

Key facts

Fund size	£101.7m
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.

** Currently suspended

Fund managers



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 around £150 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 £700 million of investment. He has over 15 years' experience in finance, fund management and investing UK Smaller Companies. Previously, Stephen was a Divisional Director at Close Brothers Group PLC's tax efficient and property funds division, with responsibility for structuring and managing tax efficient investments, including EIS investments.



Roger Skeldon has over 15 years' experience in fund management, finance and commercial property. He has been at TIME Investments for over 10 years and has operated as Assistant Fund Manager and more recently Fund Manager for TIME:Commercial Long Income and TIME:Social Long Income since their inception.

TIME:Social Long Income

Long Income Funds

Data as at: **30 November 2020**

Published: **December 2020**

TIME:Social Long Income has continued to maintain an impressive performance against the IA UK Direct Property sector, outperforming all other funds in the sector over three years to 30 November 2020.

Continuation of suspension

The ACD and the Depository have, in accordance with FCA rules, agreed to maintain the suspension of the Funds from 30 September 2020 on the new basis of liquidity risk and have notified the FCA of this decision. It is currently unclear how long the suspension will continue as it is linked to a number of factors including cash levels, future capital commitments, asset marketability, the FCA consultation and projected investor funds flows. However, our primary consideration is to act in the best interests of all shareholders. The decision whether to remain suspended is under continuous review and we shall continue to report this to the FCA at least every 28 days.

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.

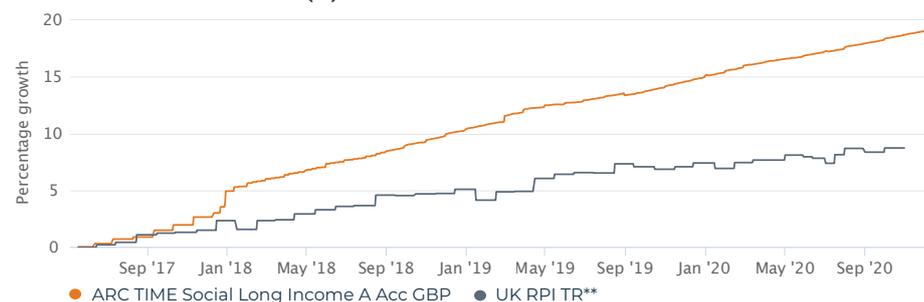


Positive social impact

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	0.25	0.91	1.83	3.87	15.52	18.99
UK RPI TR**	0.00	0.03	0.58	1.34	6.90	8.52

Discrete annual performance (%)

12 months to 30 Nov	2020	2019	2018	2017	2016
A Acc GBP	3.87	4.19	6.74	-	-
UK RPI TR**	1.34	2.07	3.34	-	-

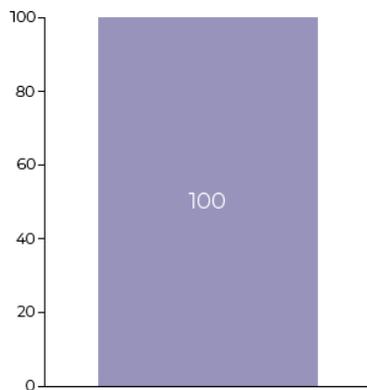
*Includes capital and income

**Data as at 31 October 2020

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

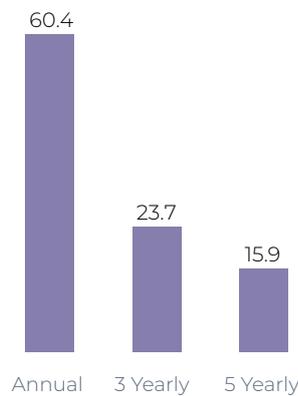
Portfolio breakdown

Long lease (%)

