

Class B Shares - Retail Net (Bundled)

Fund fact sheet date: 30 April 2019

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

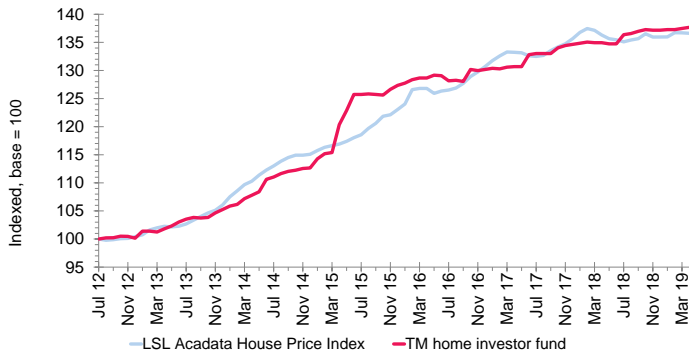
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

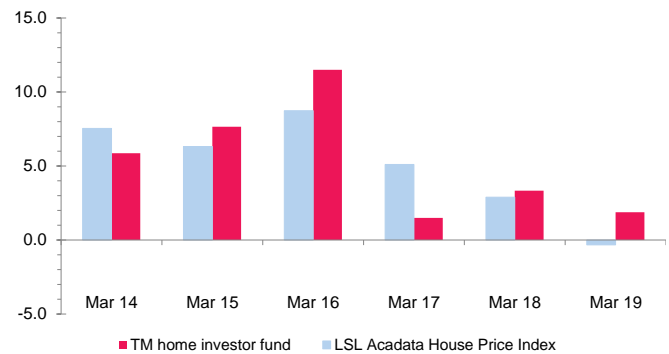
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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



Discrete year until end of latest calendar quarter (%)



Cumulative total return (%) over period:

	1m	3m	6m	1y	3y	5y
TM home investor fund	0.15	0.30	0.30	2.03	7.01	27.73
LSL Acadata House Price Index	-0.06	0.47	0.06	0.23	7.74	23.86

Discrete total return (%) 12 months ending:

	Mar 15	Mar 16	Mar 17	Mar 18	Mar 19
TM home investor fund	7.66	11.50	1.50	3.34	1.88
LSL Acadata House Price Index	6.32	8.74	5.11	2.89	-0.33

Performance of Class B Shares - Retail Net (Bundled) Accumulation, launched 26/07/2012. 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 30/04/2019

*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

As we said last month, income contributes strongly while politicians dither.

In politics little has changed in the last month but in the housing market there is slightly more optimism. The fundamental undersupply of good housing remains. Capital values nationally are effectively unchanged with Acadata recording a monthly fall of 0.1% and an annual uplift of 0.2%. In other words, the average house price fell by £180 in the month.

The Independent Valuer found increased values in some of the Fund's properties and once again in April the Fund again showed a positive return net of fees.

The important points to note are:

- 1) There are some regional variations, although even these are in a narrow range
- 2) Rental demand, and rental growth continues

First time buyers remain an important part of the market, and as the number of home movers remained constrained there was small decrease in the seasonally adjusted number of transactions, with an estimated 64,000 in April.

The Housebuilders Federation reported levels of site visits and new homes reservations on a gently upward trajectory with both first-time buyers and home movers active. Reservations from Buy to Let investors fell yet again, demonstrating the continuing impact of the tax changes impacting individual investors. This point was also picked up in the RICS Survey.

In April the RICS UK Residential Survey commented that Brexit uncertainty and a lack of available stock to purchase remained the key constraints, meaning little change in momentum was anticipated in the near term. That said, expectations were at least slightly more positive at the twelve month horizon.

In the lettings market, RICS reported that tenant demand remained on a gently upward trajectory and landlord instructions continued to dwindle, with anecdotal evidence signalling little chance of a turnaround in the foreseeable future. Rents are projected to rise by around 2% at the national level over the coming twelve months, with growth seen accelerating to average 3% per annum over the next five years.

Portfolio Facts

Fund asset allocation

Cash or equivalent	11.54%
Property - North West	5.81%
Property - North East	0.00%
Property - Yorks & Humber	1.48%
Property - South East	24.59%
Property - South West	8.20%
Property - Wales	0.00%
Property - Scotland	3.19%
Property - East of England	14.82%
Property - East Midlands	9.14%
Property - West Midlands	5.54%
Property - London	15.70%

Top 10 property holdings

Holding	Units	Value
Quadrant Court, Empire Way, London HA9	22	£7,350,000
Wickhurst Green, Horsham, RH12	14	£4,515,000
The Limes, Nottingham, NG8	18	£3,780,000
Spectrum, Blackfriars Road, Manchester M2	17	£2,970,000
King Georges Park, Rowhedge, CO5	8	£2,530,000
Mansion House, Colchester, CO2	15	£2,256,000
Rea Road, Northfield, Birmingham. B31	14	£2,190,000
Portland View, Bristol, BS2	6	£1,755,000
Henmead House, Renfields, Haywards Heath	6	£1,695,000
Pandora Close, Locks Heath, SO31	4	£1,300,000

Property portfolio metrics

Flats	99
Terraced	46
Semi	41
Detached	14
Total number of properties	200
Average property value	£248,604
Average tenant stay	22 months
12 month average occupancy rate (% of income)	94.79%



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Costs and charges

Entry charge:	3.00%	<i>Initial charge is reduced to 0% on most platforms and for direct applications.</i>
Exit charge:	0.00%	
Annual charges ('OCF')*:	2.17%	

* OCF is based on estimated annual expenses, and includes the Annual Management Charge of 1.5%. 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 30 April 2019

Fund price:	£ 1.359
Estimated yield:	0.65 % (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:	1.59 %
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: *Direct to consumer (non-advised) platforms:*
AJ Bell

- 7IM
- AJ Bell
- Allfunds
- Cofunds Institutional
- Pershing
- Transact

Fund ratings



FE Risk Score
10

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:	26/07/2012
Fund size:	£56,474,090
Share/unit class size:	£274,026
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 B Shares - Retail Net (Bundled)
MiFID category:	Non-complex
Sedol:	B44VX30
ISIN:	GB00B44VX301
Citicode:	112H
MEXID:	8TESID

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 Waterstone Company Secretaries Ltd Third Floor, 5 St. Bride Street, London, United Kingdom, EC4A 4AS.

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