

TIME: SOCIAL LONG INCOME

Investments that give, as they give back.
A social infrastructure fund targeting
income and capital growth.

TIME
INVESTMENTS

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At TIME Investments, we make carefully considered investments. By investing in a diverse portfolio of social infrastructure we aim to deliver a consistent income stream along with capital growth prospects and a degree of protection from inflation.



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Important information

It is important that you take the time to read and consider the risks involved with investing in TIME:Social Long Income. The key risks are summarised on page 10.

Reasons to invest in TIME:Social Long Income



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 protection

Typically rent reviews are either inflation linked or have a fixed uplift, rather than being subject to an open market negotiation. 100% of the rent reviews are upwards only.



Lower volatility portfolio

The fund* invests in longer leases, avoiding much of the volatility experienced by traditional property funds.



Regular distributions

The fund currently seeks a consistent income by investing in social infrastructure. Distributions are paid quarterly, or can be accumulated into the capital value of the shares.



Track record in long income funds

The TIME group manages over £2 billion of UK long income property assets. Our residential fund, TIME:Freehold has maintained consistent, upward only returns and constant liquidity throughout its 26 year history. Both TIME:Freehold and TIME:Commercial Long Income have maintained consistent returns and constant liquidity during and post the UK Brexit vote.



Diversification

The fund provides diversification from typical commercial and residential real estate, offering returns that are less cyclical, through a well diversified portfolio of properties.



Demographics

The under supply and increasing demand for social infrastructure has created a need for long-term capital from the private sector.



Positive social impact

The fund allows investors to have a positive impact on society, while generating a long-term, attractive, risk-adjusted return.



Signatory of:



*References to the performance of the fund of TIME:Social Long Income include the performance of the fund and its predecessor, TIME:Social Freehold, from which TIME:Social Long Income acquired its assets by way of an exchange offer on 1 April 2019.

Introducing TIME:Social Long Income

TIME:Social Long Income fund invests in a diversified portfolio of supported living, assisted living and educational facilities such as day nurseries. It targets an annual income, along with long-term capital growth prospects.

Due to population growth and demographic changes, there is an increasing demand for high quality social infrastructure. What's more, funding restrictions mean the supply of social infrastructure assets is limited. We believe that the private sector can help by investing in assets that provide a meaningful social benefit in return for long leases.

Long leases give peace of mind to tenants, helping them forecast budgets and provide ongoing support for people using these facilities, as well as

bringing consistent income to the fund. Rents are typically linked to inflation, meaning there is security of income.

Investors are able to access TIME:Social Long Income through ISA, SIPP, SSAS and offshore bonds. Dealing on a daily basis, the fund is structured as a tax-efficient Property Authorised Investment Fund (PAIF), a type of Open Ended Investment Company (OEIC) authorised by the FCA.

Sectors the fund considers



TIME:Social Long Income at a glance

The fund maintains a diversified portfolio of assets. Below is an overview of some of the sectors in which we invest:

 Supported living	 Assisted living	 Educational facilities
<p>Description: Accommodation and care for individuals who need support due to physical or learning disabilities</p>	<p>Description: Accommodation and support for the elderly</p>	<p>Description: Day-care nurseries, further-education facilities</p>
<p>Typical lease: 15 to 30-year Fully Repairing and Insuring (FRI) to registered providers with inflation-linked rental uplifts</p>	<p>Typical lease: 15 to 30-year FRI to registered providers with inflation-linked rental uplifts</p>	<p>Typical lease: 15 to 30-year FRI leases with inflation-linked rental uplifts</p>
<p>User demand: Adults from 18 to 65 who, due to their disability, require lifelong housing and support, currently living in inappropriate, over-priced accommodation</p>	<p>User demand: Adults aged over 65 who need a level of support. This is likely to increase over time, but they don't need to be in a nursing or care home environment</p>	<p>User demand: Educational organisations providing high-quality learning environments, focused on facilities where both parents are working</p>
<p>Target location: Residential environments within local communities</p>	<p>Target location: Residential environments within local communities</p>	<p>Target location: Sustainable local communities with suitable demographics</p>

Fund structure

TIME:Social Long Income is daily dealt and uses a Non-UCITS Retail Schemes (NURS) structure. This is a type of Open Ended Investment Company (OEIC) that is authorised by the FCA and accessible to UK retail investors.

