

**ARC TIME Commercial Long Income PAIF (“TIME:Commercial Long Income”)
ARC TIME Social Long Income PAIF (“TIME:Social Long Income”)
Freehold Income Authorised Fund (“TIME:Freehold”)
each being a “Fund”**

Suspension of dealing - coronavirus and valuers’ material uncertainty

Q&A – 18 March 2020

Background

A material uncertainty clause has been added into the property valuations of each of the Funds by their respective independent valuers, caused by the outbreak of the Novel Coronavirus (COVID-19). Consequently, dealing in the shares of TIME:Commercial Long Income, TIME:Social Long Income and TIME:Freehold (along with their feeder trusts) has, in accordance with Financial Conduct Authority (FCA) rules, been suspended effective of 9am on 18 March 2020. This suspension is in common with other authorised open-ended property funds, which have also suspended this week on the same material uncertainty basis and has been discussed and agreed with the Depositary.

Why has dealing been suspended?

The outbreak of the pandemic virus COVID-19 has had and continues to have a significant adverse effect on global markets. Whilst less affected than equity markets, the UK property sector is not immune to these unprecedented set of circumstances. Each of the Funds’ valuers has advised that as a result of the ongoing emergency caused by COVID-19, there is material uncertainty over the value of the property assets of the Fund. The three Fund valuers’ unanimous opinion of material uncertainty extends to the entire UK property market and has also been adopted by all valuers of authorised funds in the UK.

In accordance with the FCA Handbook, which each Fund is subject to, where there are exceptional circumstances and it is deemed to be in the best interests of all shareholders, then a Fund will be suspended. In this exceptional case, each Fund has been suspended as there is a risk that the material uncertainty of the valuer relating to the underlying property assets may mean an investor entering or exiting a Fund receives a share price significantly different than its underlying value. This may also impact shareholders who remain invested. As such the suspension is undertaken with regard to the best interests of all investors.

Does the material uncertainty just relate to the property assets of the Fund?

Yes.

Do these material uncertainty clauses relate to all sectors of UK property?

The valuers’ opinion of material uncertainty extends to the entire UK property market. This material uncertainty opinion has also been adopted by all valuers of authorised funds in the UK.

The noted material uncertainty to property values is being applied across the whole UK market without any distinction between sub-asset classes, such as between ground rents and long leases to good covenants and secondary property with short leases.

Have the Funds suspended because they have insufficient liquidity to meet redemption requests?

No. Each Fund has adequate liquidity reserves, has generally experienced net subscriptions since inception, and had been well placed to meet redemptions on a daily basis. None of the three Funds would have suspended at this time were it not for each valuers’ unanimous opinion of material uncertainty over property values in light of the impact of COVID-19.

I am invested in the feeder trust, is that also suspended?

Yes. ARC TIME Commercial Long Income Feeder Trust, ARC TIME Social Long Income Feeder Trust and Freehold Income Authorised Feeder Trust are each the dedicated feeder funds to the relevant Fund. Consequently, dealing in the units of the feeder trusts also suspended as at 9am on 18 March 2020.

Can I place any deals in the Fund?

Dealing instructions received will not be accepted in any Fund (or the feeder trusts). This includes any instructions placed prior to the date of suspension. This also includes regular saving contributions. Investors who subscribe through a platform should contact their platform provider for further information.

We will notify investors and their advisers as soon as dealing in the Fund recommences.

How long will each Fund be suspended for?

It is currently unclear how long the suspensions will continue as it is linked to the ongoing effects of the COVID-19 and is not related to the liquidity of each Fund, which has been unaffected. However, until such time as the valuer confirms that material uncertainty in the valuation of the property assets no longer exists, each Fund will remain suspended. The decision whether to remain suspended will be under continuous review (and we shall report this to the FCA at least every 28 days).

In accordance with the FCA Handbook the suspensions will only remain in place for as long as the exceptional circumstances continue.

Will the independent valuers continue to value the property portfolios during the period of the suspension?

Yes. The independent valuers will continue to provide a valuation of each respective Fund's property portfolio at the end of each month. However, the valuers' reports will contain a material uncertainty clause in relation to the value of each Fund's property portfolio.

Do you have sufficient liquidity, and if not, are you selling properties?

Each Fund has sufficient liquidity to meet its investment objectives and to manage its property portfolio and its financial commitments. None of the Funds are seeking to dispose of any properties within its portfolio at this time.

Will the Funds' investment objectives change during the period of suspension?

No. The Funds will continue to be managed in line with their investment objectives and policies. The Funds will continue to be actively managed and we will report on performance and any updates as normal.

Will the suspension affect my income distributions?

The Funds should continue to collect rent from tenants. The Funds should continue to make distributions as usual in accordance with the relevant Prospectus. For those holders of income shares, the distribution will be paid in cash and for those holders of accumulation shares the distributions will be accumulated into the capital value of the shares, as usual.

Who made the decision to suspend dealing?

In accordance with the FCA Handbook, this decision was undertaken by the Authorised Corporate Director, with the agreement of the Funds' Depositary, NatWest Trustee and Depositary Services Limited. The Financial Conduct Authority has been notified.

Will the suspension affect the financial statements for the Funds?

No. We will continue to publish financial statements and make these available to shareholders and their advisers as normal. The Funds' annual reports for the year to 31 March 2020 are scheduled to be published at the end of July 2020.

Will stock transfer instructions be permitted?

Yes.

Will you write to me to tell me the suspensions have been removed?

Yes. We will write to shareholders and their advisers to notify the lifting of the suspensions as soon as possible. We will also provide investors and their advisers with up to date information when available via the TIME website.

Does it make any difference if an investment in the Funds is within an ISA?

No. Until the suspension is removed, you will not be able to buy or sell shares in the Funds.

How can I find out the value of my investments in the Funds?

As usual, the Funds will continue to publish the prices of all their share classes at www.time-investments.com/document-library/ and www.alpharealcapital.com as well as other information about each Fund, as and when it is released. This will also apply for the unit classes of the feeder trusts.

How can I contact you to find out more about the Fund and the suspension?

For more information as it becomes available, please visit our website www.time-investments.com or 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@time-investments.com.

For all 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 on our website, www.time-investments.com/business-development-managers/.

TIME Investments
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