corporation, and rentals and other payments necessary to conduct a trade or business.
Deduction of interest	All property	In general, interest paid or accrued on indebtedness within a taxable year in connection with the taxpayers' professions, trade or business is deductible from gross income. However, the allowable deduction for interest expense is reduced to 33% of interest income subject to final tax.
Wealth taxes	All property	There is no wealth tax in the Philippines
Inheritance and gift taxes	All property	Estate tax is levied on the value of the deceased net estate in the Philippines. The first PHP 200,000 per year is exempt and the excess is subject to estate tax on a graduated scale from 5% to 20%.
Other taxes on property		<p>Local government units impose tax on real property. A basic tax is imposed by provinces and cities on the assessed value of the property located in their jurisdiction. Owners of real property pay the tax at the following basic rates:</p> <ul style="list-style-type: none"> for real property located in the provinces, up to 1% for real property located in a city or municipality within Metro Manila, up to 2%. <p>An additional 1% tax for the Special Education Fund is also imposed on real property.</p>
Taxation of profit on disposal	All property	<p>Gain on sale of real property by companies engaged in the real estate business is included as part of income and is subject to 30% corporate tax.</p> <p>Gain on sale of real property by companies not engaged in the real estate business is subject to Capital Gains Tax of 6% plus 1.5% Documentary Stamp Tax.</p>



Special companies for property investment		There are no special legal requirements governing companies engaged in real estate investment in the Philippines.
Tax planning tips		<ul style="list-style-type: none"> • To own land, set up a domestic company with 40% foreign equity or invest in condominium units where 100% ownership is allowed. • Retirees may invest in Philippine Retirement Authority (PRA) Accredited Buildings, where condo units can be owned 100% by foreigners.
Any further information		
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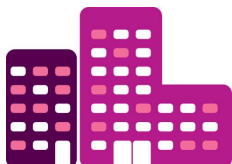


POLAND

	Property type	Requirements
Permissions required by a foreign investor		There are no restrictions for foreign investors who are citizens or business operators in the states being parties to the agreement on the European Economic Area or the Swiss Confederation. Other foreign investors require a permit issued by way of an administrative decision by the Minister of Interior. There are exemptions from the obligation to obtain a permit.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Contracts on the transfer of ownership of real property are subject to tax on civil transaction at a rate of 2% of the property value.
Value Added Tax on acquisition		The transfer of ownership of real property may be taxed at a rate of 23% or 8%, or may be exempt from VAT, depending on the designation of the property. The sale of agricultural land is exempt from VAT.
Capital allowances / tax depreciation	Commercial Residential	Commercial buildings, depreciation: 2.5% Residential buildings, depreciation: 1.5%
Taxation of rents		Corporate income tax: 19% Personal income tax: <ul style="list-style-type: none"> • Flat rate: 8.5% (no deductions) • Progressive: 18%, 32%
Deduction of expenses		Repairs and maintenance expenditure and reasonable expenses of management and administration are tax deductible.
Deduction of interest		Interest paid is tax deductible cost
Wealth taxes		Real Estate Tax on: <ul style="list-style-type: none"> • land • buildings or their parts • construction structures or their parts associated with conducting a business activity. Rates are determined by the council of each municipality.
Inheritance and gift taxes		Inheritance and gift taxes are payable on the assessed value of the estate (or ownership) after deduction of debts. Various thresholds apply to transfers depending on the relationship between the beneficiaries and the donor. The rates of tax on gifts and



		inheritance in excess of the tax-free threshold amount is from 3%–20%.
Other taxes on property		None
Taxation of profit on disposal		<ul style="list-style-type: none"> • Corporate income tax 19% • Personal income tax 18%, 32%
Special companies for property investment		None
Tax planning tips		
Any further information		
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PORTUGAL

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for foreign investment in Portuguese real estate.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold and leasehold	Transfer tax (IMT) of 6.5% is normally payable on transfers of urban property and 5% of rural property. If the urban property is intended for housing, the applicable rate varies between 1% and 8% depending on the acquisition value. Companies or individuals resident in countries deemed tax heavens who buy property are subject to a tax of 10%. It is necessary to pay the tax before the property can be acquired by the new owner. Companies who buy immovable property for resale, under certain conditions, are exempt.
Value Added Tax on acquisition	All property	Acquisition and renting of real estate in Portugal is generally VAT exempt, although exemption may be waived in some conditions.
Capital allowances / tax depreciation	All property	Tax depreciation is available for resident companies at the following rates: <ul style="list-style-type: none"> • Commercial and administrative buildings – 2% • Industrial buildings – 5%.
Taxation of rents	All property	<ul style="list-style-type: none"> • Resident and non-resident companies (with permanent establishment) – maximum rate of 22.5% (Continent and Madeira Island) or 18.3% (Azores), depending on the regime where is taxed and the municipal surcharge. • Non-resident companies (without permanent establishment) – 25% • Resident and non-resident individuals – 28% • Withholding tax of 25% to the rents paid to the owners if the renter is a taxpayer.
Deduction of expenses		Repair, maintenance and management expenses are generally deductible for resident and non-resident companies and individuals on the rental income in the period in which it is incurred.
Deduction of interest		Interest paid by Portuguese resident companies on loans to acquire real estate is deductible for corporate tax purposes.



		<p>Interest paid by non-resident companies may not be deducted.</p> <p>Interest is deductible on a paid basis for individuals.</p>
Wealth taxes		There is no annual wealth tax in Portugal.
Inheritance and gift taxes	All property	<p>Inheritance and gift tax (ISD) was replaced by stamp duty tax only for individuals (donations to companies are subject to corporate tax at the general rate). The rate is 10% (plus 0.8% if the object of the transmission is a property).</p> <p>Non-onerous transmissions between direct kin (grandfathers, fathers and sons) are tax exempt, but if the object of the transmission is a property they will be subject to taxation at a rate of 0.8%.</p>
Other taxes on property	All property	<p>Residents and non-residents properties owners are liable to Municipal Property Tax (IMI).</p> <p>The following tax rates are applicable to the property value:</p> <ul style="list-style-type: none"> • Rural properties – 0.8% • Urban properties and land for construction – 0.3% to 0.45% • Real estate owned by entities resident in countries deemed tax havens – 7.5%.
Taxation of profit on disposal	All property	<p>Gains on disposal of properties (fixed asset) owned by resident companies are liable to corporate income tax at a maximum rate of 22.5%, if they do not reinvest all the sale value. If the company reinvests all the value of the sale of a property owned for a period of more than one year in another fixed asset that the company needs for their activity during the previous year, the year of the sale or until the end of the second following year, only 50% of the gains are taxed at 22.5%. The reinvestment regime is not applicable to investment properties.</p> <ul style="list-style-type: none"> • Capital gains realised by non-resident companies on real estate are taxed at 25%. • Capital gains realised by non-resident individuals are taxed at 28%. • Capital gains realised by resident individuals are added to the other income obtained to determine the applicable progressive rate.



Special companies for property investment		There are no special companies for real estate investment in Portugal. However, companies whose activity is buying immovable property for resale have some special tax conditions.
Tax planning tips		Renouncing VAT exemption can bring some tax advantages.
Any further information		
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QATAR

	Property type	Requirements
Permissions required by a foreign investor		Non-Qataris are allowed to access real estate in specific designated areas. Non-Qataris may acquire ownership and usufruct rights in residential real estate that is located in specific investment zones. For non-Qatari land ownership, a registration application form should be completed and submitted for approval to the administration office attached to the investment zone in which the land to be purchased is located.
Types of tenure	All property	Up to 99 years
Transfer taxes on acquisition		The Transfer of Ownership fee is 0.25% of the property value payable by the purchaser. No registration fees are payable by the vendor on transfer. The grant or transfer of the right of leasehold amounts to 1% of the value of the price paid for the right and is paid by the grantee or transferee of the right.
Value Added Tax on acquisition		There is currently no VAT in Qatar. There are plans to implement VAT at 5%, with an expected start date during 2018.
Capital allowances / tax depreciation		There is no income or capital gains tax in Qatar.
Taxation of rents		Companies liable for corporate income tax on net profit up to 10%.
Deduction of expenses		Deductions are based on international accounting standards.
Deduction of interest		Deductions are based on international accounting standards.
Wealth taxes		There is no wealth tax in Qatar.
Inheritance and gift taxes		No inheritance or gift tax is applicable in Qatar.
Other taxes on property		None
Taxation of profit on disposal		Companies liable for corporate income tax on net profit up to 10%.
Special companies for property investment		There are no special types of company for investment in Qatari real estate.
Tax planning tips		



Any further information	Non-Qataris are entitled to apply for a residency visa upon the purchase of a property. This visa includes dependent children and is valid while the individual owns the property. This visa does not grant working privileges, but does allow residency.
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ROMANIA