Distribution	Base currency	Liquidity
Quarterly	GBP (£)	Daily

Sector	Investment type	Domicile	Available in ISA/SIPP	Tax regime	Type of shares
IA Direct Property	NURS	UK	YES	PAIF	Income & Accumulation

The fund is a Property Authorised Investment Fund (PAIF). This is a tax-transparent structure, where property distributions are made without tax deductions to exempt investors, or with 20% withholding tax for non-exempt investors. A feeder trust is available for the investors or platforms who require it. The fund is available on many leading platforms.

The case for investment

Investment in social infrastructure is growing fast. It's becoming popular because assets create a positive impact on society, as well as offering a long-term, attractive, risk-adjusted return.



Supported living

- There are thought to be more than 1 million people in the UK with learning disabilities. Of these, around 124,000 working adults get long-term support from local authorities. Social Services spent in the region of £4.4 billion on providing long-term support for this demographic in 2014/15.

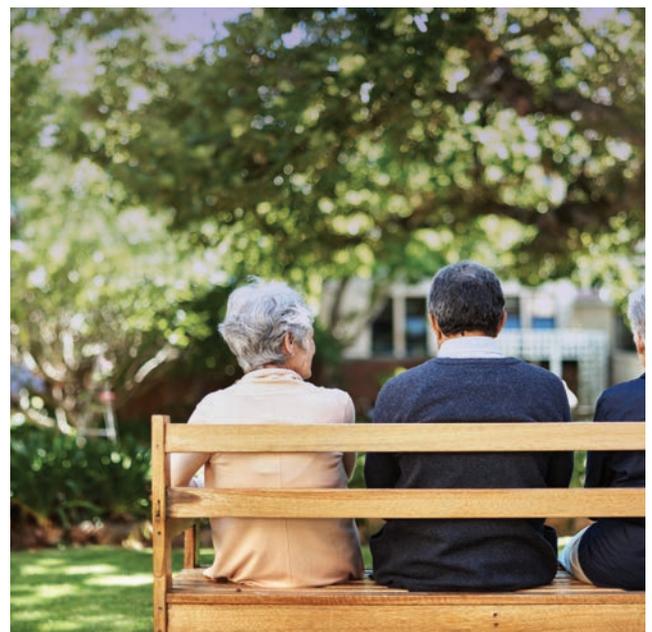
(Public Health England - People with Learning Disabilities in England 2015).

- The sector faces many challenges, including funding shortfalls and poor-quality accommodation, so there's a real opportunity here for private-sector investment. What's more, providing good, affordable accommodation in this sector means the most vulnerable in society are better looked after.



“The demand for quality early care and education remains high and is set to grow.”

Stephen Daniels
Fund Manager & Partner,
TIME Investments





Assisted living

- Curbs on Government funding for social infrastructure has created a need for long-term capital from the private sector.
- The UK's population in 2016 was its largest ever, at 65.6 million and this figure is projected to reach 74 million by 2039.
- An aging population is driving an increase in demand for social housing and care services.
- Assisted living in the UK is scarce. Currently less than 0.7% of our over 65s are in assisted living, compared with more than 5% in the US, Australia and New Zealand.

(Jones Lang LaSalle IP, Inc. 2017 Retirement Living).

