

## TIME:Social Long Income | Performance Update

Date: 1 May 2020

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The Fund's property portfolio was valued by the independent valuer on 30 April 2020. The independent valuer has confirmed that material uncertainty continues to exist due to the Novel Coronavirus (COVID-19) and consequently, the related clause remains within the property valuation.

Taking the current circumstances into account and the ongoing issues faced by certain property sectors, the independent valuer has marginally reduced the value of the portfolio equivalent to 0.04% of the Fund's net asset value. This reduction has been offset by the income received and has resulted in the value of the Fund's shares increasing by 0.25% for the month of April 2020. The Fund's 12 month total performance to 30 April 2020 is 3.63%.

Within the Fund's portfolio there has been both increases and decreases in the value of properties within the different sectors. The independent valuer has reduced the value of the childcare nurseries (representing around 20% of the portfolio) by approximately 1% to reflect the direct impact on their operations, caused by COVID-19. The Fund's tenants within this sector are Bright Horizons and Busy Bees, the UK's two largest operators with over 600 nurseries in UK between them. However, the majority of this valuation reduction has been offset by increases in the valuation of a number of care assets.

Some tenants are looking for landlords and lenders to assist during this period by using tools such as making changes to rental collection periods, a rent payment deferral or a rent free period. We have been in communication with all our tenants and in particular those in the affected sectors, to better understand the specific issues that they face and the discussions that they have had with other landlords and/or lending banks.

Whilst currently we have collected over 80% of this quarter's rent in the normal manner, we have agreed for some tenants to pay monthly rather than quarterly on a temporary basis and we anticipate that we will have collected over 90% of the quarter's rent by the end of the quarter in June 2020. Some tenants do require rent to be deferred further and this is something we continue to discuss with those tenants. Where the Fund decides to support tenants and grant a rent deferral, the deferred rent will be paid to the Fund over an agreed period of time.

Any concessions will impact on the income received by the Fund in the short to medium term, and consequently potentially the future income distributions in September 2020 and beyond, but by supporting tenants through this difficult period, the Fund is focused on the value of its property portfolio in the long term.

The Fund's property portfolio is diversified over a number of sectors such as medical centres, supported living, secondary care, care facilities and childcare nurseries.

The property portfolio of the Fund will next be valued by the independent valuer at 31 May 2020 but we shall provide a further update on the Fund in mid-May 2020.

For more information please visit the [Document Library](#) and monitor our [website](#) for further updates.