

Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 October 2018

TM home investor fund is the UK's first Financial Conduct Authority authorised residential Property Authorised Investment Fund (PAIF)

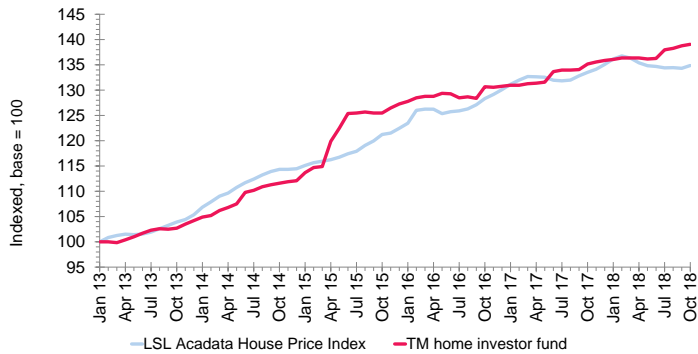
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

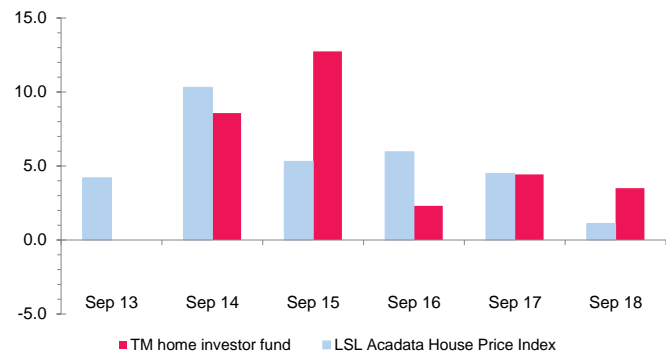
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional stock selection to build a portfolio of assets reflecting the distribution of UK mainland housing stock. These properties are let under assured shorthold tenancy agreements (AST's) and corporate lets. Investment returns comprise capital growth and rental income.

Fund v. Benchmark

Cumulative total return since share class inception



Discrete year until end of latest calendar quarter (%)



Cumulative total return (%) over period:

	1m	3m	6m	1y	3y	5y
TM home investor fund	0.22	0.80	1.98	2.88	10.83	35.41
LSL Acadata House Price Index	0.41	0.34	-0.40	1.02	11.25	29.80

Discrete total return (%) 12 months ending:

	Sep 14	Sep 15	Sep 16	Sep 17	Sep 18
TM home investor fund	8.58	12.75	2.31	4.44	3.50
LSL Acadata House Price Index	10.31	5.31	5.96	4.50	1.12

Performance of Class D Shares - Retail Net (Unbundled) Accumulation, launched 07/01/2013. Prevailing single price*, net of charges, in GBP with net income reinvested. Performance of other classes may vary. Source of all data: Financial Express and LSL Acadata 31/10/2018

*On 09-04-2015, the fund switched to a swinging single pricing basis with the prevailing single price used for performance calculation. Prior to that date, the fund was dual priced, with performance calculated on a bid-to-bid basis.

Important: You may get back less than the amount invested. Past performance is not necessarily a guide to future performance and future returns are not guaranteed.

Property Investment Advisor's commentary

LSL Acadata records a national price rise of 0.4% in October, again with significant regional variations. Where affordability remains good, volume of transactions, and prices remain strong, such as in the Midlands. The Fund's properties in Nottingham, for example, remain popular and fully let, with one new letting showing rental growth from when first acquired Last year. Overall the fund's portfolio continues to outperform the Acadata House Price Index.

Where affordability is stretched such as in the South East and East, there have been small falls or rises, but no clear trend. London remains a Curates Egg, with some Boroughs such as Brent, where the Fund's flats at Wembley Park are located, seeing a rise of 2.4% while Hammersmith and Fulham saw a fall of 4%.

The fund completed on the sale of one apartment in Wembley for £305,000 in the last week of October. This was purchased in February 2013 for £197,500 showing an uplift over that period of 54.43%. We originally purchased 34 units in Quadrant Court in Wembley Park with 22 remaining in our overall holdings.

Although volumes of sales and purchases disappoint estate agents, there are still over 75,000 transactions a month, far from a poor market. The Fund has sold one flat in October, achieving just over the valuation figure and has three more sales agreed, all at +/- 1% of the independent valuation.

The RICS monthly survey shows continuing strong rental demand and an expectation of rental growth of around 2% next year, which seems sensible with ONS reporting average earnings growing at 2.7% pa.

