

## Key facts

|                   |                    |
|-------------------|--------------------|
| Fund size         | £162.7m            |
| Launch date*      | 18 May 2017        |
| Sector            | IA Direct Property |
| Base currency     | GBP                |
| Dealing frequency | Daily, 10am        |



## Fund particulars

### Fund name

ARC TIME Social Long Income PAIF

### Fund structure

ARC TIME Social Long Income PAIF: Sub-fund of ARC TIME:Funds II, a UK OEIC (NURS)

ARC TIME Social Long Income Feeder Trust: Sub-fund of ARC TIME:Trusts II, a UK Authorised Unit Trust Feeder (NURS)

### Regulated status

FCA authorised

### Depository

NatWest Trustee and Depository Services Limited

### Authorised Corporate Director

Alpha Real Capital LLP

### Investment Manager

TIME Investments

### FATCA GIIN Registration

UA92IE.99999.SL.826

\*Past performance includes that of Social Freehold Fund which merged by share exchange with Social Long Income PAIF on 1 April 2019.

## Fund managers



**Roger Skeldon** has over 15 years' experience in fund management, finance and commercial property, primarily focused on long income property and the deployment of capital into sectors

such as social infrastructure. He has been at TIME Investments for over 10 years and is Fund Manager for TIME:Commercial Long Income, TIME:Social Long Income and TIME: Property Long Income and Growth.



**Stephen Daniels** has worked in the business since 2007 and is one of the founding partners of TIME. Stephen is Fund Manager for TIME:UK Infrastructure Income and TIME:Social Long Income managing

over £200 million of investments. In addition, Stephen is also responsible for our TIME:Advance, TIME:CTC, TIME:EIS and TIME:AIM solutions, looking after more than £900 million of investment. He has over 15 years' experience in finance, fund management and investing in UK

# TIME:Social Long Income

## Long Income Funds

Data as at: **31 March 2022**

Published: **April 2022**

|                                 |                                  |                                  |
|---------------------------------|----------------------------------|----------------------------------|
| 0.55%                           | 5.46%                            | 3.91%                            |
| 1 month fund return (A Acc GBP) | 1 year total return* (A Acc GBP) | 1 year income return (A Acc GBP) |

## Fund aim

The aim of the Fund is to offer shareholders a consistent income stream with some capital growth prospects through acquiring social infrastructure assets.

## Fund characteristics



### Income consistency

Consistent income comes from owning properties with longer leases, typically from 15 to 30 years. This consistency is achieved through long tenancies, the financial strength of tenants and/or Government or local authority support.



### Income with inflation protection

The majority of rent reviews are either inflation linked or have a fixed uplift, rather than being subject to an open market negotiation. The majority of the rent reviews are upwards only.



### Track record in long income funds

The TIME group has a long track record in long income property and manages over £3 billion of UK long income property assets.



### Demographics

The under supply and increasing demand for social infrastructure has created a need for long-term capital from the private sector.



### Consistent income

The fund currently seeks a consistent income by investing in social infrastructure.

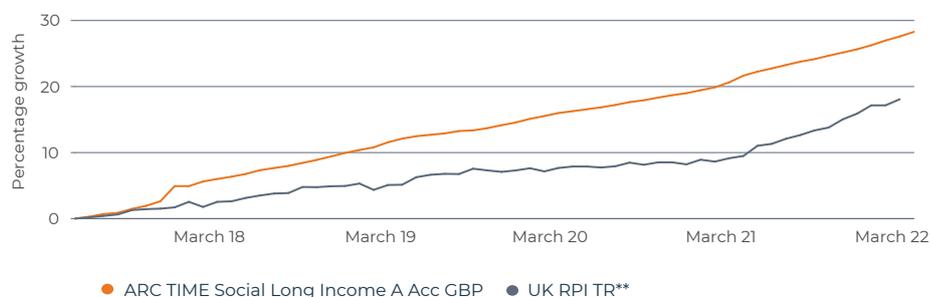


### Positive social impact

The fund allows investors to have a positive impact on society, while generating a long-term, attractive, risk-adjusted return.

## Fund performance

### Performance since launch (%)



|             | 1 month | 3 months | 6 months | 1 year | 3 years | Since launch |
|-------------|---------|----------|----------|--------|---------|--------------|
| A Acc GBP   | 0.55    | 1.61     | 2.90     | 5.46   | 14.42   | 28.28        |
| UK RPI TR** | 0.79    | 1.88     | 4.16     | 8.18   | 12.35   | 18.07        |

### Discrete annual performance (%)

|             | 31.03.2022 | 31.03.2021 | 31.03.2020 | 31.03.2019 | 31.03.2018 |
|-------------|------------|------------|------------|------------|------------|
| A Acc GBP   | 5.46       | 4.62       | 3.71       | 5.42       | -          |
| UK RPI TR** | 8.18       | 1.37       | 2.46       | 2.48       | -          |

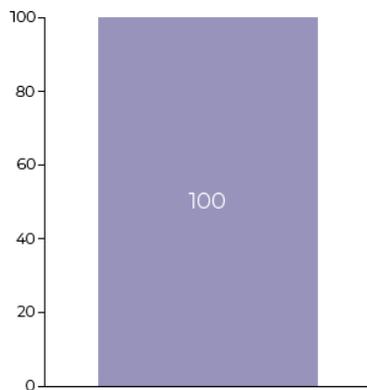
\*Includes capital and income

\*\*Data as at 28 February 2022

Past performance is not a guide to future performance. Performance data is total return as published and sourced from Financial Express.