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for EU and EEU state citizens/companies to acquire property in Romania. Non-EU citizens can acquire real estate subject to reciprocity treaties.
Types of tenure	Buildings and land	Freehold with the destination of secondary residence
	Agriculture land, forest	Freehold with pre-emption right
	All property	Leasehold
Transfer taxes on acquisition	Land and buildings	Notary fees for signing the contract of sale and OCPI registration fees are paid by the purchaser. For individuals: <ul style="list-style-type: none"> • No tax for transactions below RON 450,000 (approx. EUR 100,000) • For transactions above RON 450,000, tax is applied at 3% on the portion above RON 450,000. For companies, corporate income tax of 16% is applied on the profit transaction.
	Company shares	There is no taxable transfer if the company withholds more the 10% of the shares for at least one year, if there is a double taxation convention between Romania and the state of the non-resident company.
Value Added Tax on acquisition	Land and buildings	<ul style="list-style-type: none"> • 5% on acquisition cost for social housing under RON 450,000 RON and maximum 120m² for individual buyers • 19% for the non-social housing; • Reversible charge if both seller and buyer are VAT payers
Capital allowances / tax depreciation	Land	Land is not depreciable.
	Buildings	Buildings are depreciated on a straight-line basis between 40-60 years.
Taxation of rents		<ul style="list-style-type: none"> • Individuals: 16% applied to 60% of the rental value • Companies: Profit taxed at 16% as corporate income tax



Deduction of expenses		<ul style="list-style-type: none"> • Individuals: 40% of the rental value • Companies: Repairs, maintenance and expenses of management and administration
Deduction of interest		Interest is a deductible expense for companies if it does not exceed 4%.
Wealth taxes		Romania does not have a wealth tax.
Inheritance and gift taxes	Land and buildings	<ul style="list-style-type: none"> • Gifts are non-taxable • 1% for inheritance procedures made two years after death.
Other taxes on property	Residential and non-residential buildings	For both companies and individuals, the tax on residential property is between 0.08% and 0.02% of the taxable value of the property. For non-residential property, the tax is between 0.2% and 1.3%.
	Land	Tax is paid according to the size and area where the land is located and its designation.
Taxation of profit on disposal		For companies 16% is applied to profit on disposal of property. For individuals: <ul style="list-style-type: none"> • No tax if the value of the property is below RON 450,000 (approx. EUR 100,000) • For property valued above RON 450,000, tax is applied at 3% on the portion above RON 450,000.
Special companies for property investment		There are no special companies for real estate in Romania.
Tax planning tips		It is recommended that property is held by using a company. The transfer of shares is not taxable if the company holds more than 10% of the shares for at least one year.
Any further information		
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RUSSIAN FEDERATION

	Property type	Requirements
Permissions required by a foreign investor		No permission is required
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Minor state duty
Value Added Tax on acquisition		VAT is chargeable (at 18%), except for land and residential property.
Capital allowances / tax depreciation	Commercial	Amortisation premium (10%-30%) depending on property type
	Residential	No allowances for residential property
Taxation of rents		Corporate profit tax (35%) on income after deduction of expenses. VAT (18%) on revenue from rental income.
Deduction of expenses		Expenses related to prior acquisition are deducted from revenue of sales
Deduction of interest		Interest on loans to acquire real estate is deductible. Withholding tax (15%) is payable on interest paid to non-resident lenders.
Wealth taxes		Wealth tax is charged on cadastre value of residential property (0.5%) and non-residential property (2%).
Inheritance and gift taxes		There are no taxes on inheritance and gifts between close relatives in Russia.
Other taxes on property		None
Taxation of profit on disposal		<ul style="list-style-type: none"> • 35% corporate profit tax for companies • 13% personal income tax for individuals
Special companies for property investment		There are no special companies for holding property investments. LLC (OOO) is commonly used.
Tax planning tips		Individual solutions depend on the amount of investment, type of property and investing jurisdiction.
Any further information		



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SAUDI ARABIA

	Property type	Requirements
Permissions required by a foreign investor		Foreigners are allowed to own real estate in Saudi Arabia, subject to approval of the licensing authority.
Types of tenure		
Transfer taxes on acquisition		Foreigners must pay 20% tax on sale of property.
Value Added Tax on acquisition		There is no real estate tax in Saudi Arabia, but zakat may be payable on real estate if held for speculative purposes.
Capital allowances / tax depreciation		No tax is levied on capital gains realised by individuals from selling property, unless it is derived from a business or professional activity.
Taxation of rents		None
Deduction of expenses		None
Deduction of interest		None
Wealth taxes		None
Inheritance and gift taxes		There are no inheritance taxes in Saudi Arabia.
Other taxes on property		For land only, Saudi nationals must 2.5 % per annum.
Taxation of profit on disposal		Foreigners must pay 20% tax on sale of property.
Special companies for property investment		There are special companies for property investment in Saudi Arabia.
Tax planning tips		
Any further information		
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SERBIA

	Property type	Requirements
Permissions required by a foreign investor	All property	<p>Foreign individuals and legal entities can acquire property if the said property is necessary to their business (i.e. if it is used for its business activities).</p> <p>Foreign individuals (natural persons) can also acquire houses and apartments (residential immovable property) even if they are not performing business operations.</p> <p>Please note that acquisition of property by foreigners is subject to reciprocity.</p> <p>Additionally, foreign ownership of property can be restricted in certain cases, e.g. near military land, natural resources owned by the state, etc.</p>
Types of tenure	All property	Freehold and leasehold
Transfer taxes on acquisition		<p>Roundtrip transaction costs, i.e. the total cost of buying and selling a property, are around 5.56% to 6.55% of the property value.</p> <p>Transfer tax is around 2.5% of the property value. The real estate agent's commission is about 3%. It should be noted that the transferor is liable to this tax, but the transferee is liable as a guarantor. However, if it is agreed that the transferee will bear the costs of the tax, he becomes jointly liable.</p>
Value Added Tax on acquisition		<p>First transfer of right of use of a residential property is subject to 10% VAT. Otherwise, first transfer of the right of use of new buildings or parts thereof is subject to the general VAT rate of 20%. Further transfers of real estate are subject to 2.5% transfer tax unless contracting parties agree to apply VAT.</p>
Capital allowances / tax depreciation	Buildings and other immovable property	Tax depreciation rate at 2.5%. A straight-line depreciation method is prescribed.
Taxation of rents		<p>Gross rental income earned by non-resident legal entities is taxed at a flat rate of 20%, withheld by the tenant – a Serbian legal entity, unless a double tax treaty applies. The applicable tax rate is 25% for payments to legal entities from jurisdictions with a preferential tax regime. If a non-resident legal entity is leasing the immovable property to persons who do not have an obligation to</p>



		withhold the tax (such as natural persons), a tax return should be filed via a nominated tax representative. If the lessor is a non-resident natural person, rental income is subject to 20% tax. Tax is paid by way of withholding when the tenant has the obligation to withhold taxes under the Serbian legislation. Alternatively, the non-resident person would need to file a self-assessment tax return via a nominated tax representative.
Deduction of expenses		If expenses are incurred by a local enterprise, general rules on deductibility of expenses for corporate income tax purposes apply. For any payments to non-resident legal entities, withholding tax applies to the gross amount of income; no expenses are deducted when determining the tax base. When determining the tax base for tax on rental income of a natural person, the law provides for a 25% standard deduction, or alternatively, documented actual expenses can be deducted at the taxpayer's request.
Deduction of interest		Interest paid by a Serbian entity subject to corporate income tax is a deductible expense for corporate income tax purposes. Thin capitalisation and transfer pricing rules apply to payment of interest to related entities. It should be noted that interest paid to a non-resident is subject to a 20% withholding tax, unless the rate is reduced under a tax treaty. The rate is increased to 25% for payments made to a person resident in a jurisdiction with a preferential tax regime. There is no existing practice on deductibility of interest expense for the purposes of taxation of rental income of natural persons.
Wealth taxes	All property	None
Inheritance and gift taxes	All property	Persons in the first line of succession (spouse, children) and parents are exempt from inheritance tax. Under additional conditions, persons in the second order of succession may be exempt from inheritance and gift tax. Inheritance tax for other beneficiaries is imposed at either 2.5% or 1.5%.
Other taxes on property	All property	Property tax is levied on the property value at a maximum rate of 0.4%. Property tax in Serbia is paid by the owner of the property or



		<p>property rights. The tax base is market value of the immovable property, as determined by the Tax Authority or book value.</p> <p>Municipal charges (e.g. city planning tax and environmental charges) are applicable.</p>
Taxation of profit on disposal		<p>Capital gains realised by non-resident legal entities from the sale of Serbian property are taxed at a flat rate of 20%, unless treaty protection applies. The non-resident legal entity is obliged to file a tax return via a nominated tax representative. Serbian entities disclose capital gains in the corporate income tax return separately from the other income, as capital gains can only be offset by capital losses, but the general corporate income tax return applies. Natural persons are personally liable to file the capital gains tax return. Capital gains are taxed at a rate of 15%. Non-residents would be obliged to nominate a tax representative. Transfer of immovable property held by a natural person for at least 10 years is exempt from capital gains tax.</p>
Special companies for property investment		<p>There are no special regimes for property investment in Serbia.</p>
Tax planning tips		<p>SPVs owned through a tax jurisdictions with which Double Taxation Treaty does not contain real estate clause (e.g. Cyprus).</p>
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Revizija d.o.o. Kosavska 1, Belgrade 11000, Serbia Contact Jasmina Macura Email ekirevizija@uhy-ekirevizija.rs Phone +381 11 334 11 90 Website www.uhy-ekirevizija.rs</p>	