Portfolio Facts

Fund asset allocation	
Cash or equivalent	10.09%
Property - North West	6.25%
Property - North East	0.33%
Property - Yorks & Humber	2.16%
Property - South East	24.81%
Property - South West	8.18%
Property - Wales	0.00%
Property - Scotland	3.13%
Property - East of England	14.93%
Property - East Midlands	8.99%
Property - West Midlands	5.50%
Property - London	15.63%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,350,000
Wickhurst Green, Horsham, RH12	14	£4,550,000
The Limes, Nottingham, NG8	18	£3,730,000
Spectrum, Blackfriars Road, Manchester M3	17	£2,910,000
King Georges Park, Rowhedge, CO5	8	£2,530,000
Mansion House, Colchester, CO2	16	£2,370,000
Rea Road, Northfield, Birmingham. B31	14	£1,900,000
Henmead House, Haywards Heath, RH16	6	£1,845,000
Portland View, Bristol, BS2	6	£1,755,000
Pandora Close, Locks Heath, SO31	4	£1,300,000

Property portfolio metrics	
Flats	100
Terraced	46
Semi	41
Detached	18
Total number of properties	205
Average property value	£247,095
Average tenant stay	21 months
12 month average occupancy rate (% of income)	94.16%



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Costs and charges

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.61%

* OCF is based on estimated annual expenses, and includes the Annual Management Charge of 0.9%. The OCF may vary from year to year.

Please note that past performance on the first page is shown after charges

Minimum investment

(May not apply for investment via online platforms or wraps)

Initial:	£1,000
Additional:	£500
Monthly:	£50

Price and Yield at 31 October 2018

Fund price:	£ 1.392
Estimated yield:	0.74 % (net)
Distribution dates:	Annual: 31 Oct Interim: 28 Feb, 31 May, 30 Nov

Investment ratios

Annualised over last 36 monthly prices.
Source: Financial Express Analytics.

Volatility:	1.64 %
Maximum drawdown:	-0.86 %

How to invest

This share/unit class is available on the platforms listed below. Other classes may be available on different platforms.

Adviser/Wealth Manager platforms:

AJ Bell
Allfunds
Alliance Trust
Ascentric
Cofunds Institutional
Hubwise
Pershing
Parmenion
Raymond James
Transact

Direct to consumer (non-advised) platforms:

AJ Bell
Alliance Trust
Hargreaves Lansdown
Interactive Investor
Willis Owen

Key fund information

Fund name:	TM home investor fund (a subfund of the TM Hearthstone ICVC)
Benchmark:	LSL Acadata House Price Index
Fund launch date:	25/07/2012
Share class launch date:	07/01/2013
Fund size:	£56,614,890
Share/unit class size:	£2,422,409
Primary asset class:	UK Residential Property
Structure:	OEIC with PAIF Tax Status
Distribution type:	Accumulation
Pricing frequency:	Daily
Subscription frequency:	Daily
Redemption frequency:	Daily
Dealing time:	22:30
Settlement:	T+4

Fund Codes

Class:	Class D Shares - Retail Net (Unbundled)
MiFID category:	Non-complex
Sedol:	B960879
ISIN:	GB00B9608795
Citicode:	I3HM
MEXID:	8TCLEA

Management & Administration

Fund Manager:	Alan Collett, FRICS
Chief Investment Officer:	Andrew Smith, FRICS
Property Investment Adviser and Distributor:	Hearthstone Asset Management Limited 23 Austin Friars London EC2N 2QP 020 3301 1330 info@hearthstone.co.uk
Authorised Corporate Director:	Thesis Unit Trust Management Limited Exchange Building, St Johns Street, Chichester, West Sussex, PO19 1UP 01243 531234
Dealing and administration:	TM Hearthstone ICVC PO Box 3733 Royal Wootton Bassett, Swindon, SN4 4BG 0333 300 0375
Depository:	NatWest Trustee & Depository Services
Independent valuer:	CBRE
Auditor:	Grant Thornton UK LLP

Fund ratings



FE Risk Score
12

Important information

This financial promotion has been approved under Section 21 of the Financial Services and Markets Act 2000 by Thesis Asset Management Limited. Residential property values are affected by factors such as interest rates, economic growth, fluctuations in property yields and tenant default. Property investments are relatively illiquid compared to bonds and equities, and can take a significant amount of time to trade.

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Thesis Unit Trust Management Limited is the Authorised Corporate Director. Authorised and regulated by the Financial Conduct Authority (186882).