



Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 January 2020

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

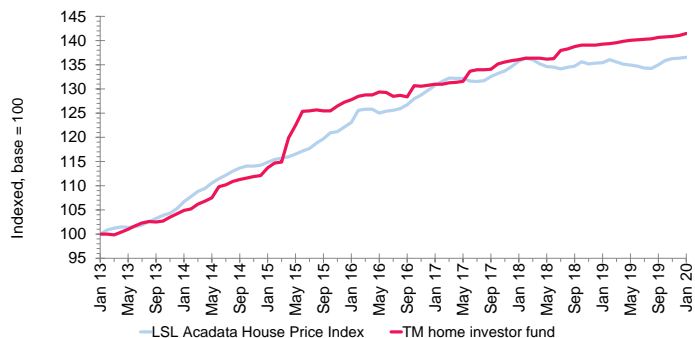
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

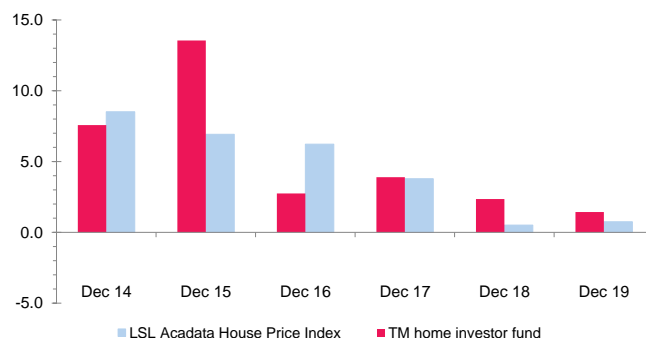
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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	0.28	0.50	0.85	1.58	8.01	24.43
LSL Acadata House Price Index	0.14	0.48	1.66	0.84	4.43	18.89

Discrete total return (%) 12 months ending:

	Dec 15	Dec 16	Dec 17	Dec 18	Dec 19
TM home investor fund	13.55	2.75	3.90	2.35	1.44
LSL Acadata House Price Index	6.92	6.23	3.79	0.51	0.75

Performance of Class D Shares - Retail Net (Unbundled) Accumulation, launched 07/01/2013. Prevailing single price*, net of charges, in GBP with income reinvested net of basic rate income tax. Performance of other classes may vary. Source of all data: Financial Express and LSL Acadata 31/01/2020

*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 Manager's commentary

We have seen a remarkable change in sentiment in the UK residential property market.

According to the latest RICS UK Residential Market Survey, buyer enquiries, agreed sales and new instructions all rose over the month and all respondents remain upbeat on the outlook for sales in the coming year. In that more positive context, the TM home investor fund recorded its second month of upward valuations in the property portfolio. In December, our holdings in Manchester were valued upwards and in January our independent valuer increased valuations on all our units in Wembley. In total we hold 39 units across these two sites totalling 20% of the overall property portfolio.

Furthermore, following positive inflows of new investment into the fund, it will shortly complete on a purchase of 13 three-bedroom new-build houses in Smethwick, West Midlands for c. £2.9 million. Completion is scheduled for the end of February on 11 of these, with the remainder in April or early May. This development is a good fit in terms of our investment strategy – we favour the Midlands as a region, and the development is near a new Super Hospital and a 6-minute train journey to Birmingham New Street Station. We aim to make a further acquisition of up to £2 million in the coming months, and these acquisitions will bring the cash levels back into our target range of 10-15%.

Demand for good quality rented housing continues to strengthen with the RICS stating that demand rose at a steady pace in the 3 months to January. The latest ONS data shows rents increased by 1.4% over the year, whilst rents in the fund increased by 1.57% over the same period. This is expected to continue with rental growth estimates of 2%-3% per year over the next 5 years. The Fund's portfolio occupancy remains strong at 96%.

Portfolio Facts

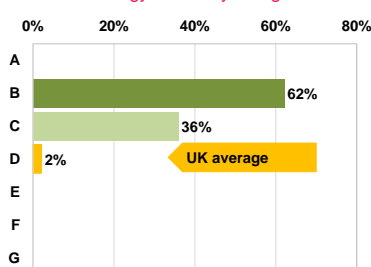
Fund asset allocation	
Cash or equivalent	20.57%
Property - North West	5.45%
Property - North East	0.00%
Property - Yorks & Humber	0.91%
Property - South East	22.30%
Property - South West	6.89%
Property - Wales	0.00%
Property - Scotland	3.15%
Property - East of England	12.72%
Property - East Midlands	8.36%
Property - West Midlands	5.08%
Property - London	14.56%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,512,500
Wickhurst Green, Horsham, RH12	14	£4,505,000
The Limes, Nottingham, NG8	18	£3,780,000
Spectrum, Blackfriars Road, Manchester M3	17	£3,015,000
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

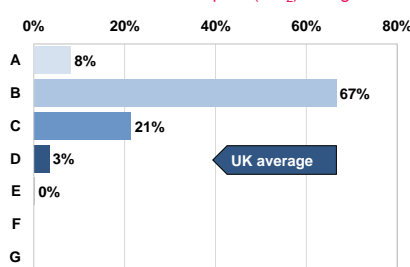
Property portfolio metrics	
Flats	96
Terraced	46
Semi	40
Detached	13
Total number of properties	195
Average property value	£250,832
Average tenant stay	27 months
1 year ave. occupancy (% of income)	95.72%

Environmental Profile

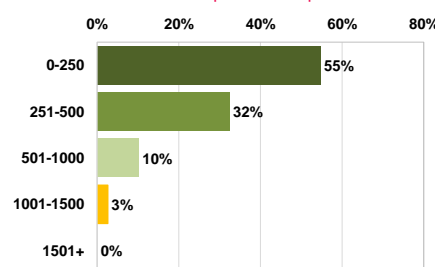
Energy efficiency rating



Environmental impact (CO₂) rating



Metres from public transport





Class D Shares - Retail Net (Unbundled)

Costs and charges

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.53%

* Ongoing Charges Figure (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

Fund Price and Yield at 31 January 2020

Fund price:	£ 1.416
Estimated fund yield:	1.19 % net of basic rate income tax
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:	1.17 %
Maximum drawdown:	-0.15 %

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:

7IM	AJ Bell
AJ Bell	Alliance Trust
Allfunds	Hargreaves Lansdown
Alliance Trust	Interactive Investor
Ascentric	Willis Owen
Cofunds Institutional	
Hubwise	
Parmenion	
Pershing	
Raymond James	
Transact	
Wealthtime	

Fund ratings



FE Risk Score
7



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:	07/01/2013
Fund size:	£61,891,680
Share/unit class size:	£2,602,013
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
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
Depositary:	NatWest Trustee & Depositary Services
Independent valuer:	CBRE
Auditor:	Grant Thornton UK LLP

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.

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