

Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 January 2019

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

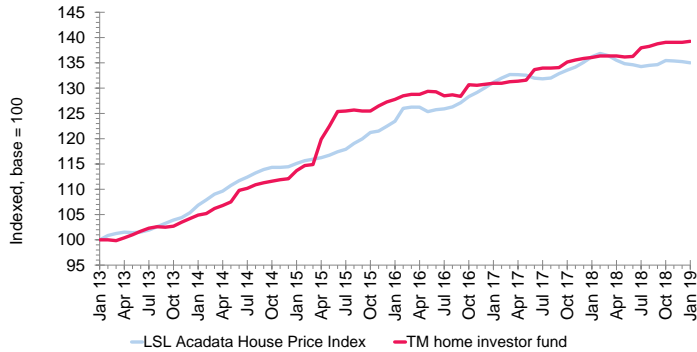
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

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

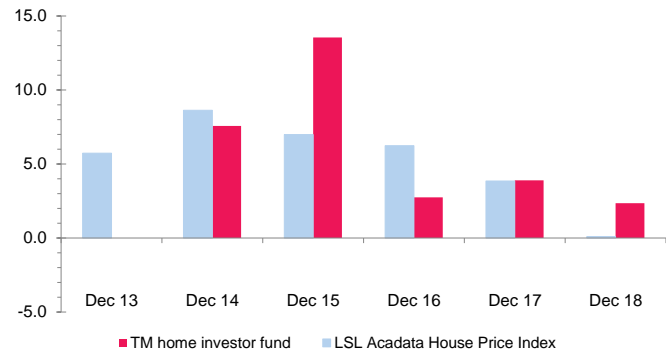
Cumulative total return since share class inception



Cumulative total return (%) over period:

	1m	3m	6m	1y	3y	5y
TM home investor fund	0.14	0.14	0.94	2.35	8.99	32.76
LSL Acadata House Price Index	-0.18	-0.33	0.55	-0.88	9.36	26.36

Discrete year until end of latest calendar quarter (%)



Discrete total return (%) 12 months ending:

	Dec 14	Dec 15	Dec 16	Dec 17	Dec 18
TM home investor fund	7.57	13.55	2.75	3.90	2.35
LSL Acadata House Price Index	8.63	6.99	6.24	3.85	0.10

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 31/01/2019

*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

In January, the fund recorded positive returns net of fees.

The fund returns are a combination of capital growth and income. In times of subdued house price growth, the income element plays a stronger role in the composition of the overall return. Rental income tends to be resilient over economic cycles. Furthermore, current levels of high employment are supporting rental income, and occupancy levels across our portfolio remain high.

The housing market has taken its cue from the economy as a whole and the sentiment of the country and remained subdued in the first month of the year. With the continuing uncertainty about the manner and timing of the UK exist from the European Union this is hardly surprising. However, significant regional variations remain

The demand for new housing, and for rental property continues, however, as the country has a historic and current shortage of good housing in the right locations. Transaction level – the number of purchases and sale has remained consistent on a seasonally adjusted basis, with a slight fall from levels in previous years, with an estimated 78,000 in December and 56,000 in January, which is normally the quietest month of the year.

For the first time in over 20 years first time buyers outnumbered home movers in December at 30,900 compared with 30,000 according to UK Finance. Buy to let buyers continue to be a feature of the market, although the overall number of new purchases is still reducing.

Prices recorded in England and Wales rose by a fraction, again there were significant regional variations with Greater London, the South East and the East of England showing annual falls for 2018 of between 0.6% and 1.2%. The East and West Midlands by comparison showed annual increases of 2.8% and 2.6% respectively.

The RICS monthly survey in January, regarded as a good forward looking indicator, gave similar results on prices and sales, and noted that across the lettings market, tenant demand rose modestly in the three months to January (seasonally adjusted series). As such, demand has now picked-up in each of the last three quarters, following a flatter trend in the early part of 2018. Respondents continue to expect rents to rise by roughly 2% over the next twelve months, while growth is seen accelerating slightly at the five year horizon, averaging 3% per annum.

Portfolio Facts

Fund asset allocation

Cash or equivalent	8.92%
Property - North West	6.37%
Property - North East	0.33%
Property - Yorks & Humber	1.51%
Property - South East	25.08%
Property - South West	8.35%
Property - Wales	0.00%
Property - Scotland	3.20%
Property - East of England	15.36%
Property - East Midlands	9.27%
Property - West Midlands	5.62%
Property - London	15.99%

Top 10 property holdings

Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,350,000
Wickhurst Green, Horsham, RH12	14	£4,515,000
The Limes, Nottingham, NG8	18	£3,760,000
Spectrum, Blackfriars Road, Manchester M2	17	£2,910,000
King Georges Park, Rowhedge, CO5	8	£2,530,000
Mansion House, Colchester, CO2	16	£2,410,000
Rea Road, Northfield, Birmingham. B31	14	£1,900,000
Portland View, Bristol, BS2	6	£1,755,000
Henmead House, Haywards Heath, RH16	6	£1,695,000
Pandora Close, Locks Heath, SO31	4	£1,300,000

Property portfolio metrics

Flats	100
Terraced	46
Semi	41
Detached	16
Total number of properties	203
Average property value	£247,179
Average tenant stay	22 months
12 month average occupancy rate (% of income)	94.02%



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Costs and charges

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.57%

* 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 January 2019

Fund price:	£ 1.394
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:	1.61 %
Maximum drawdown:	-0.77 %

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

Fund ratings



FE Risk Score
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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:	£55,363,231
Share/unit class size:	£2,541,810
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 London, UK
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

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.

Hearthstone Investments PLC is the parent company of the Hearthstone Investments Group. Regulated business is carried out by Hearthstone Asset Management Limited. Hearthstone Asset Management Limited is an appointed representative of Thesis Asset Management Limited which is authorised and regulated by the Financial Conduct Authority (114354). Hearthstone Investments PLC (06379066) and Hearthstone Asset Management Limited (07458920) are both registered in England and Wales. The registered office for both companies is c/o Bridgehouse Company Secretaries, 1-2 Faulkners Alley, Cowcross Street, London EC1N 6DD.

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