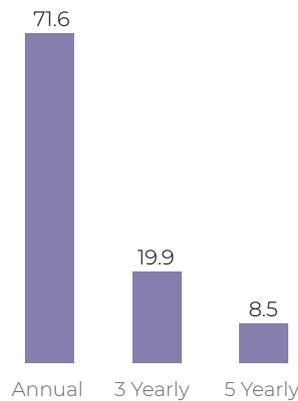
## Portfolio breakdown

### Long lease (%)

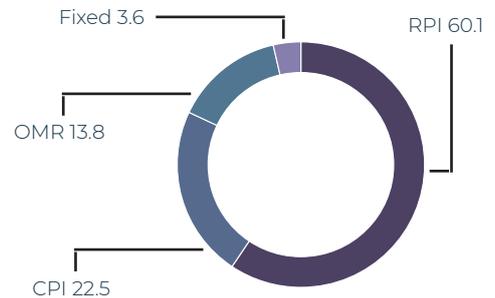


■ Long lease  
Overall WALT\* (to break) 23 years  
\*WALT = Weighted Average Lease Term

### Rent review frequency (%)



### Rent review type (%)



### Sector weighting (%)

|                         |      |
|-------------------------|------|
| Care Home               | 41.8 |
| Medical Centre          | 14.7 |
| Supported Living        | 13.4 |
| Secondary Care          | 11.3 |
| Nursery                 | 8.4  |
| High Complex Care (HCC) | 6.3  |
| Assisted Living/HCC     | 4.1  |

### Region breakdown (%)

|                      |      |
|----------------------|------|
| South East           | 42.1 |
| East Midlands        | 15.8 |
| North West           | 13.7 |
| London               | 11.3 |
| West Midlands        | 7.6  |
| Yorkshire and Humber | 5.1  |
| South West           | 2.3  |
| East of England      | 2.1  |

### Top 10 holdings (%)

|                                   |      |
|-----------------------------------|------|
| Care UK, Hailsham                 | 18.3 |
| Botleigh, Barchester              | 13.2 |
| HC One, Bingham                   | 10.3 |
| 90 Harley Street, London          | 6.3  |
| 92 Harley Street, London          | 5.0  |
| Inclusion/Lifeways, Clowne        | 4.3  |
| Mears, Bolton                     | 4.1  |
| Inclusion, Cannock                | 3.8  |
| Beechwood Medical Centre, Halifax | 3.2  |
| Creech Medical Centre             | 2.3  |

### Featured asset - Creech Medical Centre

TIME:Social Long Income purchased Creech Medical Centre located in Taunton, Somerset in March 2019 for the purchase price of £2.72 million. The recently constructed purpose built medical centre offers GP and other primary care services for patients. The centre is on a 20 year lease length to Taunton & Somerset NHS Foundation Trust.



## Fund manager commentary

### Fund commentary

The property portfolio is seeing capital appreciation which is being driven from various sectors where the Fund has exposure, including its largest exposure in the care home sector. Rental collection remains at around 100% as was seen throughout 2020 and 2021 following the onset of COVID-19.

The property portfolio of the Fund will next be valued by the independent valuer as at 30 April 2022.

### Fund performance

The value of the Fund's shares increased by 0.55% for the month of March 2022.

The Fund has maintained positive monthly returns throughout the past year and throughout the COVID-19 period, with the resilience of the portfolio and social infrastructure sector being demonstrated in those difficult periods. Given the Fund's strategy and nature of the assets in which it is invested, we believe the Fund is well placed to continue to deliver long term positive performance.

The Fund continues to receive net subscriptions, and cash levels are currently at c20% of its prevailing net assets.

The Fund's income for the quarter to 31 March 2022 of 1.04% (based on the Class A Gross Accumulation shares) was paid at the end of June 2022. The Fund's performance over the year to 31 March 2022 was 5.46% (based on the Class A Gross Accumulation shares), comprising an income return of 3.91% and a capital gain of 1.55%.

### Outlook

Since the Fund was launched it has been managed with the focus on lower capital volatility and income security through investing in the social infrastructure sector. This along with the specific features of long income (including the high Weighted Average Lease Term) married with tenant quality and sector sustainability are the main reasons for this outperformance.

The WALT of the portfolio is 23 years which gives significantly greater visibility of income than in traditional commercial property, and hence the name, long income. With concerns around increased levels of inflation, long income property, where rent reviews are typically linked to an inflation index or contain fixed uplifts, offers investors an attractive option. Within the portfolio, 86% of the rent reviews are linked to an inflation index or have a fixed percentage growth.