SINGAPORE

	Property type	Requirements
Permissions required by a foreign investor		<p>A foreign person who wishes to purchase the following landed residential property is required to seek Government approval.</p> <ul style="list-style-type: none"> • Vacant residential land; • Terraced house; • Semi-detached house; • Bungalow/detached house; • Strata landed house which is not within an approved condominium development under the Planning Act; • Townhouse; • Residential shop house; • Association premises; • Place of worship; • Workers' dormitory/serviced apartment/boarding house <p>If approval is given, the property can only be used for owner occupation and that of family members as a dwelling house, and not for rental or any other purpose.</p> <p>A foreign person can purchase the following properties without approval:</p> <ul style="list-style-type: none"> • Condominium unit; • Flat unit; • Strata landed house in an approved condominium development; • A leasehold estate in a landed residential property for a term not exceeding 7 years; • Shop house (for commercial use); • Industrial and commercial properties; • Hotel; • Executive condominium unit, HDB flat and HDB shop house.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		<p>Buyer's Stamp Duty (BSD) is payable on the purchase and acquisition of properties located in Singapore, based on the purchase price or market value of the property, whichever is the higher, at the following rates:</p> <ul style="list-style-type: none"> • First SGD 180,000: 1% • Next SGD 180,000: 2% • Amount over SGD 360,000: 3%



		<p>Additional Buyer's Stamp Duty (ABSD) is applicable to the purchase and acquisition on residential property (including land). For permanent residents in Singapore the rates are:</p> <ul style="list-style-type: none"> • First property: 5% • Second and subsequent property: 10% <p>For foreigners and entities, the rate is 15%. Under Free Trade Agreements, nationals and permanent residents of Iceland, Liechtenstein, Norway and Switzerland, and nationals of the United States of America are accorded the same stamp duty treatment as Singapore citizens.</p> <p>Seller's Stamp Duty (SSD) is applicable to property purchased or acquired after the following dates where the property is sold within the holding period.</p> <ul style="list-style-type: none"> • Residential property: on or after 20 February 2010 • Industrial property: on or after 12 January 2013.
Value Added Tax on acquisition	Industrial / Commercial	The sale of industrial and commercial property is subject to Goods and Services Tax (GST) of 7%.
	Residential	The sale of residential property is exempt from GST.
Capital allowances / tax depreciation	Industrial / Commercial	The Land Intensification Allowances (LIA) is available to businesses in sectors of industry with large land takes and low Gross Plot Ratios (GPR). LIA can be claimed on qualifying capital expenditure incurred on the construction of a qualifying building or structure.
	Residential	No capital allowances are applicable to residential property.
Taxation of rents	All property	Companies are subject to corporate tax rate at 17% on its net chargeable income, which may include the net rental income. Non-resident individuals are subject to tax on the net rental income at 22%.
Deduction of expenses	All property	Expenses incurred solely for producing rental income and during the period of tenancy may



		<p>be claimed as tax deduction. Examples of rental expenses include:</p> <ul style="list-style-type: none"> • Loan interest • Property tax • Fire insurance • Maintenance and repairs • Agent's commission, advertising, legal expenses and stamp duty for securing tenants • Replacing/hiring furniture • Administrative expenses (limited to 5% of the rental income)
Deduction of interest		<p>Companies resident in Singapore are generally able to deduct interest on borrowing to acquire Singapore real estate, whether or not the lender is resident in Singapore. A 15% withholding tax applies to interest paid to a non-resident lender, subject to treaty relief.</p> <p>Non-resident companies and individuals within Singapore can deduct interest paid to Singapore lenders. Interest paid by a person outside Singapore is not deductible unless withholding tax has been deducted and accounted for with the Inland Revenue Authority of Singapore.</p>
Wealth taxes	All property	There is no annual wealth tax in Singapore.
Inheritance and gift taxes	All property	Estate duty has been removed for deaths on and after 15 February 2008.
Other taxes on property	Commercial / Industrial Residential	<p>Property tax is payable at 10% on the gross annual value of industrial and commercial properties.</p> <p>The rate of tax for non-owner-occupied residential properties varies from 10% on the first SGD 30,000 of annual value to 20% for annual value above SGD 90,000.</p> <p>Tax rates for owner-occupied residential properties vary from 0% for the first SGD 8,000 of annual value to 16% for annual values above SGD 130,000.</p>
Taxation of profit on disposal		<p>There is no tax on capital gains in Singapore. However, if the gain is a trading receipt, it is taxable at 17% for a company after partial tax exemption on the first SGD 300,000 of chargeable income. For an individual, the gain is taxable at up to 22%.</p> <p>It is for the investor to prove that the gain is</p>



		capital in nature. This depends on the intention of the owner when the property was acquired and on the owner's business activities.
Special companies for property investment		Real Estate Investment Trusts (REITs)
Tax planning tips		Frequent buying and selling of properties may indicate that a trade or business is being carried on, which is taxable at full income tax rates. If part of the purchase price of real estate can be attributed to plant and machinery, the capital allowance can be maximised. Borrowing from a Singapore bank (or Singapore branch of a foreign bank) avoids withholding tax on interest payments.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Lee Seng Chan & Co 6001 Beach Road, #14-01 Golden Mile Tower, Singapore 199589, Singapore Contact Lee Sen Choon Email senchoon.lee@uhylsc.com.sg Phone +65 6395 5100 Website www.uhylsc.com.sg	



SLOVAK REPUBLIC

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for foreign investors in Slovakia, with the exception of farmland and forests.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		The transfer tax on acquisition was abolished as of 2005.
Value Added Tax on acquisition	Buildings and land on which buildings stand	Buildings or land on which buildings stand is exempt from VAT after five years from first occupation or first occupancy permit. The taxpayer may decide not to exempt the supply from VAT.
	Building plots	Building land is subject to 20 % VAT.
	Other plots of land	Other plots of land are VAT-exempt.
Capital allowances / tax depreciation	All property	<ul style="list-style-type: none"> • Apartments, office buildings, hotels, cultural buildings, sports venues, buildings used for recreations and public entertainment, educational buildings and medical centres: period of depreciation 40 years. • Other buildings: period of depreciation 20 years.
		Note: If the investor meets conditions set out for state aid, a subsidy for the acquisition of non-current tangible assets may be applied for.
Taxation of rents		<ul style="list-style-type: none"> • Companies: 21 % corporate income tax • Individuals: 19 % or 25 % personal income tax
Deduction of expenses		<ul style="list-style-type: none"> • Repairs, maintenance, insurance, management and administration expenses are tax deductible. • Individual entrepreneurs can claim a lump sum of 60 % of income, up to maximum of EUR 20 000 per year or the real expense. Individual non-entrepreneurs can claim the real expense only.
Deduction of interest		Interest payable on loans is deductible from rental income. Between related parties, loan conditions (interest rate) must be under arm's length principle. Thin capitalisation rules are



		applied on interests paid from loans from related parties.
Wealth taxes		The Slovak Republic does not have wealth taxes.
Inheritance and gift taxes		Inheritance and gift taxes were abolished as of 2004.
Other taxes on property		Real estate tax is applicable to land, buildings, apartments and other non-residential premises. The tax base is calculated according to size. Rates vary depending on municipality.
Taxation of profit on disposal		Profits on disposal are treated as taxable income. Exemptions may apply to individuals.
Special companies for property investment		There are no special company types for investment in Slovak real estate.
Tax planning tips		For individuals, profits on disposal of real estate are tax exempt if the property is sold after five years from the date of its acquisition or its exclusion from business assets.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	AUDITOR SK s.r.o. Frana Krala 35, Bratislava SK-811 05, Slovakia Contact Georg Stoger Email bratislava@auditor.eu Phone +421 2 544 14 660 Website www.auditor.eu	



SOUTH AFRICA

	Property type	Requirements
Permissions required by a foreign investor	All property	There are no special permissions for the acquisition of real estate by foreign investors in South Africa.
Types of tenure	All property	Leasehold and freehold
Transfer taxes on acquisition	All property	Transfer taxes are applicable on a sliding scale of 0% to 13% depending on value of property. Either VAT or transfer duty is paid – never both.
Value Added Tax on acquisition	All property	VAT is paid on residential property if acquired from developers who are VAT registered. VAT is paid on commercial and industrial property if the seller is VAT registered.
Capital allowances / tax depreciation	All property	2%–25% subject to varying circumstances.
Taxation of rents	All property	Rental income is taxed as follows: <ul style="list-style-type: none"> • Individuals: sliding scale, 18%-45% • Companies: 28%
Deduction of expenses	All property	Expenses are deductible providing they are incurred in the production of income.
Deduction of interest	All	Deduction of interest is allowable if related to the production of income.
Wealth taxes	All	Capital Gains Tax is applicable, depending on the owner. <ul style="list-style-type: none"> • Individuals: max. 18% • Companies: max. 22.4% • Trusts: 36%
Inheritance and gift taxes	All	Inheritance and gifts are subject to a 20% tax.
Other taxes on property	All	Assessment rates
Taxation of profit on disposal	All	Capital Gains Tax is applicable, depending on the owner. <ul style="list-style-type: none"> • Individuals: max. 16.4% • Companies: max. 22.4% • Trusts: 32.8%
Special companies for property investment	All	Real Estate Investment Trusts(REITs)
Tax planning tips		
Any further information		



