

PAIF Class X - Retail (Net)

Fund fact sheet date: 30 November 2019

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

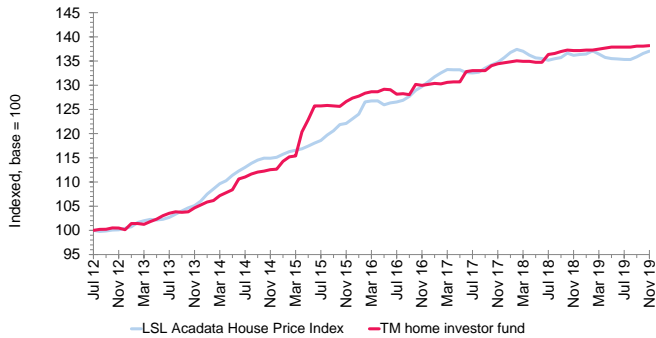
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

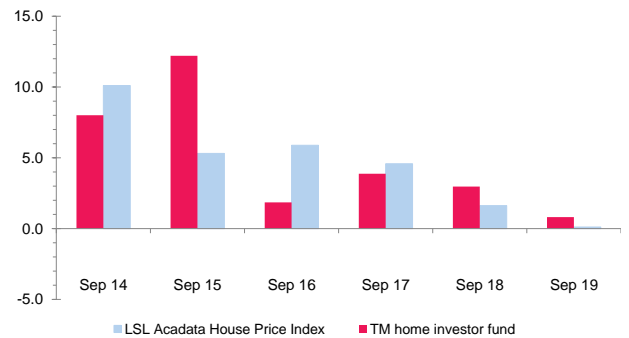
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional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

Fund v. Performance Comparator

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	0.07	0.22	0.22	0.74	6.31	22.77
LSL Acadata House Price Index	0.36	1.28	1.14	0.64	5.65	19.27

Discrete total return (%) 12 months ending:

	Sep 15	Sep 16	Sep 17	Sep 18	Sep 19
TM home investor fund	12.21	1.85	3.88	2.97	0.81
LSL Acadata House Price Index	5.31	5.89	4.58	1.62	0.11

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 Manager's commentary

What a difference a month (day) makes. With months of uncertainty and stonewalling within Parliament over Brexit and policy in general, now seemingly over, there seems to be real optimism in the economy and markets leading into Christmas and the new year, with the Pound jumping 2% and FTSE 250 4% on the announcement of a majority government on Friday 13th December. There is, as you would expect however, a lag until this feeds through the property market, with the Land Registry transaction data from November 2019 still reflecting the 'pre-election limbo'. Estimates are that there were 68,500 transactions in November, c.9% down on October on a seasonally adjusted basis, which is to be expected with an historic election so close.

The LSL Acadata House Price Index, Hearthstone's preferred housing barometer, shows prices remained relatively flat across the country, with Greater London, Yorks & Humber and Wales having the highest levels of growth, but in reality, the regional differences are quite small. The independent valuation of the Fund's properties is broadly flat over the past 3 months.

Demand for good quality rented housing continues to strengthen with the RICS Housing Survey stating that quarterly (seasonally adjusted) figures on tenant demand signalling another acceleration in growth in the 3 months to November 2019. Indeed, demand remained at the highest level since Q4 2016 at +22%. At the same time, landlord instructions decreased again with the pace of decline seeming to gather momentum from -21% in October to -29% in November. Due to these factors, rental growth expectations in the near term have further improved with every region of the UK projected to see an increase over the coming months. The latest ONS rental data states that rents have increased by 1.3%, with rents in the fund increasing by 2.2% in November 2019.

The homes in the portfolio are almost fully occupied with eight being vacant at the month end-two of which are being sold as part of the on-going asset management activity. Of the five void properties, three were reserved / under offer leading to a 98.45% occupancy rate.

Portfolio Facts

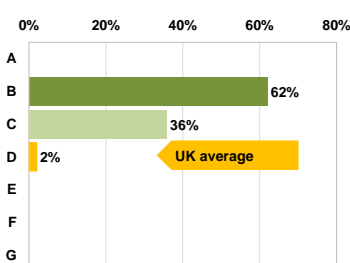
Fund asset allocation	
Cash or equivalent	19.56%
Property - North West	5.46%
Property - North East	0.00%
Property - Yorks & Humber	0.93%
Property - South East	22.76%
Property - South West	7.00%
Property - Wales	0.00%
Property - Scotland	3.20%
Property - East of England	12.93%
Property - East Midlands	8.48%
Property - West Midlands	5.16%
Property - London	14.53%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,350,000
Wickhurst Green, Horsham, RH12	14	£4,505,000
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
Rea Road, Northfield, Birmingham. B31	14	£1,900,000
Mansion House, Colchester, CO2	12	£1,820,000
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

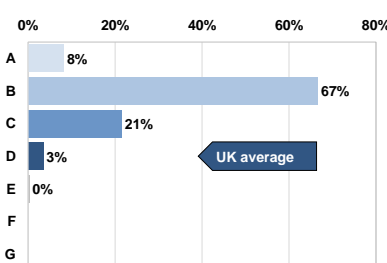
Property portfolio metrics	
Flats	96
Terraced	46
Semi	40
Detached	13
Total number of properties	195
Average property value	£250,028
Average tenant stay	28 months
1 year ave. occupancy (% of income)	95.71%

Environmental Profile

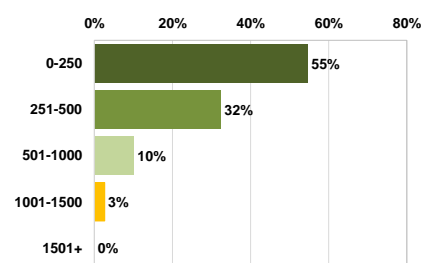
Energy efficiency rating



Environmental impact (CO₂) rating



Metres from public transport





PAIF Class X - Retail (Net)

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')*:	2.13%	

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

Price and Yield at 30 November 2019

Fund price:	£ 1.364
Estimated yield:	1.08 % (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:	1.20 %
Maximum drawdown:	-0.23 %

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)
Performance comparator:	LSL Acadata House Price Index
Fund launch date:	25/07/2012
Share class launch date:	13/07/2018
Fund size:	£60,920,289
Share/unit class size:	£88,775
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
Deputy Fund Manager:	Stuart Springham, MRICS
Chief Investment Officer:	Andrew Smith, FRICS
Property Investment Manager 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
7



ESG ratings



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).