

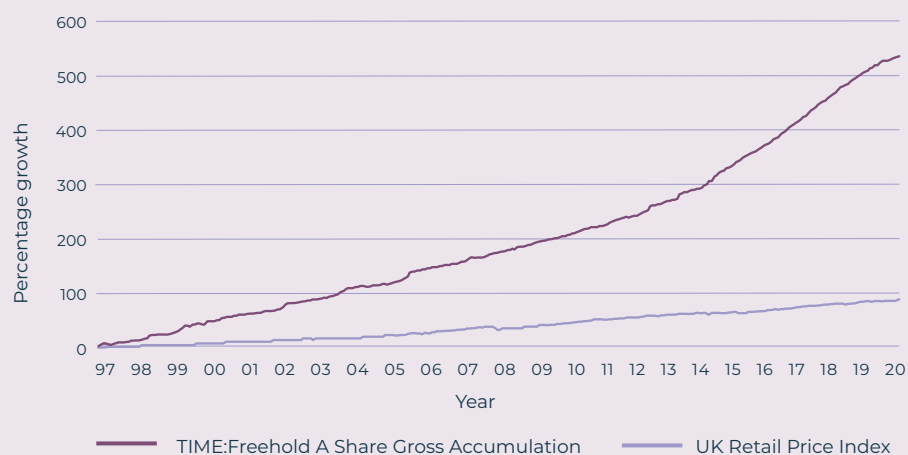
Key features

- Track record of positive monthly returns throughout several economic cycles
- Long, predictable and consistent income streams with a history of capital preservation
- Relatively low volatility
- Low correlation with other asset classes and therefore less cyclical to the impacts of economic events
- Well diversified – holding around 64,000 ground rents with no exposure to the more onerous modern ground rents

Uses for TIME:Freehold

- A long-term holding as part of an alternative asset allocation
- To provide diversification within client portfolios
- For clients seeking a consistent income stream
- Can be held directly or within SIPPs

TIME:Freehold vs RPI since April 1997



Source: TIME Investments and Lipper. Performance shown is from inception of Accumulation share class on 30 April 1997 to 31 July 2020

Reasons to invest



Income security

Our properties generate consistent, long-term cash flows. This is achieved through long tenancies with an over-collateralised ground-rent structure. The Fund is first ranking title in the land registry and therefore ranks above any mortgage bank or lender. Positive monthly performance throughout the COVID-19 crisis and no income cuts.



Lower volatility

The Weighted Average Lease Term (WALT) is more than ten times greater than many traditional UK commercial property funds. This combined with the over-collateralised ground-rent structure removes significant uncertainty in valuation.



Consistent rental growth

The majority of rent reviews are linked to inflation or have a fixed uplift, delivering consistent and relatively predictable levels of rental growth.



Capital growth

The Fund may benefit from capital value increases in its property portfolio. This can happen in several ways, such as rental growth, lease extensions and the shortening lease transferring the full reversionary value of the underlying property to the landlord.



Track record

During a challenging decade for investment, the Fund has protected investors' wealth far more effectively than many other asset classes, as a result of its highly secure income stream.



TIME experience

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

Key Characteristics

Consistent income stream and a history of capital preservation

Fund aim

The investment objective of the Fund is to acquire freehold ground rents which offer a consistent income stream and capital growth prospects. The primary investment of the Fund will be residential freehold ground rents from properties in the UK.

How TIME:Freehold works

- The Fund (as the Freeholder) owns around 64,000 UK ground rents and receives regular ground rent payments from the leaseholders, of on average £141p.a (an immaterial amount compared to the value of the lease). The leaseholder is responsible for paying repairs and maintenance costs, annual service charge and their share of the building insurance. It is unlikely the leaseholder will not pay their ground rent and risk losing their property. In most cases, the leaseholder is likely to have a mortgage bank who will likely step in and pay the ground rent to protect their security "the lease" should the leaseholder fail to pay.
- TIME:Freehold's ground rents are long-dated typically having more than 100 years left to run (currently around 85% of the Fund's portfolio). Accordingly, the performance of the Fund has less correlation with the underlying values and movements of the residential property market.
- TIME:Freehold has the potential to generate capital gains through sharing valuation uplifts with leaseholders arising from lease extensions and other similar transactions, colloquially referred to as 'marriage value'. TIME:Freehold also benefits from commission on buildings insurance in certain circumstances.

Important information: This is not a financial promotion or an invitation or inducement to engage in investment activity. 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 ARC TIME Freehold Income Authorised Fund (TIME:Freehold) 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 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 reviewing the Key Investor Information Document 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; under certain market conditions investors seeking to redeem their holdings may experience significant restrictions or delays. Fund Status: The Fund is a Non-UCITS 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 Financial Services and Markets Act 2000 (the Act). All information correct as at September 2020.



Fund structure

- TIME:Freehold is an open-ended collective investment scheme (OEIC) constituted under a trust deed
- Income is paid to investors in May and November of each year - accumulation units are available
- Monthly dealt
- Independent depositary, Natwest Trustee and Depositary Services Limited

Charges

- Initial charge: 1%
- Ongoing charge: 1.68%p.a*
- Dilution levy: The levy and the rate that is applied is reviewed at every dealing day and may alter in line with the fund objectives. For the current levy applied please see the most recent factsheet
- For platform availability, please visit the factsheet
- TIME:Freehold is an open-ended investment company (OEIC), authorised by the FCA as a non-UCITS Retail Scheme (NURS) and has elected into HMRC's Property Authorised Investment Fund tax regime

* Representative for a holder of share classes A-D and ISA share classes.

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