

0.31%	5.11%	3.89%
1 month fund return (A Acc GBP)	1 year total return* (A Acc GBP)	1 year income return (A Acc GBP)

#### Key facts

Fund size	£164.1m
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

UA921E.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** 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 and TIME:AIM solutions, looking after more than £1 billion of investment. He has over 15 years' experience in finance, fund management and investing in UK Smaller Companies.

Data as at: **31 August 2022**

Published: **September 2022**

#### 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 linkage

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.

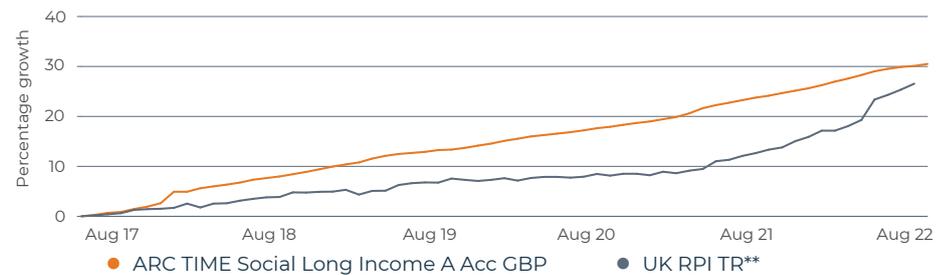


##### Positive social impact

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	5 years	Since launch
A Acc GBP	0.31	0.76	2.29	5.11	15.12	28.61	30.50
UK RPI TR**	0.94	2.57	8.03	12.34	18.55	25.76	26.55

##### Discrete annual performance (%)

12 months to 31 August	2022	2021	2020	2019	2018
A Acc GBP	5.11	5.28	4.02	4.55	6.86
UK RPI TR**	12.34	3.84	1.62	2.77	3.22

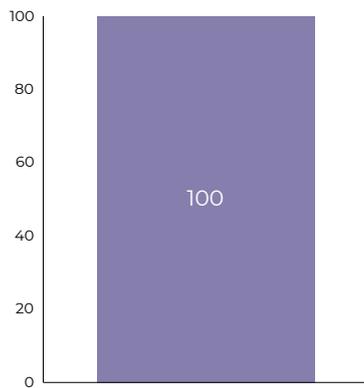
\*Includes capital and income

\*\*Data as at 31 July 2022

Source: Financial Express and TIME Investments. Performance data is based on total return (A Acc). The value of an investment, and any income from it, can fall or rise and investors may not get back the full amount they invest. The past performance of the fund is not a reliable guide to its future performance.

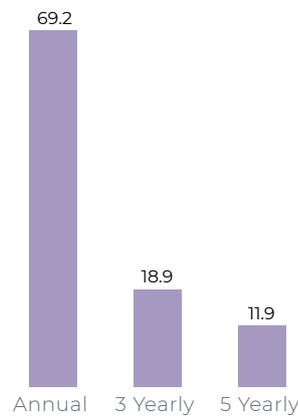
## Portfolio breakdown

### 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	39.7
Medical Centre	13.9
Supported Living	13.1
Nursery	12.4
Secondary Care	10.9
HCC	6.0
Assisted Living/HCC	4.0

### Region breakdown (%)

South East	39.9
North West	15.6
East Midlands	15.2
London	12.8
West Midlands	7.4
Yorkshire and Humber	4.8
South West	2.2
East of England	2.1

### Top 10 holdings (%)

Care UK, Hailsham	17.3
Barchester, Botleigh	12.5
HC One, Bingham	9.9
90 Harley Street	6.2
92 Harley Street	4.8
Inclusion/Lifeways, Clowne	4.2
Mears, Bolton	4.0
Inclusion, Cannock	3.8
Beechwood Medical Centre, Halifax	3.0
Bright Horizons, Didsbury	2.4

### Featured asset - Bright Horizons

TIME:Social Long Income acquired the freehold of a nursery in Didsbury let to national operator Bright Horizons in May 2022. The asset which is let on a 25 year lease and contains RPI linked rent reviews.



## Fund manager commentary

### Fund Manager Commentary

The Fund has continued to deliver a consistent income return from its portfolio which is being driven from various sectors where the Fund has exposure, which are typically less cyclical in nature and provide essential services. 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 September 2022.

Expectations of increased interest rates alongside high inflation has put pressure on pricing in many asset classes, with bond yields reflecting these expectations. There are various other factors that influence property yields and values, such as other macroeconomic factors like economic growth, but also factors such as supply and demand, or rental growth which will also be driven by specific sector or property aspects. Long income property gives better visibility of occupancy alongside the inflation linked or fixed rental growth rent review structures which provide more clarity and typically result in lower volatility. During times of uncertainty and volatility a flight to more defensive real estate, such as long income property often happens.

### Fund performance

The value of the Fund's shares increased by 0.31% for the month of August 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 c23% of its prevailing net assets. The Fund's income for the quarter to 30 June 2022 of 0.93% (based on the Class A Gross Accumulation shares) will be paid at the end of September 2022. The Fund's performance over the year to 31 August 2022 was 5.11% (based on the Class A Gross Accumulation shares), comprising an income return of 3.89% and a capital growth of 1.22%.

### Outlook

Since the Fund was launched it has been managed with the focus on reducing capital volatility and increasing 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 the Fund's positive long term performance.

Traditional commercial property with shorter leases and rent reviews linked to the open market typically has more volatile performance as income and capital is more reactive to short term changes in the market conditions and tenant behaviour. Long income property removes some of this volatility through the length of lease (visibility of occupancy) and structured rent reviews, resulting in a more consistent long-term return.

The WALT of the portfolio is 22 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, 87% 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 to continue, with a income 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 2024 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	1.43%
C-D	£5,000	£1,000	1.43%
F-H	£5,000	£1,000	1.68%
M-N	£5,000,000	£100,000	1.18%
O-P	£5,000,000	£100,000	1.18%
S-T	£5,000,000	£100,000	1.43%
I-J	£5,000	£1,000	1.43%
K-L	£5,000	£1,000	1.68%
Q-R	£5,000,000	£100,000	1.18%
U-V	£5,000,000	£100,000	1.43%

### Platform availability



The above availability is for PAIF only.

TIME:Social Long Income currently aligns with 9 out of 17 UN SDGs:



### Distributions

Income return (A Acc GBP) 3.89% per annum (based on the last 12 months)

Distribution frequency Quarterly

Ex-dividend date	Payment date	Distribution per share (£)
1 July 2022	30 September 2022	0.0119
1 April 2022	30 June 2022	0.0120
1 January 2022	31 March 2022	0.0126
1 October 2021	31 December 2021	0.0109

### 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 Investment 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 third-party 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 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 FSMA. Issued: September 2022



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