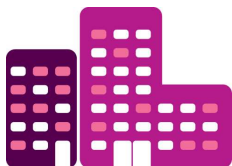
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SPAIN

	Property type	Requirements
Permissions required by a foreign investor		No permission is required. If the investment in property exceeds EUR 3,005,060.52, or the investor is from a designated tax haven, the investor must inform the Directorate General of Foreign Transactions.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold / Leasehold	A transfer tax of 6%-11% is payable on acquisition unless the transaction is liable to VAT.
Value Added Tax on acquisition	All property	If the transferor is a VAT taxpayer, the transfer of Spanish real estate will usually be liable to VAT (except second transfer of dwellings). Commercial properties are charged at 21%, residential properties at 10%.
Capital allowances / tax depreciation	Commercial	Tax depreciation is available for resident companies at the following rates: <ul style="list-style-type: none"> • Industrial buildings – up to 3% (straight line). • Non-industrial buildings – up to 2% (straight line)
Taxation of rents	All property	Income tax for non-resident taxpayers at the rate of 24% (19% for EU residents). Deemed income applies to non-resident individuals where the property is not rented. Calculated at 1.1% of the cadastral value, deemed income is taxed at a rate of 24% (19% for EU residents).
Deduction of expenses	All property	Expenditure on repairs and maintenance and on necessary administration costs are deductible for both companies and individuals if rented and if resident in the EU; otherwise, taxation is on gross income.
Deduction of interest	All property	Interest paid by companies on loans to acquire real estate are deductible for corporate tax purposes with a limit of the higher of EUR 1,000,000 or 30% EBITDA. Interest paid by non-resident individuals are deductible if resident in the EU.
Wealth taxes	All property	Non-resident individuals are liable to wealth tax on Spanish real estate. There is a general exemption of EUR 700,000. The rates of tax are progressive from 0.2% to 3.03%. A loan secured by a mortgage on the property is



		deductible. The tax is collected by the municipality rather than central government.
Inheritance and gift taxes	All property	Inheritance tax is payable by non-resident individuals on the net value (after deduction of borrowings) of assets in Spain. Rates vary from 1.5% to 36.5% depending on the size of the inheritance, and the kinship between the parties. The tax is collected by the regional authorities rather than central government.
Other taxes on property		Local taxes during maintenance period: IBI, garbage and tax on increase in urban land value when the property is transferred.
Taxation of profit on disposal	All property	Non-resident companies and individuals are liable to capital gains tax for non-resident taxpayers at a rate of 19%. A requirement of current tax legislation is that the purchaser of a property must withhold 3% of the purchase price if the seller is non-resident and pay it over to the tax authorities. The seller can reclaim the balance of the withholding tax over the final tax liability.
Special companies for property investment		<ul style="list-style-type: none"> • SOCIMI (Spanish REITs): 0% corporate tax rate (with certain conditions) • Real Estate Investments Funds: 1% corporate tax rate (with certain conditions) • Leasehold companies: 4.5% corporate tax rate (with certain conditions)
Tax planning tips		To be determined based on the purpose of the investment.
Any further information		
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SWEDEN

	Property type	Requirements
Permissions required by a foreign investor	Freehold	No permission is required
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		Stamp duty is payable at 4.25% on transfer by sale or exchange of real estate when the buyer is a legal person. For natural persons, the stamp duty is 1.5%. Leasing contracts are not subject to stamp duty. Stamp duty is payable on mortgages at 2.0%.
Value Added Tax on acquisition	All property	Buildings constructed and sold by a building contractor are subject to 25% VAT. Otherwise, the transfer of real estate is VAT-exempt.
Capital allowances / tax depreciation	Commercial	Tax depreciation varies between 2% and 5% per annum depending on type of estate. For machinery, the allowance is 30% per annum on a declining balance basis.
Taxation of rents	All property	Companies (resident and non-resident) are liable to corporate income tax at 22% on rental income. Non-resident individuals are liable to Swedish income tax at progressive rates varying from 45% to 67%. There is no withholding tax on rents paid to a non-resident owner.
Deduction of expenses	Commercial, owner-occupied	Repairs and maintenance expenditure and cost of administration are deductible from rental income for tax purposes. No other deductions are allowed
Deduction of interest	All property	All interest incurred to acquire real estate in Sweden is deductible from the rental income for tax purposes, whether or not the lender is resident in Sweden. No withholding tax is imposed on interest payment to a non-resident lender.
Wealth taxes		Sweden has no wealth tax.
Inheritance and gift taxes		Sweden has no inheritance or gift taxes.
Other taxes on property	All property	There is a national real estate tax based on the assessed value. The rate varies between 0.4% and 1% for commercial real estate and 0.75% for owner-occupied houses (with a maximum of SEK 7,412 in 2016).

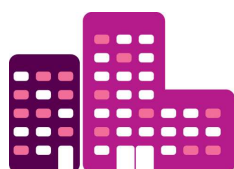


Taxation of profit on disposal	All property	Gains on disposal of property by companies (resident and non-resident) are liable to corporate tax at 22%. Capital gains realised by non-resident individuals are taxed at 30%. If the owner is an individual and carrying on a real estate business, the tax rate will vary between 45% and 67%.
Special companies for property investment		There are no special companies for real estate investment in Sweden.
Tax planning tips		<ul style="list-style-type: none"> • The transfer of shares in a company holding real estate is not liable to stamp duties or capital gains tax (if the company is unlisted). • A non-resident person holding shares in a Swedish company which owns real estate is not liable for taxation in Sweden for capital gains on the shares.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>Revisorerna Syd Storgatan 22A, Malmo SE-211 42, Sweden Contact Rolf Nilsson Email info@revisorernasyd.se Phone +46 40 39 67 90 Website www.revisorernasyd.se</p> <p>Winthers Revisionsbyrå AB Grev Turegatan 38, PO Box 5525, Stockholm, SE-114 85, Sweden Contact Ragnar Santesson Email Ragnar.santesson@winthers.se Phone +46 8 545 852 50 Website www.winthers.se</p>	

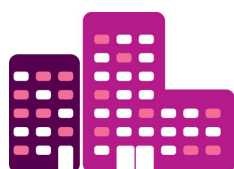


SWITZERLAND

	Property type	Requirements
Permissions required by a foreign investor		Permission is required for certain investment in Swiss real estate.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	In most cantons and municipalities, the sale or transfer of real estate is subject to a transfer tax on the consideration or estimated market value. Rates vary depending on the location (e.g. Geneva 3%; Nidwalden and Schwyz 1%, Lucerne 1.5%). Some cantons do not levy transfer tax (i.e. Zurich, Zug).
Value Added Tax on acquisition	All property	The transfer of Swiss real estate is VAT-exempt (without credit). However, it is subject to VAT if the vendor has opted for the transfer.
Capital allowances / tax depreciation		<p>The following depreciation rates apply to business assets on a declining basis (in some cantons special rates apply):</p> <ul style="list-style-type: none"> • Non-industrial commercial buildings <ul style="list-style-type: none"> ▪ including land – 3% ▪ excluding land – 4% • Industrial buildings <ul style="list-style-type: none"> ▪ including land – 7% ▪ excluding land – 8% • Residential buildings <ul style="list-style-type: none"> ▪ including land – 1.5% ▪ excluding land – 2 %
Taxation of rents	All property	<p>Rental income with companies is subject to an effective federal tax of 7.8% and on cantonal/municipal level (e.g. Lucerne approx. 4.6% on profit before tax). The tax burden itself is tax-deductible.</p> <p>Individuals are liable to federal tax up to a maximum of 11.5% and to cantonal/municipal taxes (e.g. Lucerne about 20%).</p> <p>Rental income is ordinarily taxed and is – for international tax purposes – linked to the real estate.</p>
Deduction of expenses	All property	Expenses for repairs and maintenance and administration expenses are usually deductible.