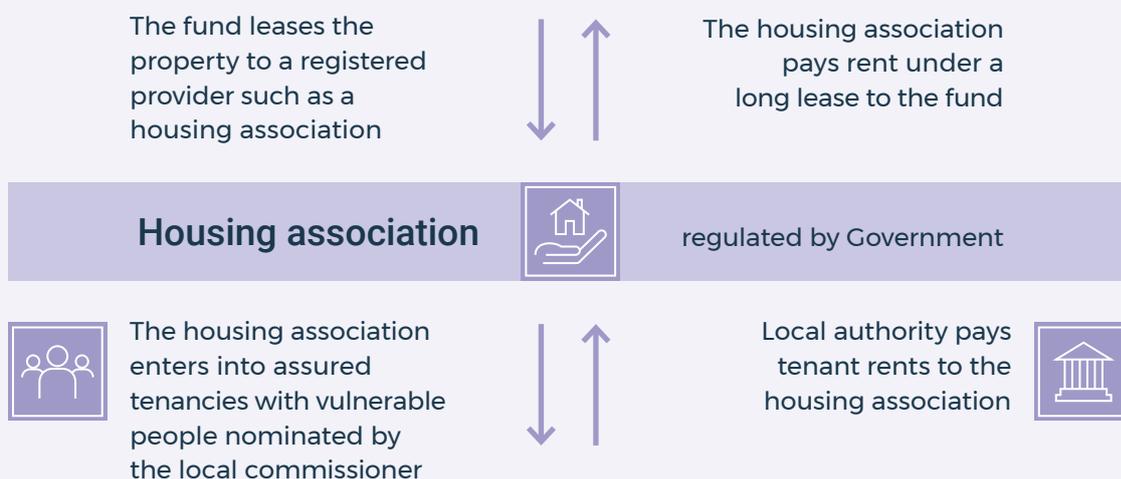


Education facilities and childcare

- A childcare survey published by the Family and Childcare Trust in 2016, revealed that only 45% of councils in England had enough childcare for parents in full-time work.
- According to the survey, 59 local authorities did not have enough free early education places for three to four year olds, meaning that 41,300 young children are potentially missing out. This figure is up from 23 local authorities in 2015.
- The demand for quality early care and education remains high and is set to grow. The population is increasing and there are Government incentives in place to encourage up to 30 hours a week free childcare for three to four year olds.

How supported-living investment works

TIME:Social Long Income



Case studies

Here we look at two of the assets the fund has invested in.

SUPPORTED LIVING

Inclusion Housing Ltd
Cannock, Staffordshire



- Lease duration at purchase: 60 years
- Purchase price: £3.8 million
- Rent review: Annual, RPI upwards only
- Net initial yield at purchase: 6.2%

This new development is made up of 16 one-bedroom apartments and four one-bedroom bungalows.

The tenant is Inclusion Housing CIC, a registered provider. It arranges tenancies with vulnerable people nominated by the local commissioner.

Inclusion Housing CIC makes monthly claims on behalf of the tenants to the local authority to cover costs, including rent.

Lifeways, a registered care provider, offers high-quality care to the tenants, along with a five-year guarantee to cover any shortfall in rent due to Inclusion Housing CIC.

EDUCATIONAL FACILITY

Bright Horizons Day Nursery
Woking, Surrey



- Lease duration at purchase: 25 years
- Purchase price: £2.1 million
- Rent review: 5 yearly, RPI 2% floor and 5% cap
- Net initial yield at purchase: 5.2%

Completed in May 2016, this development is let on a long lease to Bright Horizons, one of the UK's largest child day care providers. Bright Horizons operates over 300 nurseries in the UK and Ireland, and 850 sites worldwide.

The property is part of a new residential property scheme and could easily be used for other purposes, making it an attractive asset for resale.

About TIME

At TIME Investments we have created a platform for predictability and consistency to help our clients rest easy. We provide carefully considered investments that seek to deliver predictable returns in an unpredictable world. We believe that caution is wise and that patience builds the best, most reliable products.

We offer market leading estate planning products and long income funds that consciously strive to achieve the best risk adjusted returns for our investors. We concentrate on providing solutions that are backed by consistent, income producing investments; investments that are focused on real assets such as infrastructure and property. We do this to generate long-term, sustainable returns for our clients who are at the heart of everything we do.

We support financial advisers, family offices and institutions and today manage over £3 billion of assets. We are proud of our excellent track record of delivering stable, consistent returns.

