

## ARC TIME Social Impact Property Fund (“the Fund”) ARC TIME Social Impact Property Feeder Trust (“the Feeder Trust”)

### Immediate temporary suspension of dealing– liquidity purposes

Investor Q&A – 20 March 2025

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#### Suspension Background

In order to protect the interests of all Shareholders, the Authorised Corporate Director (ACD) and the Depositary of the Fund and its Feeder Trust, have agreed to temporarily suspend dealing in the shares of the Fund and units in the Feeder Trust, effective as of 10 a.m. on 20 March 2025, in accordance with the terms of the Prospectuses of the Fund and Feeder Trust and the FCA Handbook.

The temporary suspension of dealing has come about due to recent higher than usual net redemptions from the Fund and Feeder Trust, which have accelerated in recent days and are now deemed unsustainable given the Fund’s existing cash resources and expected timeline for disposal of assets.

The suspension will remain until the Fund has created sufficient liquidity through an orderly programme of asset sales, with a focus on protecting Shareholder value. The Fund has been in the process of seeking to sell assets in a controlled manner. However, market conditions have been challenging during the early period of 2025, with fewer buyers for property assets in the market than usual and transactional activity below normal levels.

We understand that this may cause you some frustration and we want to assure you that our intention is that the suspension shall only be in place for as long as is needed to create the required liquidity and position the Fund and the Feeder Trust for the future. The decision whether to remain suspended will be under continuous review and we shall report these reviews to the FCA at least every 28 days. Whilst it is currently uncertain how long the suspension will continue, we expect it to remain only for as long as is needed to restore appropriate liquidity, having regard to the interests of all Shareholders and Unitholders.

On a separate matter, the Fund submitted an application to the FCA in December 2024 seeking approval to amend the investment objective and policy of the Fund to enable it to invest a higher proportion of its assets in indirectly held more liquid social infrastructure-related assets, whilst also seeking to maintain its Sustainability Disclosure Requirement (“SDR”) investment label. We expect the FCA to approve the change to enable the Fund to invest in more liquid social infrastructure-related assets, in April 2025. This will enable us to write to you again seeking investor consent at Shareholder and Unitholder meetings expected to be in May 2025.

During this period, we will continue discussions with the FCA regarding further SDR-related disclosures for the indirect social infrastructure assets to maintain the investment label.

In the meantime, the suspension will remain in place until the Fund has created sufficient liquidity through an orderly programme of asset sales, with a focus on protecting Shareholder value.

#### Who made the decision to suspend dealing?

In order to protect the interests of all Shareholders, Alpha Real Capital LLP, the Authorised Corporate Director (ACD) and NatWest Trustee and Depositary Services Limited, the Depositary of the Fund and its Feeder Trust, agreed to temporarily suspend dealing in the shares of the Fund and units in the Feeder Trust, effective as of 10 a.m. on Thursday 20 March

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2025, in accordance with the terms of the Prospectuses of the Fund and Feeder Trust and the FCA Handbook. The FCA was notified of the suspension.

### When did the suspension take effect?

Dealing in the shares of the Fund and units in the Feeder Trust was suspended effective as of 10 a.m. on 20 March 2025.

### Which shares and unit classes are affected?

All shares of the Fund and its Feeder Trust. For a full list of those classes of shares and units and their ISINs please visit our website at <https://time-investments.com/funds-overview/time-social-impact-property/>

### How long will the Fund be suspended?

The suspension shall be in place for as long as is needed to create the required liquidity and position the Fund and the Feeder Trust for the future. The decision whether to remain suspended will be under continuous review (and we shall report this to the FCA at least every 28 days). Whilst it is currently uncertain how long the suspension will continue, it will only remain for as long as is needed to restore appropriate liquidity, having regard to the interests of all Shareholders.

We expect the FCA to approve the change to enable the Fund to invest in more liquid social infrastructure-related assets, in April 2025. This will enable us to write to you again seeking investor consent at Shareholder and Unitholder meetings expected to be in May 2025.

Should the meetings approve the amendment of the investment objective and policy of the Fund to enable it to invest a higher proportion of its assets in indirectly held more liquid social infrastructure-related assets, such as real estate investment trusts (“REITs”), collective investment schemes and shares of companies engaged in property and property related activities. Any approved change would allow the Fund to amend its current portfolio composition to reduce its direct exposure to UK social infrastructure assets and to increase its exposure to more liquid social infrastructure-related assets. Once sufficient directly held property assets are sold, we would expect to be able to lift the suspension and resume dealing for the Fund and the Feeder Trust.

