

PAIF Class X - Retail (Net)

Fund fact sheet date: 30 June 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.

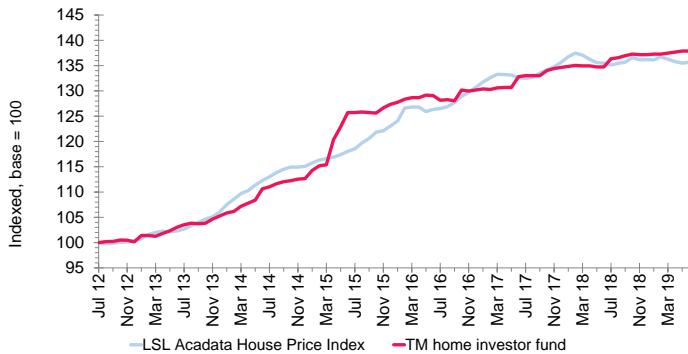
Investment Objective

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.

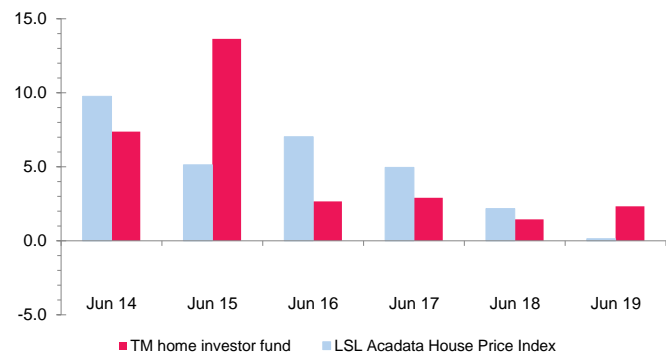
Fund v. Benchmark

Important: Simulated past performance - see footnotes

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	0.00	0.29	0.52	2.33	6.83	24.63
LSL Acadata House Price Index	0.13	-0.44	-0.37	0.14	7.39	20.83

Discrete total return (%) 12 months ending:

	Jun 15	Jun 16	Jun 17	Jun 18	Jun 19
TM home investor fund	13.64	2.66	2.90	1.45	2.33
LSL Acadata House Price Index	5.13	7.03	4.96	2.17	0.14

Simulated past performance: Returns data for Class B shares (launched 26/07/2012) shown above in lieu of data for Class X, as Class X was not launched until 13/07/2018. Class X has lower annual charges than Class B (Class X OCF* 1.77% p.a. and Class B OCF 2.17% p.a.); the above information has not been adjusted to account for this difference. Lower charges may result in higher returns, which may in turn result in a higher tax liability. Taxation will depend on your personal circumstances - please consult your tax/financial adviser. (*OCF, or 'Ongoing Charges Figure', is explained overleaf).

Performance basis: Prevailing single price**, net of charges, in GBP with net income reinvested. Performance of other share classes may vary.

**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. Source of data: Financial Express and LSL Acadata.

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

Over the past months, we have seen a narrowing in the house price growth disparity between regions, confirming the overall holding sentiment of the housing market in light of the extended political uncertainty.

On the one hand, house prices in London have recently stabilised. Although on an annualised basis London house prices are down 1.4%, much of that fall happened in 2018 whereas the past months' figures have hovered around 0%.

On the other hand, the top performing regions annual growth rates have reduced over the past months, with top regions registering annual house price growth of 1.5 - 3% (East Midlands, Yorkshire and Humber, North West). Figures for Wales show an annual growth rate of 5%, however that is due to a technical one-off impact following the introduction of the Land Transaction Tax. There is still strong growth in some of the bigger cities, including Bristol, Manchester and Nottingham (4.5-6% annual growth).

During June, there were an estimated 77,000 transactions, down from 82,000 in the same period last year, and 87,000 for June 2017. RICS have reported a modest uplift in buyer enquiries and expect an improvement from autumn onwards.

Rental income continues to be very resilient. Unemployment remains at record lows, driving wage inflation, which in turn is a key driver for rental value growth. Our portfolio benefits from this situation, in addition to the high occupancy rates achieved throughout the year and across all regions where we are invested.

Since the beginning of the year, the fund has seen steady net inflows resulting in our liquidity buffer being above 13%, towards the upper end of our 10-15% target range.

Looking beyond the short term, it is important to remember the long-term premise of investing in UK residential property. The UK suffers from a chronic undersupply of good quality rental homes, whilst the number of private tenants is expected to grow further.

Portfolio Facts

Fund asset allocation	
Cash or equivalent	13.72%
Property - North West	5.82%
Property - North East	0.00%
Property - Yorks & Humber	1.00%
Property - South East	24.18%
Property - South West	7.99%
Property - Wales	0.00%
Property - Scotland	3.24%
Property - East of England	14.26%
Property - East Midlands	8.97%
Property - West Midlands	5.43%
Property - London	15.40%

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	£3,780,000
Spectrum, Blackfriars Road, Manchester M3	17	£2,970,000
King Georges Park, Rowhedge, CO5	8	£2,530,000
Mansion House, Colchester, CO2	14	£2,121,000
Rea Road, Northfield, Birmingham. B31	14	£1,900,000
Portland View, Bristol, BS2	6	£1,725,000
Henmead House, Haywards Heath, RH16	6	£1,695,000
Pandora Close, Locks Heath, SO31	4	£1,300,000

Property portfolio metrics	
Flats	98
Terraced	46
Semi	40
Detached	14
Total number of properties	198
Average property value	£249,153
Average tenant stay	23 months
12 month average occupancy rate (% of income)	94.57%



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Costs and charges

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.77%

* Ongoing Charges Figure (OCF), which may vary from year to year, is based on estimated annual expenses and includes the Annual Management Charge of 1.1%. For this share class, it also includes a product charge of 0.20% p.a., paid to WealthKernel for the service they provide for the online investment portal at <https://homeinvestor.wealthkernel.com>

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:	£100
Additional:	£100

Price and Yield at 30 June 2019

Fund price:	£ 1.369
Estimated yield:	n/a - launched 13/07/2018
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:	1.58 %
Maximum drawdown:	-0.78 %

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:

This share class is currently only available on the WealthKernel online investment portal which can be accessed via <https://homeinvestor.wealthkernel.com>

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:	13/07/2018
Fund size:	£57,462,195
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 X Shares - Retail
MiFID category:	Non-complex
Sedol:	BFZ58Z5
ISIN:	GB00BFZ58Z57
Citicode:	P9JT
MEXID:	THOSL

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
9

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).