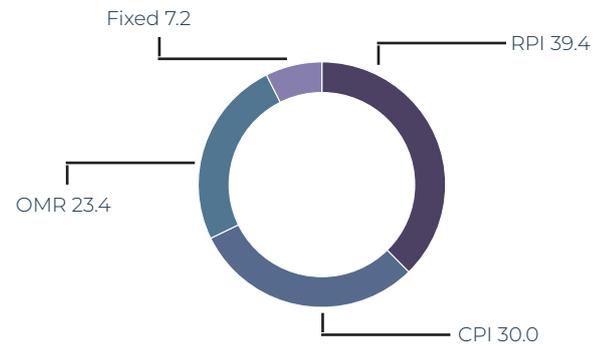


■ Long lease
Overall WALT* (to break) 22 years
*WALT = Weighted Average Lease Term

Rent review frequency (%)



Rent review type (%)



Sector weighting (%)

Care Home	20.4
Medical Centre	18.9
Nursery	18.6
Supported Living	16.3
Secondary Care	12.8
High Complex Care (HCC)	7.9
Assisted Living/HCC	5.1

Region breakdown (%)

South East	33.2
North West	17.0
East Midlands	15.4
London	12.8
West Midlands	9.6
Yorkshire and Humber	6.5
South West	2.9
East of England	2.6

Top 10 holdings (%)

Botleigh, Brighterkind	11.8
HC One, Bingham	8.7
90 Harley Street, London	6.9
92 Harley Street, London	5.9
Inclusion/Lifeways, Clowne	5.4
Mears, Bolton	5.1
Inclusion, Cannock	4.7
Beechwood Medical Centre, Halifax	4.1
Bright Horizons, Surbiton	3.3
Inclusion, Wavertree	2.8

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

TIME: Social Long Income has continued to maintain an impressive performance against the IA UK Direct Property sector, outperforming all other funds in the sector over three years to 30 November 2020. The value of the Fund's shares increased by 0.25% for the month of November 2020.

The Fund has maintained positive monthly returns throughout the COVID-19 period, with the resilience of the portfolio and social infrastructure sector being demonstrated in these difficult times. The Fund's value has increased by approximately 2.41% since the first lockdown. With the ongoing COVID-19 pandemic and the country experiencing a second lockdown period, there remains significant uncertainty which is affecting the economic recovery, but 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 positive performance.

The property portfolio of the Fund will next be valued by the independent valuer at 31 December 2020. The Fund has collected almost 100% of the rent due during the COVID-19 period and this has continued in the most recent quarter. The Fund has agreed for some tenants to pay their rents monthly rather than quarterly on a temporary basis and we remain in communication with all our tenants, in particular with those most affected. Operational pressure remains and some tenants may still require support, but by assisting tenants through this difficult period, the Fund is focused on the value of its property portfolio in the long term.

The Fund's income for the quarter to 30 September 2020 of 1.08% (based on the Class A Gross Accumulation shares) is to be paid at the end of December 2020. The Fund's performance over the year to 30 November 2020 has been 3.87% (based on the Class A Gross Accumulation shares), comprising an income return of 4.50% and a capital loss of 0.63%.

Outlook

We are pleased to report that the Fund has continued to outperform its traditional commercial property OEIC peers. Since the Fund was launched it has been managed with the focus on low 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.

We anticipate the positive performance to continue, while highlighting the ongoing pressures and changing environment across many sectors.

FCA consultation on open-ended property fund structures

The Financial Conduct Authority (FCA) has proposed a consultation on open-ended property funds <https://www.fca.org.uk/news/pressreleases/fca-consults-newrules-improve-open-ended-property-fundstructures>. The FCA has proposed that longer redemption periods would benefit investors. We submitted our response to the FCA as part of this consultation process, which closed on 3 November 2020. Following the consultation, the FCA intends to publish its findings in 2021.

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 closes on 13 December 2020, with its findings expected to be published in 2021.

About TIME

At TIME Investments we have created a platform for predictability and consistency to help our clients rest easy. We provide carefully considered investments that seek to deliver predictable returns in an unpredictable world. The group manages over £4 billion of property, infrastructure, and renewables investments in both private and public vehicles. TIME Investments has a 20+ years track record in fund management with 42 investment specialists within the renewables, lending and property teams.