Deduction of interest	All property	Interest is fully deductible from other income or profit. For individuals, certain restrictions apply. There may be a withholding tax on interest paid to a non-resident lender where the loan is secured on Swiss property.
Wealth taxes	All property	All cantons levy a tax based on the net wealth of individuals. Rates and deductions vary (e.g. Lucerne about 0.25%). Companies are subject to tax levied on the equity.
Inheritance and gift taxes	All property	Most cantons and municipalities levy gift and inheritance taxes. The rates vary according to the amount of the gift or inheritance, the relationship between the parties and the location of the real estate. There are no gift or inheritance taxes at federal level.
Other taxes on property	Residential	The rental value of self-occupied real estate is taxable as income.
Taxation of profit on disposal	All property	Companies (resident and non-resident) are liable to federal taxes at an effective rate of 7.8% and to cantonal/municipal taxes (e.g. Lucerne approx. 4.2%) on after-tax-profits. The tax burden itself is deductible. On cantonal/communal level two different systems of taxation apply: <ul style="list-style-type: none"> • Capital gains are subject to a special capital gains tax or to ordinary income tax. • Individuals are liable to cantonal/municipal taxes (e.g. Lucerne max. 25% on commercial assets (income tax), between 19% and 40% on privately held assets (special capital gains tax). Additionally, they are subject to federal tax up to 11.5% if the real estate is part of the business fortune.
Special companies for property investment		There are different types of companies for real estate investment in Switzerland (Real Estate Funds).
Tax planning tips		<ul style="list-style-type: none"> • Some cantons do not levy gift and/or inheritance taxes. • Based on double tax treaty regulations the transfer of Swiss real estate property is subject to tax in Switzerland and may be exempt from the taxable base abroad. • A double deduction for interest may be possible as Switzerland allocates worldwide debt in the ratio of the location of the assets, not according to the purpose of the borrowing, as in most countries.

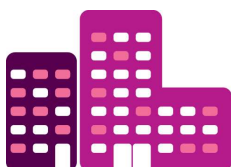


		<ul style="list-style-type: none"> • For wealthy people, large Swiss real estate property may be acquired by/through a Swiss real estate fund. • The holding of a big real estate portfolio over a real estate company may be more favourable than holding directly.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>Balmer-Etienne AG Kauffmannweg 4, Luzern CH-6003, Switzerland Contact Stefan Wigger Email stefan.wigger@balmer-etienne.ch Phone +41 41 228 12 20 Website www.balmer-etienne.ch</p>	



TAIWAN

	Property type	Requirements
Permissions required by a foreign investor	All property	Investment in real estate in Taiwan by a non-Taiwanese foreign investor is subject to central and local government approvals.
Types of tenure	All property	Freehold in general. Land earmarked by government for agriculture, forest reservation, fishing and cattle raising purpose can only be traded among farmers and fishermen; and the use of land is limited to the designated purpose.
Transfer taxes on acquisition	All property	For general real estate transactions, the following are paid by the seller: <ul style="list-style-type: none"> • Land incremental tax – ranging from 20% to 40% of land incremental value • Stamp tax – 0.1% of land value The following are paid by buyer: <ul style="list-style-type: none"> • Deed tax – 6% of building value • Stamp tax – 0.1% of building value
Value Added Tax on acquisition	All property	VAT is charged at 5% on the value of the building if the seller is a profit seeking enterprise. Land transactions are VAT-exempt.
Capital allowances / tax depreciation	All property	Depreciation over the useful life of an asset (land is excluded) is income tax deductible for profit-seeking enterprises, as follows: <ul style="list-style-type: none"> • Buildings – 3 to 50 years • Plant and fixtures – 3 to 15 years Depreciation is non-deductible for individual income tax.
Taxation of rents	All property	Rental income is taxable as follows: <ul style="list-style-type: none"> • 17% for profit-seeking enterprises • Individual income tax at progressive rates from 6% to 45% for Taiwan residents • 20% income tax (withholding) for non-Taiwan residents or of foreign enterprises with no fixed operational premises in Taiwan.
Deduction of expenses	All property	<ul style="list-style-type: none"> • Rental expenses, repairs, maintenances and other expenses related to the leased or self-owned real estate of a profit seeking enterprise are deductible. • For Taiwan residents, rental expenses are deductible up to TWD 120,000 per year per return; repairs, maintenances and other



		<p>expenses related to the leased or self-owned real estate are not deductible.</p> <ul style="list-style-type: none"> • For non-Taiwan residents and foreign enterprises with no fixed operational premises in Taiwan, all expenses referred to above are non-deductible.
Deduction of interest	All property	<ul style="list-style-type: none"> • Interest on loans to acquire real estate is deductible for profit-seeking enterprises. • Not applicable to construction companies in respect of interest on loans for acquiring land for the purposes of selling (should be deferred for income tax purposes). • Individuals may deduct interest up to a maximum of TWD 300,000 (net of interest income) per annum for interest loans for purchasing self-used residential building. • Not applicable for non-Taiwan residents and foreign enterprises with no fixed operational premises in Taiwan.
Wealth taxes		Not applicable
Inheritance and gift taxes	All property	<p>Individuals are subject to estate tax and gift tax at a rate of 10%.</p> <p>Agricultural land, real estate donated to central or local government, and real estate donated to public welfare, charity, culture or educational organisations is exempt.</p>
Other taxes on property	All property except agricultural land	<p>Annual 'land value tax' based on the assessed land value prescribed by government at the following rates:</p> <ul style="list-style-type: none"> • Self-used residential land – 0.2%. • Land reserved for public facilities – 0.6%. • Land designated for industry, mining, private parks, zoos, sports stadiums, temples, churches, or government-designated scenic spots or historical sites – 1% • Other land – progressive rates from 1%-5.5% <p>Annual 'building tax' based on the assessed building value prescribed by government at the following rates:</p> <ul style="list-style-type: none"> • Self-used residential buildings – 1.2%-3.6% • Buildings used for business purposes – 3%-5% • Private clinics and hospitals – 1.5%-2.5%



Taxation of profit on disposal	All property	The net gain on disposal of land and building are subject to income tax as follows : <ul style="list-style-type: none"> • Profit-seeking enterprises – 17% income tax and 10% surtax for undistributed earnings • Individuals – progressive rates from 10%-45% • Foreign enterprises with no fixed operational premises in Taiwan and non-Taiwan residents – withholding income tax rate at 35% and 45%, respectively.
Special companies for property investment		Not applicable
Tax planning tips	Land and buildings	The sale of land is VAT-exempt
Any further information	Real estate acquired during a merger or acquisition	According to the Mergers and Acquisitions Act, in a merger or acquisition where the new shares issued by acquiring profit-seeking enterprise comprise more than 65% of the total consideration for acquiring the shares or assets of the acquired entity, the following exemptions apply: <ul style="list-style-type: none"> • Stamp duty and deed tax incurred by contracting and real estate transfers are exempt • Land value increment tax incurred by land deeded to the acquiring entity is assumed by the acquiring entity and payment is suspended until the next transfer.
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TURKEY

	Property type	Requirements
Permissions required by a foreign investor		<p>Foreign national real persons may, subject to reciprocity and compliance with legal restrictions, acquire immovable property allocated and registered as a place of business or dwelling-house within the implementation development plan or local development plan in order for the same to be used as a place of business or dwelling house. The same conditions apply to the establishment of limited real rights. The total area of the immovable property and continuous independent limited real rights may not exceed 2.5 hectares.</p> <p>Commercial companies with legal representation, established in foreign countries according to the laws of their own countries, may acquire title to immovable property and limited real rights on immovable property only within the framework of the provisions of special law.</p> <p>The Council of Ministers is authorised to determine the areas where foreign national real persons and commercial companies with legal personality, established according to the laws of their own countries, may not acquire any immovable property, and limit real rights in protected areas.</p>
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold	A 1.5% transfer tax is payable on any obligation to transfer, sell or exchange real estate, and must be paid in order to register the property in the name of the new owner.
Value Added Tax on acquisition		VAT is charged at 18% on the value of the building if the seller is a commercial enterprise or a building contractor. The transfer of real estate is otherwise VAT-exempt.
Capital allowances / tax depreciation	Freehold	Depreciation may be calculated by applying either the straight-line or declining-balance method, at the discretion of the taxpayer. The fiscal depreciation rate is 20%; the accelerated depreciation rate will be 40%.