Whilst economic uncertainty remains, the Fund and its property portfolio is well positioned and we anticipate the positive performance in property values to continue, with a total return in excess of 4% per annum.

Please visit our website for all updates and information as it becomes available.

## About TIME

TIME Investments is a specialist investment manager focused on delivering long-term investments that seek consistent and attractive risk-adjusted returns. We take a deliberately defensive approach investing in asset-backed and income generating assets, predominantly through infrastructure, real estate and lending. TIME Investments has a long track record in fund management with 30 investment specialists within the renewables, lending and property teams.

## Latest fund updates

### FCA consultation on open-ended property fund structures

The Financial Conduct Authority (FCA) has proposed a consultation on open-ended property funds. The FCA has proposed that longer redemption periods would benefit investors. On 7 May 2021, the FCA released a feedback statement on their consultation. If the FCA does proceed with applying mandatory notice periods for authorised open-ended property funds, which is, at this time, not certain, the FCA has stated that the proposed changes for authorised open-ended property funds would not be implemented before late-2023 at the earliest.

### HMRC consultation on ISA investment in open-ended property funds

HMRC has recognised that the FCA's consultation proposals may run contrary to ISA legislation, which requires ISA investors to be able to access their funds or transfer them to another ISA within 30 days of making an instruction to their ISA manager. Under current legislation, such property funds would no longer be ISA eligible investments. In order to mitigate the impact on ISA holders if the FCA's consultation proposals are introduced, HMRC is considering whether to allow existing ISA investments in open-ended property funds to remain within the ISA, while potentially prohibiting 'new' ISA investments in such funds. The HMRC consultation closed on 13 December 2020, with its findings expected to be published this year.

## The Fund provides a wide range of social benefits to those in need



### Beds

228 care home beds



### Education

Over 400 nursery places for children



### Housing

Over 140 supported living or complex care living units



### Healthcare

Primary healthcare facilities for over 70,000 patients

Summary of TIME:Social Long Income's assets, March 2022.

## How to invest

### Fees

| Share/Unit class | Minimum investment | Minimum top up | OCF   |
|------------------|--------------------|----------------|-------|
| A-B              | £5,000             | £1,000         | 1.45% |
| C-D              | £5,000             | £1,000         | 1.45% |
| F-H              | £5,000             | £1,000         | 1.70% |
| M-N              | £5,000,000         | £100,000       | 1.20% |
| O-P              | £5,000,000         | £100,000       | 1.20% |
| S-T              | £5,000,000         | £100,000       | 1.45% |
| I-J              | £5,000             | £1,000         | 1.45% |
| K-L              | £5,000             | £1,000         | 1.70% |
| Q-R              | £5,000,000         | £100,000       | 1.20% |
| U-V              | £5,000,000         | £100,000       | 1.45% |

### Platform availability



The above availability is for PAIF only.

## Distributions

Income return (A Acc GBP) 3.91% per annum (based on last 12 months)

Distribution frequency Quarterly

| Ex-dividend date | Payment date      | Distribution per share (£) |
|------------------|-------------------|----------------------------|
| 1 April 2022     | 30 June 2022      | 0.0120                     |
| 1 January 2022   | 31 March 2022     | 0.0109                     |
| 1 October 2021   | 31 December 2021  | 0.0121                     |
| 1 July 2021      | 30 September 2021 | 0.0129                     |

### Important notice

This is a financial promotion as set out in the Financial Services and Markets Act 2000 (FSMA). This document is issued in the UK by TIME Investments, a trading name of Alpha Real Property Investments Advisers LLP, which is the Investment Manager of the Fund with delegated authority from Alpha Real Capital LLP, the authorised corporate director of the Fund. Both TIME Investments and Alpha Real Capital LLP are authorised and regulated by the Financial Conduct Authority. Please note your capital is at risk and there is no guarantee that the Fund's investment objective will be achieved. The value of investments and the income from them may fall as well as rise as a result of fluctuations in market, currency or other factors and investors may not get back the original amount invested. Any past performance data cited is not a reliable indicator of future results. TIME Investments may source data from third party data providers but accepts no responsibility or liability for the accuracy of data. This document does not constitute investment advice and potential investors are recommended to seek professional advice before investing. Applications for shares in the Fund can only be made via an Application Form and after reviewing the Key Investor Information Document ("KIID") and the Prospectus and investors should carefully read the risk warnings contained within. All documentation is available on request. Specific Fund Information: The underlying investments in the Fund consist wholly or substantially of real property. The value of the real property concerned will generally be a matter of valuer's opinion rather than fact. The Fund invests in assets that may at times be hard to sell. This means that there may be occasions when you experience a delay or receive less than you might otherwise expect when selling your investment. For more information on risks, see the Fund's prospectus and KIID. Fund Status: The Fund is a sub-fund of ARC TIME:Funds II and is a NonUCITS Retail Scheme within the meaning of the rules contained in the Collective Investment Schemes Sourcebook (the "FCA Regulations") published by the FCA as part of their Handbook of rules made under the FSMA. Issued: April 2022.

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