Notwithstanding any proposed changes to the Fund’s investment objective and policy, the lifting of the suspension is dependent on the Fund completing the sale of a substantial proportion of its property portfolio, which may take several months to complete, and potentially longer.

### What are the benefits of a more liquid property fund structure?

A more liquid property fund structure is in line with the trend seen in the retail property fund sector recently, with two of the biggest open-ended direct property funds receiving approval to start converting to a more liquid property fund structure in 2024. We believe this will allow investors to benefit from:

- Enhanced asset diversification
- Geographical diversification
- Greater liquidity
- Lowered fees
- Safeguarding of ISA eligibility

Should the meetings approve the amendment of the investment objective and policy of the Fund to enable it to invest a higher proportion of its assets in indirectly held more liquid social infrastructure-related assets, such as real estate investment trusts (“REITs”), collective investment schemes and shares of companies engaged in property and property related activities. The approved change will allow the Fund to amend its current portfolio composition to reduce its direct exposure to UK social infrastructure assets and to increase its exposure to more liquid social infrastructure-related

assets. This would, once sufficient property assets are sold, enable the Fund and the Feeder Trust, to lift the suspension and resume dealing

### **Will the Fund continue to operate as normal during the suspension?**

Yes. Although the Fund will be seeking to sell property assets to restore liquidity and return Shareholder value, the Fund will continue to collect rental income and carry out its investment activities, including making quarterly distributions in the normal manner with the next distribution to be paid at the end of March 2025. We will also continue to publish daily prices, which can be viewed at <https://time-investments.com/funds-overview/time-social-impact-property/> so you can value your investment. However, any dealing instructions we receive during this period of suspension will be rejected until such time as the suspension on dealing in the Fund and Feeder Trust is lifted.

### **Does the Fund have any bank debt drawn?**

Yes. The Fund has a revolving credit facility with RBS, which is drawn to £5.25 million (5.5% of the Fund's net asset value of £95 million). The suspension does not change the terms of the loan, and the Fund is able to service the debt from its rental income and pay down the loan from the proceeds of property sales.

### **I submitted a subscription/redemption instruction which has not yet been confirmed. Will this be processed?**

No. Dealing in the shares of the Fund and units in the Feeder Trust, was suspended effective as of 10 a.m. on 20 March 2025 and therefore all dealing received in the preceding 24 hours and any dealing received after the time of suspension will not be accepted.

### **Can I place any deals in the Fund?**

Dealing instructions received will not be accepted in the Fund (or the Feeder Trust). 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.

### **I submitted a redemption instruction which dealt on 19 March 2025 (or earlier). Will I still receive my redemption proceeds?**

Yes. All redemption instructions which dealt and were acknowledged for the dealing day of 19 March 2025 (the last dealing day) or earlier, will be paid out 3 business days after that dealing date.

### **Will the Fund continue to publish prices during the period of the suspension?**

Yes. The Fund will continue to publish prices on a daily basis and will have its property portfolio independently valued at the end of each month, as usual.

### **Will the suspension affect my income distributions?**

No. The Fund should continue to collect rent from tenants. The Fund should continue to make distributions in accordance with its Prospectus. For holders of shares that pay out income the distribution will be paid in cash. For holders of shares that accumulate income, the distributions will be rolled up into the capital value of the shares.

## Will you continue to accept instructions to transfer shares?

Yes. We will continue to accept instructions to change the registration of shares via stock transfer.

## Will you write to me to tell me when the suspension has been lifted?

Yes. We will write to shareholders and their advisers to notify the lifting of the suspension. We will also provide shareholders and their advisers with up-to-date information when available via the TIME website.

## Will the suspension affect the financial statements for the Fund?

No. We will continue to publish financial statements and ensure they are accessible to shareholders and their advisers. The Fund's annual report for the year ended 31 March 2025 is scheduled to be published at the end of July 2025.

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

No. Whilst the Fund is suspended, you will not be able to buy or sell shares.

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

As always, the Fund will continue to publish the values of all its shares in the usual way each day on our website at <https://time-investments.com/funds-overview/time-social-impact-property/> as well as other information about the Fund, as and when it is released. This will also apply for the unit classes of the Feeder Trust.

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

### [Intermediary only]

Please contact 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.

### [Investors only]

For more information as it becomes available, please visit our website:  
<https://time-investments.com/funds-overview/time-social-impact-property/>

If you have any further questions, please contact your financial adviser in the first instance or you can speak to a member of our Client Services team who can be contacted on 0345 600 1213 or by e-mailing [enquiries@time-investments.com](mailto:enquiries@time-investments.com).

**TIME Investments**  
**20 March 2025**