		<p>Standard maximum rates for specific cases are published by the Ministry of Finance. Typical standard rates are as follows:</p> <ul style="list-style-type: none"> • Administrative buildings: 2%, useful life 50 years • Factory buildings: 2.5%, useful life 40 years
Taxation of rents		<p>Resident and non-resident individuals are liable to income tax at progressive rates from 15% to 35%. There is withholding tax on rents paid to resident and non-resident owners. Companies (resident and non-resident) are liable to corporate income tax at 20% on rental income.</p>
Deduction of expenses	All property	<p>Residents of Turkey are permitted to deduct expenses relating to property. Expenses are also deductible for non-resident companies and individuals.</p>
Deduction of interest	All property	<p>Interest paid on borrowings to acquire property is deductible against rental income from the property, whether the lender is resident or non-resident.</p>
Wealth taxes	All property	<p>There is no annual wealth tax in Turkey</p>
Inheritance and gift taxes		<p>Recipients of property through inheritance or donation are subject to inheritance and gift tax at rates from 1% to 30%. Tax paid in a foreign country on inherited property is deducted, based on the value of the asset. Inheritance tax is payable in two instalments, in May and November, over 3 years; gift tax is payable in the following month.</p>
Other taxes on property		<p>Property tax is calculated in respect of each property at the appropriate value declared to the tax office once every 4 years. The rate of the tax on the taxable values of land and buildings varies from 0.2%.</p>
Taxation of profit on disposal	All property	<p>Capital gains realised by companies (resident and non-resident) are taxed at normal company rates. Resident and non-resident individuals are liable to income tax at progressive rates from 15% to 35% on disposal if property is sold within 5 years of acquisition.</p>
Special companies for property investment		<p>There are special types of companies for investment in real estate.</p>



Tax planning tips		<ul style="list-style-type: none"> • Resident and non-resident individuals may avoid income tax by selling a property after 5 years' ownership. • If capital gains realised by companies are added to capital, it may be possible to avoid corporate income tax. • Resident and non-resident individuals may prefer the lump sum basis for determining expense deductions.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY UZMAN Sworn In CPA and Independent Auditing Inc. Buyukdere Cad. Kervangecemez Sok, Osman Keceli Merkezi No.3, 3 K:4 Mecidiyekoy, Istanbul 34387, Turkey Contact Şenol Cudin Email uzman@uhy-uzman.com.tr Phone +90 212 272 56 00 Website www.uhy-uzman.com.tr</p>	



UKRAINE

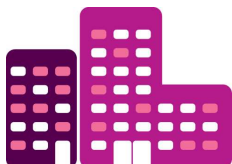
	Property type	Requirements
Permissions required by a foreign investor		In general, no permissions are needed for foreign investors to acquire Ukrainian real estate. Ukrainian legislation generally does not restrict or limit the extent of foreign investment or equity participation of a foreign investor in Ukrainian business. However, some restrictions on foreign ownership apply to highly regulated businesses (e.g. insurance companies). There is also a restriction on ownership of agricultural land, which cannot be transferred to foreigners, stateless persons, foreign legal entities or foreign states.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	Ukraine does not impose transfer tax. However, the transfer of title on certain assets is usually subject to notary deed and/or state registration.
Value Added Tax on acquisition	Leasehold	Transfer of real estate to lease in Ukraine is VAT-exempt (except for finance lease).
	Freehold	Acquisition of real estate is generally charged at 20% VAT. Residential buildings are VAT-exempt, with the exception of the first acquisition of new residential property.
Capital allowances / tax depreciation	All property	Amortisation or depreciation is available on all capital assets, including both fixed and intangible property, other than land, goodwill, fixed assets under conservation, and non-business-related capital assets.
Taxation of rents	All property	Income from property lease (sublease), including residential rentals, is generally taxable at the rate of 18 %.
Deduction of expenses	All property	Expenses are deductible if they have been incurred in the course of a company's business operations. Certain expenses are non-deductible, including the write-down in value of equity instruments reclassified to financial liabilities to UAS or IFRS, and included in financial profit (loss) before tax. Adjustments may be required to comply with Ukrainian transfer pricing legislation.



Deduction of interest	All property	Interest paid generally is deductible for corporate income tax purposes. However, the deduction of interest in favour of non-resident related parties is limited under the thin capitalisation rules.
Wealth taxes	Residential	Ukraine does not impose net wealth tax. Tax rates for residential and non-residential real estate owned by individuals and legal entities are established by local authorities depending on location and type of real estate in the amount which does not exceed 3% of the minimum wage established by law as of 1 January of the reporting (tax) year, for 1 square meter of the tax base. However, if the taxpayer owns residential real estate, the total area of which exceeds 300 square metres (for apartments) and / or 500 square metres (for private houses), the amount of tax is increased by UAH 25,000 per year for every such object of residential real estate. Moreover, the taxpayer loses the right to tax concessions where the area of the object of taxation exceeds five times the size of tax-free area approved by local authorities.
Inheritance and gift taxes	All property	Inheritance of real estate, chattels, securities, corporate rights, etc. and gifts are taxable at the following rates: <ul style="list-style-type: none"> • 0% if the recipient is resident and classified as a close relative; • 5% if the recipient is resident but not classified as a close relative; • 18% if the recipient is non-resident but the testator was a resident (or vice versa), unless otherwise provided by international agreement on avoidance of double taxation.
Other taxes on property		
Taxation of profit on disposal	All property	Profits of companies from real estate are generally treated as taxable, and subject to corporate income tax at the rate of 18%, including capital gains which are treated as ordinary income.
Special companies for property investment		There are special investment funds, which are obligatory for investing and financing of building of residential property.

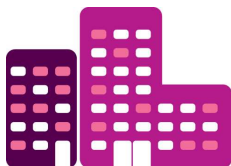


Tax planning tips		Ukraine does not have a general anti-avoidance rule. However, to prevent tax avoidance, restrictions are imposed on the deductibility of expenses in certain cases.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Prostor Ltd 14 Vasilkovskaya Street, Office 315, Mailbox 12, Kiev UA-03040, Ukraine Contact Olga Petrukhina Email o.petrukhina@uhy-prostor.com Phone +380 44 492 8716 Website www.uhy-prostor.com</p>	



UNITED ARAB EMIRATES

	Property type	Requirements
Permissions required by a foreign investor	All property	Only designated real estate developments are available to non-UAE nationals for investment purposes.
Types of tenure	All property	Usually 99-year lease.
Transfer taxes on acquisition	All property	The Government of Dubai's Land Department levies fees for registering changes in ownership of property. Land registration fees, which are similar in nature to Stamp Duty, are 2% of the purchase price (or valuation, if higher); 1.50% on the purchaser's account and 0.50% on the seller's account. There may also be brokerage charges if brokers are involved, likely to be in the range of 2%-5% of the transaction value.
Value Added Tax on acquisition	All property	There is currently no VAT in the UAE. VAT is due to be introduced by 1 January 2018.
Capital allowances / tax depreciation	All property	There is no income or capital gains tax in the UAE. Capital allowances/tax depreciation are based on international accounting norms.
Taxation of rents	All property	There is no tax on rental income in the UAE.
Deduction of expenses		Deductions are based on international accounting standards with no effect from a tax angle because of no incidence of taxes.
Deduction of interest		Deductions are based on international accounting standards with no effect from a tax angle because of no incidence of taxes.
Wealth taxes	All property	There is no incidence of wealth tax in the UAE.
Inheritance and gift taxes	All property	There is no inheritance or gift tax applicable in the UAE
Other taxes on property	Freehold property	There is no capital gains tax or any tax on rental income in Dubai, making real estate investment return net of tax quite attractive.
Taxation of profit on disposal	All property	There is no capital gains tax applicable in the UAE.
Special companies for property investment	All property	It is recommended to invest in properties in the UAE through an SPV. This could be a Jebel Ali, Dubai-based offshore company.



Tax planning tips		<p>Companies in the UAE pay no corporate or capital gains tax on worldwide-sourced income.</p> <p>Due to a complete absence of personal income or withholding taxes in Dubai, property investors have the luxury of holding onto all their returns made investment property in Dubai.</p>
Any further information		<ul style="list-style-type: none"> • The UAE is free of individual income tax; investment income tax; wealth tax; capital gains tax; inheritance and gift tax; property tax; stamp duty; transfer tax and VAT. Some of the emirates may charge some tax on certain luxury products, such as alcoholic drinks and cigarettes, when supplied to the hospitality industry. VAT is targeted for introduction in Jan 1st, 2018 and planning talks with the International Monetary Fund (IMF) are currently underway. • Financial Services, undeveloped land, local transport and houses will be exempt from the tax. <p>Categories which will be imposed a zero tax are commodities and services to outside the GCC, international transport and related supplies. Other categories which are subject to tax include residential real estate being constructed and supplied for the first time within the three years of construction, specific basic services in education and health-sectors and related commodities and services.</p>
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UNITED KINGDOM

	Property type	Requirements
Permissions required by a foreign investor		No permission is required for foreign investment in UK real estate, although non-residents should register with HM Customs & Excise (HMRC) in a number of scenarios set out below.
Types of tenure		Freehold, leasehold, licence to occupy
Transfer taxes on acquisition	Freehold / Leasehold	<p>Stamp Duty Land Tax (SDLT) is payable on the transfer by sale or exchange of UK real property. SDLT is not payable in Scotland, where it has been replaced by Land and Buildings Transactions Tax – the rates and rules are broadly similar.</p> <p>SDLT rates depend on whether the property is residential or non-residential.</p> <p>For residential property, rates are as follows:</p> <ul style="list-style-type: none"> • Up to GBP 125,000 – 0% • Next GBP 125,000 – 2% • Next GBP 675,000 – 5% • Next GBP 575,000 – 10% • Remaining amount (over GBP 1.5 million) – 12%. <p>A further 3% is payable if buying an additional property. Different rates and rules apply in cases outside the scope of this note.</p> <p>For non-residential property, rates are as follows:</p> <ul style="list-style-type: none"> • Up to GBP 150,000 – 0% • Next GBP 100,000 – 2% • Remainder over GBP 250,000 – 5%
	Transfer of Lease	SDLT is payable on the assignment of a lease, and is charged on the Net Present Value of the rent payable over the term of the lease.
Value Added Tax on acquisition	Commercial	VAT is payable on the purchase of a freehold commercial building in the three-year period following practical completion or if the vendor formally elects to charge VAT, except in the case of certain rented property. Anti-avoidance rules can invalidate such elections.
	Residential	VAT is not charged on the acquisition of residential property. Conversion relief is available where commercial property is converted to residential use and sold on.