Fund suspension

The ACD and the Depositary have, in accordance with FCA rules, agreed to maintain the suspension of the Fund from 30 September 2020 on the new basis of liquidity risk and have notified the FCA of this decision. It is currently unclear how long the suspension will continue as it is linked to a number of factors including cash levels, future capital commitments, asset marketability, the FCA consultation and projected investor funds flows. However, our primary consideration is to act in the best interests of all shareholders. The decision whether to remain suspended is under continuous review and we shall continue to report this to the FCA at least every 28 days.

The Fund has been suspended since 18 March 2020 as a result of material uncertainty in the Fund's independent valuers' opinion of property values, caused by the outbreak of COVID-19. On 30 September 2020 the independent valuer removed material uncertainty from its valuation of the Fund's property portfolio. However, the ACD and Depositary have agreed that it is in the best interests of shareholders to continue the suspension in dealing in the Fund's shares (and the units of its feeder trust, ARC TIME Social Long Income Feeder Trust) on the basis of liquidity risk.

From discussions with our existing investors and having reviewed recent activity in comparable funds, we believe the Fund may need to reach around 20% cash before it will be in a position to reopen. The Fund is currently holding cash of around 8% of NAV, but has commitments relating to two care home developments where construction continues and completion is expected over the next seven months. The Fund is looking to raise additional liquidity through appropriate asset sales and depending on how these progress, we expect to be in a position to reopen the Fund in early 2021, once sufficient sales have been completed. As we go through this process, all decisions will continue to be taken in the best interests of shareholders.

The Fund will continue to be managed in accordance with its investment objective and will pay its quarterly distributions in the normal manner, with its next distribution to be paid on 31 December 2020. We will also continue to publish daily prices, which can be viewed at www.time-investments.com so you can value your investment. However, any dealing instructions we receive during this period of suspension will be rejected until such time as the suspension on dealing in the Fund is lifted. For more information as it becomes available, including our Q&A, please visit our website www.time-investments.com.

We understand that the suspension of dealing may be causing concern for investors in the Fund. We can assure you that we are striving to do all we can to bring further clarity to the situation as soon as possible. All decisions will continue to be taken in the best interests of shareholders.

For individual shareholders, should you require any further assistance please do not hesitate to contact our Client Services Team on 0345 600 1213 or by e-mailing enquiries@timeinvestments.com.

For financial advisers, please speak to your Business Development Manager for further information. If you need to remind yourself of the contact details of your local BDM, please check [here](#).

How to invest

Fees

Share/Unit class	Minimum investment	Minimum top up	OCF
A-B	£5,000	£1,000	1.51%
C-D	£5,000	£1,000	1.51%
F-H	£5,000	£1,000	1.76%
M-N	£5,000,000	£100,000	1.26%
O-P	£5,000,000	£100,000	1.26%
S-T	£5,000,000	£100,000	1.51%
I-J	£5,000	£1,000	1.51%
K-L	£5,000	£1,000	1.76%
Q-R	£5,000,000	£100,000	1.26%
U-V	£5,000,000	£100,000	1.51%

Platform availability



The above availability is for PAIF only.

Distributions

Income return (A Acc GBP) 4.50% per annum (based on last 12 months)

Distribution frequency Quarterly

Ex-dividend date	Payment date	Distribution per share (£)
1 October 2020	31 December 2020	0.0125
1 June 2020	30 September 2020	0.0123
1 April 2020	30 June 2020	0.0133
1 January 2020	31 March 2020	0.0120

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: December 2020.

TIME
INVESTMENTS

TIME Investments

338 Euston Road, London NW1 3BG

T: 020 7391 4747 F: 020 7391 4770

questions@time-investments.com

time-investments.com

Alpha

Authorised Corporate Director:
Alpha Real Capital LLP

TIME Investments is the trading name of Alpha Real Property Investments Advisers LLP which is registered in England and Wales with company number OC355196. Both TIME Investments and Alpha Real Capital LLP are authorised and regulated by the Financial Conduct Authority. FCA registration number 534723 and 436048 respectively.