We want to enable you to focus on the important things in life. We work hard with your money so you don't have to.

Our business in a nutshell:

Award-winning: TIME:Commercial Long Income was the winner in the Property & Real Estate category at the 2018 Investment Week Specialist Investment Awards.

Substantial: Our group has £3 billion in assets under management.

Experienced: An in-house team of 30 investment specialists, offering a real depth of experience.

Proven: Over half our assets are in long income property and we have an outstanding track record.

Established: Our management team has over 25 years' experience investing in long income real estate.

Thriving: We currently have more than 100 staff and growing.

Successful: We have been profitable every year since inception, with the benefit of a strong balance sheet and robust structure.

Know the risks

Nothing in life is risk free. It is understanding those risks and how they affect you that is most important. You should speak to your adviser regarding the suitability and risks of TIME:Social Long Income, however, some of the key risks are outlined below:

Investment performance

Achieving a consistent income return will depend on a wide range of factors, relating to the wider economy or the properties in which TIME:Social Long Income invests.

There may also be limited diversification across sectors and assets. Further details of these risks are available in the Prospectus.

Past performance does not provide an accurate guide to future performance. There is no guarantee that the investment and target return will be achieved. You should be aware that your capital is at risk and you may not get back what you invest.

Liquidity

Real estate is not a particularly liquid asset class and investors should only consider it as a long-term investment. If assets need to be sold, this may take time and involve costs. The return you make will depend on prevailing market conditions. However, risk can be mitigated by careful portfolio building and including more liquid assets in the portfolio.

You should treat your subscription as a long-term investment and you may have to wait until sufficient cash is available if you want to withdraw your investment. The fund is for investors who can accept the risks associated with making potentially illiquid investment in real property.

Political and legal risks

New laws may be instituted that place bigger burdens on the fund as the landlord.

Index linked rent review

The fund may experience lower levels of income growth in times of lower inflation.

Change in dilution adjustment

The fund may apply a dilution adjustment to the price of shares to reduce the impact of 'dilution'. The fund prices its shares each dealing day at net asset value with a dilution adjustment to reflect the costs of acquiring or disposing of property. The dilution adjustment ensures that incoming investors bear their proportionate share of the costs of acquiring property, so that existing investors do not suffer disproportionately.

It also ensures that when there are significant or prolonged net redemptions, redeeming investors bear their proportionate share of the costs of disposing of property so that continuing investors do not suffer disproportionately.

The exact calculation of the dilution adjustment on any dealing day will be with reference to the composition of the fund's balance sheet (broadly the higher the property composition the higher the dilution adjustment + or -, and the higher the cash composition the lower the dilution adjustment + or -). The dilution adjustment pricing method is also known as a single swinging price.

In broad terms, the price will always be at the offer price unless the fund is experiencing significant or prolonged net redemptions (at which point it would swing to the bid price). Since the introduction of the dilution adjustment, the fund's shares have been dealt at the offer price. Were the fund to swing to the bid price (as described above) the price of the shares subscribed or redeemed would be around 7%-9% lower.

For more information, please refer to www.time-investments.com/sli



“Speak to your financial adviser for a copy of the Application Pack.”

Kerri Thomas
Client Services Manager
TIME Investments

You should read the Key Investor Information Document and Prospectus to fully understand the risks involved. Then, together with your adviser, decide whether TIME:Social Long Income is right for you. Details of the cost for investing are outlined in the Share Class Summary Document, which is available from your adviser.

When you are ready to invest, please complete the Application Form and return it to your adviser.

If you have any questions please call one of the team on 020 7391 4747.

Important Information: 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 Investments Advisers LLP, which is the Investment Manager of ARC TIME Social Long Income PAIF (TIME:Social Long Income or the Fund) with delegated authority from Alpha Real Capital LLP, the authorised corporate director of ARC TIME:Funds II. ARC TIME Social Long Income PAIF is a sub-fund of ARC TIME:Funds II. 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 March 2020.



Carefully Considered Investments

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