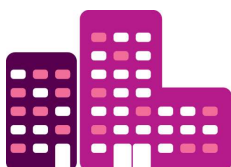
Capital allowances / tax depreciation	Commercial	<p>Capital allowances are available on commercial property as follows, although there is scope for planning:</p> <ul style="list-style-type: none"> • 100% allowances for certain specified energy saving and water efficient plant; • 100% Annual investment allowances up to GBP 200,000 (not available to certain partnership arrangements) • Plant and machinery – 18% and 8% for 'integral fittings', claimable on a reducing balance. <p>Disclaimers may be made, if beneficial.</p>
	Residential	<p>There are no allowances given for the construction of or installation of plant within residential property, although relief is given for replacement equipment, appliances and furnishings provided by a landlord.</p>
Taxation of rents	All property	<p>Rent is taxable on an accruals basis at the following rates:</p> <ul style="list-style-type: none"> • UK resident companies are liable to corporation tax on profits at 20% (reducing to 19% in 2017 and 17% in 2020). • Non-resident companies are liable to UK income tax at 20%, unless they are also trading in the UK through a taxable presence. If so, they are liable to UK corporation tax. • Non-resident individuals are liable to UK income tax at rates up to a maximum of 45%, depending upon the size of their income that is taxable in the UK. • Rent paid to a non-resident owner is subject to withholding tax at 20% (on the gross rent) unless the rent is retained by a UK agent or the owner elects to make payments on account under the self-assessment procedures.
Deduction of expenses	All property	<p>Repair and maintenance expenses are deductible unless they are capital in nature. Costs of administration and other costs incurred relating directly to the management of the property are also deductible. Relief for bad debts may be allowed.</p>
Deduction of interest	All property	<p>In general, all interest on loans to purchase or improve let UK property are deductible by corporates from rental income. Deductions</p>



		<p>for loan interest payable by individual landlords are being limited to the basic rate of 20% over a phasing period. Interest paid to a non-UK lender may be liable to withholding tax at 20%, unless a Treaty claim is made that reduces the rate of tax. Relief for interest payable to a connected party abroad may be restricted where it is excessive or a Treaty is being abused.</p> <p>UK companies/groups with net interest expense above a GBP 2 million de minimal threshold, will face an interest limitation.</p>
Wealth taxes		There is no wealth tax in the UK.
Inheritance and gift taxes	All property	A non-UK domiciled individual is liable to UK inheritance tax (IHT) on certain lifetime gifts of UK property and on the value of UK property on death. Loans secured on the property are deductible in computing the IHT payable. Transfers between spouses are normally exempt (unless only one is non-domiciled in the UK) and the first GBP 325,000 of chargeable transfers is effectively exempt from IHT. UK-domiciled individuals are liable to IHT on their worldwide estate above the first GBP 325,000. Additional IHT exemptions are available in limited circumstances.
Other taxes on property	Commercial	Local authorities levy annual taxes known as uniform business rates. Water rates may also be levied.
	Residential	<p>Council Tax is charged on residential property by the local authority, and water rates by the water company.</p> <p>Annual tax on enveloped dwellings (ATED) is payable where a residential property is owned by any person other than a natural person (e.g. a company). ATED is levied where the property is valued at GBP 500,000 or more, and rises by reference to value bandings. Exemptions from ATED are available for a number of categories, including property letting and development.</p>
Taxation of profit on disposal	All property	UK resident companies are liable to corporation tax at 19% (inform 1 April 2017), reducing to 17% in 2020.
	Commercial	Companies and individuals not resident in the UK are not normally liable to UK tax on the



	Residential	<p>disposal of UK commercial real estate held as an investment. There are important exceptions: if the asset is part of a UK branch; and where the property was acquired wholly or mainly to realise a gain on disposal, e.g. because it is dealing in or developing UK property for resale.</p> <p>The sale by an individual of a main residence is generally exempt from tax. A sale where the property is held as an investment that is not a principal home is taxed on an individual at either 18% or 28% depending on other income for the year. The tax residence status of the disponent is not relevant.</p> <p>Where the disponent is a company (resident or non-resident) the tax rate is generally 20%.</p>
Special companies for property investment		There are no special types of company for investment in UK real estate, although many investors set up a separate company or limited liability partnership for each property held.
Tax planning tips		Given the complex nature of UK tax on real estate investments, careful planning is essential. Land development transactions add a further dimension to business modelling.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	<p>UHY Hacker Young Quadrant House, 4 Thomas More Square, London E1W 1YW, United Kingdom Contact Ladislav Hornan or Laurence Sacker Email l.hornan@uhy-uk.com or l.sacker@uhy-uk.com Phone +44 20 7216 4600 Website www.uhy-uk.com</p>	



UNITED STATES OF AMERICA

	Property type	Requirements
Permissions required by a foreign investor		No Federal Government approvals are needed by foreign investors, although certain investments need to be reported to the US Commerce Department. Investments in agricultural land should be reported to the US Secretary of Agriculture. Individual states may impose ownership restrictions and reporting requirements on foreign investors.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	Freehold / Leasehold	No federal stamp duty is payable on the acquisition of US real estate; however, certain states impose transfer taxes and/or mortgage recording taxes.
Value Added Tax on acquisition	All property	The United States does not have VAT. Some states may impose a franchise or net worth tax on the value of the real estate.
Capital allowances / tax depreciation	Commercial	Commercial property (other than land costs) are depreciable over 39 years (straight line). Multi-family dwellings are depreciated over 27.5 years.
Taxation of rents	All property	<ul style="list-style-type: none"> • US resident companies are liable for income tax on net profit up to 35%. • Non-resident companies are liable for corporate income tax up to 35% and, in addition, for branch profits tax unless protected by a double taxation treaty. • Non-resident individuals are liable for federal income tax on net profit up to 39.6%. • State income taxes are normally payable in addition.
Deduction of expenses		<p>Repair and maintenance expenditure is normally deductible from rental income in the period in which it is incurred. Expenses of management of the real estate itself, and state and local property taxes are also deductible. Director's remuneration is normally deductible to a US corporation and to a non-US corporation with a US trade or business.</p> <p>A foreign investor's ability to deduct a net rental loss against other US source income</p>



		may be restricted under the 'passive activity' limitation.
Deduction of interest		<p>Interest payable on borrowings to acquire US real estate is deductible against rental income if the owner is engaged in a US trade or business.</p> <p>Interest is deductible whether paid to a US or non-US lender, but a withholding tax of 30% applies to interest paid to a non-US lender unless reduced by a tax treaty. If the withholding rate is reduced, interest stripping rules may apply to limit a current deduction for interest paid by a US Corporation.</p>
Wealth taxes		The United States does not impose a wealth tax.
Inheritance and gift taxes		Non-US-domiciled individuals are liable for US estate and gift taxes on the value of gifts of US real estate and on US real estate passing on death. For 2017, the rates of tax are progressive, the maximum rate being 40% on taxable estates in excess of USD 5,490,000 for US-domiciled individuals and USD 60,000 for non-US-domiciled individuals. Transfers to a US-domiciled spouse defer estate tax until the second death.
Other taxes on property		State and local authorities may impose annual taxes on real estate, usually based on an assessed value.
Taxation of profit on disposal		<ul style="list-style-type: none"> • US resident corporations are liable for corporate income tax up to 35%. • Non-resident corporations are liable for corporate income tax up to 35% and, in addition, to a branch profits tax unless protected by a double tax treaty. • When buying property from a non-resident, the purchaser is generally required to withhold tax equal to 15% of the purchase price. • Gain from the sale by resident and non-resident individuals is subject to individual income taxation, usually at a rate of 20% of the appreciation (sales price minus original cost basis) and 25% on unrecaptured depreciation.



