

TIME:Social Long Income | Material Uncertainty update

Date: 10 September 2020

On 8 September 2020, the panel for RICS, the UK governing body for property valuers, reached a consensus that material valuation uncertainty be removed from all UK real estate, excluding some assets valued with reference to trading potential.

Although material uncertainty has now been removed by RICS on most sectors, the decision on whether or not to apply the material valuation uncertainty declaration in any sector, remains that of the individual valuer. The most recent independent valuation for the fund, on 28 August 2020, contained material uncertainty opinions over a significant number of properties within the fund's portfolio. Before any lifting of the suspension can be contemplated these material uncertainty opinions would need to be removed from the fund's next independent valuation report, due on 30 September 2020.

As a result, we are reassessing the ability of the fund to lift its suspension for 30 September 2020, when its next property valuation will be issued by the fund's independent valuer.

Further matters are now being considered before any decision can be made to reopen the fund for daily dealing. These include the current and forecast liquidity of the fund, projected fund flows and asset and market liquidity. These factors are currently being assessed, with greater scrutiny in light of the decision by RICS, with the manager's primary consideration being the best interests of the fund's shareholders.