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REAL CAPITAL PORTFOLIO

# Investment Pathways Comparison Checklist

A side-by-side comparison of the four real estate  
investment routes available to European investors.

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## PATHWAYS OVERVIEW

# Four Routes to Real Estate Returns

Every investor has different goals, capital, and time. This checklist helps you compare the four main pathways and find the right fit — or the right combination.

	Apartments	Alternatives	Funds / SPVs	REITs
Typical Net Yield	3–6%	6–9%	6–12% target	3–7% dividend
Minimum Capital	€30–100k	€50–200k	€50–500k	€50+
Liquidity	Low–Medium	Low	Very Low	High
Time Commitment	10–20 hrs/mo	5–15 hrs/mo	2–5 hrs/mo	1–2 hrs/mo
Control Level	Full	Full	None	None
Complexity	Low	Medium	High	Low
Leverage Access	Yes (mortgage)	Yes	Built-in	No
Geographic Flex	Local	Local/Regional	Multi-market	Global
Income Type	Rental	Rental	Distributions	Dividends
Tax Optimization	Medium	Medium–High	Varies by structure	Limited
Entry Barrier	Low	Medium	High	Very Low
Exit Timeline	1–6 months	2–8 months	Lock-up period	Same day

## PATHWAY DETAILS

# Pathway Profiles

## Apartments — Direct Ownership

### Best for:

- Investors who want hands-on control and tangible assets
- People with time to manage tenants and maintenance
- Those building a long-term income-generating portfolio

### Key risks:

- Vacancy and tenant quality
- Maintenance costs (especially older buildings)
- Concentration risk (all capital in 1–2 properties)
- Illiquidity during downturns

## Alternatives — Storage, Parking, Micro-Logistics

### Best for:

- Investors seeking higher yields with lower management burden
- Those comfortable with niche markets
- ESG-conscious investors (energy retrofits, green assets)

### Key risks:

- Less market data and fewer comparables
- Smaller buyer pool on exit
- Regulatory uncertainty in emerging asset classes

## Funds & SPVs — Pooled Investments

### Best for:

- Passive investors with significant capital
- Those wanting institutional-quality assets
- Investors who prefer professional management

### Key risks:

- Lock-up periods (3–10 years typical)

- Manager risk — performance depends on the operator
- Fee drag (management + performance fees)
- Limited transparency compared to direct ownership

## REITs — Listed Real Estate

### Best for:

- Investors wanting maximum liquidity and diversification
- Small capital allocations (€50+)
- Those who want real estate exposure without management

### Key risks:

- Stock market correlation (volatility)
- No control over individual properties
- Dividend cuts during downturns

## DECISION FRAMEWORK

# Which Pathway Fits You?

Answer these questions to narrow your choice:

Question	If Yes →	If No →
Do you have 10+ hours/month?	Apartments or Alternatives	Funds, SPVs, or REITs
Is your capital above €100k?	All pathways open	Apartments or REITs
Do you need liquidity?	REITs	Direct, Alternatives, or Funds
Do you want control?	Apartments or Alternatives	Funds or REITs
Is passive income the priority?	REITs or Funds	Apartments (value-add)
Comfortable with lock-ups?	Funds/SPVs	REITs or Direct

Most sophisticated investors combine 2–3 pathways. Start with one, learn the mechanics, then diversify as your capital and confidence grow.

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