Special companies for property investment		<ul style="list-style-type: none"> • Limited Partnerships and Limited Liability Companies are generally preferred vehicles for private investments in US real estate, due to their flexibility, low cost and tax efficiency. Non-residents can form LLCs and elect to have them taxed as US corporations. • Real Estate Investment Trusts (REITs) are special corporations suitable for owning US real estate and mortgages secured on it. However, the stock of a REIT must be widely owned (at least 100 shareholders) and must not be controlled by less than five stockholders. • A special exemption encourages a 'Qualified Foreign Pension Fund' to invest in US real estate. The gain on the sale of US real property is not subject to US income tax.
Tax planning tips		<ul style="list-style-type: none"> • The use of a non-resident company to hold real estate or to own stock of a US corporation holding real estate, avoids US estate and gift taxes. • For profitable properties, ownership by a US corporation avoids branch profits tax. • Allocating part of the purchase price to furniture and fixtures, equipment and land improvements increases depreciation allowance, but may subject the purchase to state sales tax. A cost segregation study can be performed to provide a basis for accelerating income tax depreciation deductions.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Advisors 15 Sunnen Dr. Suite 100, St. Louis, Missouri 63143, United States Contact Robert J. Bauer Email rbauer@uhy-us.com Phone +1 314 615 1238 Website www.uhy-us.com	



URUGUAY

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for a foreign investor to acquire real estate in Uruguay.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	4% transfer tax – 2% payable by the seller, 2% payable by the buyer.
Value Added Tax on acquisition	All property	<ul style="list-style-type: none"> • New property: 10% VAT • Used/old property: VAT-exempt
Capital allowances / tax depreciation	All property	<ul style="list-style-type: none"> • Urban: 2% annually • Rural: 3% annually • Rented property: lease term
Taxation of rents	All property	<ul style="list-style-type: none"> • Individuals: 12% personal income tax • Local corporations: 25% corporate income tax • Non-residents: 12% non-resident income tax • Non-residents in low-tax jurisdictions: 30,25% non-resident income tax
Deduction of expenses	All property	Individuals – Some taxes may be deducted Corporations – All expenses may be deducted
Deduction of interest	All property	Individuals – Mortgage loan interest may be deducted from personal income tax, with some limitations. Corporations – Mortgage loan interest may be deducted from corporate income tax.
Wealth taxes	All property	<ul style="list-style-type: none"> • Individuals: 0%-1.5% • Corporations: 1.5% • Non-residents corporations in low-tax jurisdictions: 3%
Inheritance and gift taxes		There is in inheritance or gift tax in Uruguay.
Other taxes on property	All property	<ul style="list-style-type: none"> • Municipal government real estate tax • Primary school tax
Taxation of profit on disposal	All property	<ul style="list-style-type: none"> • Individuals: 12% personal income tax • Corporations: 25% corporate income tax • Non-residents: 12% non-resident income tax
Special companies for property investment		There are no special companies for investment in real estate.



Tax planning tips		<ul style="list-style-type: none"> • It is important to plan carefully with regard to which type of owner and tenure is the best in each individual case before the transaction, taking into account the purpose of the property to be acquired.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY Gubba & Asociados Misiones 1372 Oficina 402, Montevideo, Uruguay Contact Martin Rubinstein Email mrubinstein@uhygubba.uy Phone +598 2 915 58 07 Website www.uhygubba.uy	



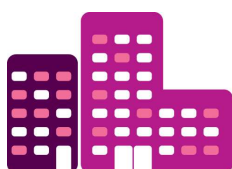
UZBEKISTAN

	Property type	Requirements
Permissions required by a foreign investor		No permissions are required for a foreign investor to invest in real estate in Uzbekistan.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition		None
Value Added Tax on acquisition		If the transferor is within the VAT system, the transfer of real estate will be liable to VAT at a rate of 20%.
Capital allowances / tax depreciation		The tax-deductible depreciation rate is 5%.
Taxation of rents		Foreign investors (non-resident) are liable to income tax at 20% on rental payments. For foreign investors acting via a resident company, resident companies are subject to tax on rental income at a rate of 5%.
Deduction of expenses		Repairs, maintenance, management and administration expenses are tax deductible.
Deduction of interest		Interest is deductible.
Wealth taxes		None
Inheritance and gift taxes		Non-residents are liable to income tax at 20%.
Other taxes on property		<ul style="list-style-type: none"> • Land tax based on the value of land and economic zone. • Rates are levied annually by local government. • Property tax at a rate of 5% from the annual weighted average cost of property.
Taxation of profit on disposal		Non-residents are liable to income tax at 20% on profit on disposal.
Special companies for property investment		None
Tax planning tips		
Any further information		
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VIETNAM

	Property type	Requirements
Permissions required by a foreign investor	All property	Permissions are required for foreign investment in Vietnam real estate.
Types of tenure		Freehold and leasehold
Transfer taxes on acquisition	All property	Corporate income tax (CIT) at 20% on assessable income (taxable income, less losses carried forward under regulations). Personal income tax (PIT) at 2% on transfer costs (prescribed by the local people's committee); however, no PIT applies to individuals on the sale of their sole property.
Value Added Tax on acquisition	All property	VAT at a rate of 10% is applied to the acquisition cost for corporates.
Capital allowances / tax depreciation	All property	Expenses are allowable providing they fall within the regulated timeframe indicated by the Ministry of Finance, e.g. time of depreciation is 5-50 years. These are not applicable on the lease of real estate.
Taxation of rents	All property	Income from property rents is subject to CIT for corporates at a rate of 20%. The rents also trigger 10% VAT. Income from property rents is subject to PIT and VAT for individuals, although they are VAT- and PIT-exempt if the rent amounts are less than VND 100 million a year.
Deduction of expenses	All property	Generally, full amounts are deductible for corporates. Exceptions include infrastructure development costs, land clearance compensation, etc. that require allocation for land use rights/apartments sold/transferred during the tax year. Corporates may also deduct 5% of insurance coverage, repairs and maintenance costs.
Deduction of interest	All property	Corporates may deduct interest expense (subject to a cap at 20% of EBITDA from 2017). Please note, in the case of interest paid to individual lenders, the amount in excess of 150% of the prime interest rate announced by the State Bank of Vietnam at the time of borrowing is not deductible.
Wealth taxes	Land and buildings	No wealth taxes.
Inheritance and gift	Land and buildings	No inheritance and gift taxes between



taxes		specified individuals, such as husband and wife, parents and children, etc.
Other taxes on property	Land and buildings	Immovable property registration rate of 0.5% (fees on transfer of ownership of the property), but not exceeding VND 500 million per transfer.
Taxation of profit on disposal	Land and buildings	Profit on disposal is classed as taxable income and is subject to CIT or PIT.
Special companies for property investment		There are no special companies for real estate investment in Vietnam,
Tax planning tips	All property	Sales of property involving land use rights may split the respective property and land use rights to minimise VAT impact. Non-residents may obtain a lower capital gains tax rate by utilising available double taxation agreements.
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY ACA Auditing & Consulting Co. Ltd. 9th Floor, HL Building, 82 Duy Tan Street, Cau Giay District, Hanoi, Vietnam Contact Thanh Nguyen Email thanhnt@uhyvietnam.com.vn Phone +84 24 3755 7446 Website e www.uhy.vn	

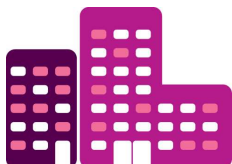


ZAMBIA

	Property type	Requirements
Permissions required by a foreign investor		Permissions are not necessary for foreign investors to acquire real estate in Zambia, but they may apply for an investors' permit.
Types of tenure		Leasehold – there is no freehold lease in Zambia
Transfer taxes on acquisition	Commercial / Residential	Property Transfer Tax of 5% is charged on the total proceeds. Note: The transfer of property within a group of companies that has a holding company incorporated in Zambia is exempt.
Value Added Tax on acquisition	Commercial	Commercial property attracts VAT on acquisition. Residential property is exempt.
Capital allowances / tax depreciation	Commercial (for rental purposes)	Non-deductible as the 10% is the final tax
	Commercial (for own use)	Capital allowances are 2% per annum
	Industrial buildings	Initial allowance: 10% per annum Subsequent years: 5% per annum
	Commercial and industrial buildings	Improvement allowance: 100%
	Farms	Farm works: 100% Improvement allowance for dwellings: should not exceed ZMK 20,000
	All property	Development allowance: 10%
Taxation of rents	Commercial and residential	Both commercial and residential properties are taxed at 10% which is the final tax.
Deduction of expenses	Commercial	Deductions are not allowable on commercial property held for rental purposes because the tax charge at 10% is the final tax. VAT may be claimed on commercial property providing the claim is supported by valid tax invoices.
Deduction of interest		See above
Wealth taxes		Not applicable in Zambia
Inheritance and gift taxes		Not applicable in Zambia
Other taxes on property		Not applicable in Zambia



Taxation of profit on disposal		Only subject to property transfer
Special companies for property investment		None
Tax planning tips		<ul style="list-style-type: none"> • There are currently no loan restrictions in Zambia for foreign-controlled parent companies. This gives room to reduce taxable profits by using loan interests from foreign parent company. • Tax incentives are available for investing the in areas declared as Special Economic Zones (SEZs).
Any further information		
UHY MEMBER FIRM CONTACT DETAILS	UHY AMO Certified Public Accountants 4 Cedar Road, off Chitukuko Road, Woodlands, Box 343 Private Bag E10, Arcades, Lusaka, Zambia Contact Dion Banda Email d.banda@uhy-amocpa.com Phone +260 962 005 295 Website www.uhy-amocpa.com	



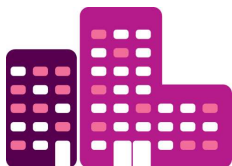
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