

Temporarily suspended. See Property Investment Manager's commentary below.

Class A Shares - Retail Gross (Bundled)

Fund fact sheet date: 30 April 2020

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

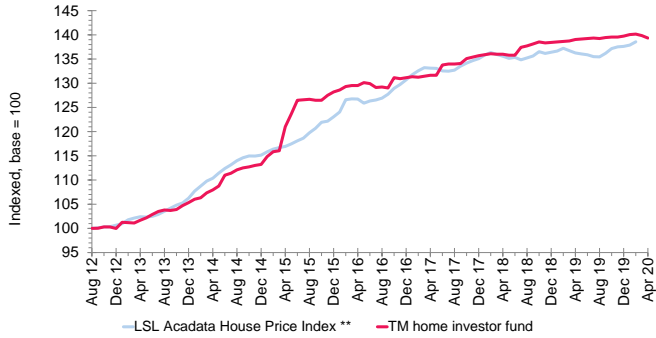
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

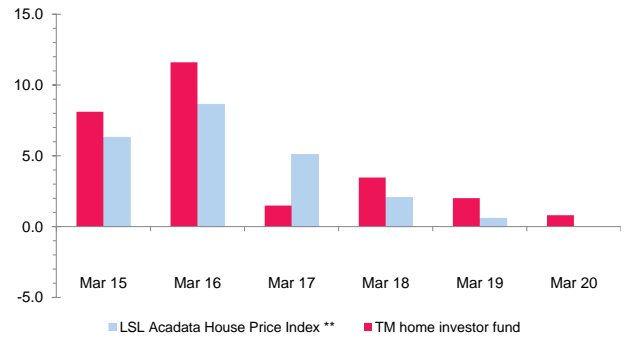
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional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

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	-0.36	-0.51	-0.15	0.22	5.85	15.15
LSL Acadata House Price Index **	N/A	N/A	N/A	N/A	N/A	N/A

Discrete total return (%) 12 months ending:

	Mar 16	Mar 17	Mar 18	Mar 19	Mar 20
TM home investor fund	11.61	1.49	3.47	2.01	0.80
LSL Acadata House Price Index **	8.64	5.09	2.04	0.58	N/A

Performance of Class A Shares - Retail Gross (Bundled) Accumulation Class, launched 29/08/2012. Prevailing single price*, net of charges, in GBP with income reinvested gross (no deduction of income tax). Performance of other classes may vary. Source of all data: Financial Express and LSL Acadata 30/04/2020

*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. ** LSL Acadata has stated it will not publish its House Price Index for March, April or May owing to low numbers of property transactions.

Property Investment Manager's commentary

Lockdown measures continue to impact the number of housing transactions in the UK and dealing in the Fund remains temporarily suspended, effective 10:30pm on 17th March, whilst its Standing Independent Valuer, CBRE, expresses material valuation uncertainty. CBRE continues valuing the 203 properties in the fund in line with proper market practices, adopting a comparable method of valuation - although given the low transaction volumes there is a dearth of evidence on which to rely, and there currently seems to be more reliance on agent sentiment and asking prices than one would expect within a 'normal' market. However, we have been advised by our valuers and letting agent that enquiries to local agents increased markedly in the last week of April, which we assume is people envisaging an imminent end to Lockdown, and implies that the underlying sentiment I talked about in February remains.

The April property valuation was down 0.38% from March, driven mainly by seven properties in King Georges Park, Rowhedge. No assets were sold in April, although the one unit under offer is still expected to complete the sale in May. Occupancy at the end of April was c. 89%, but this includes the eleven vacant units in the recently acquired Crocketts Lane development which we simply did not have sufficient time to let prior to the enforced Lockdown. As such, excluding these and another unit which is for sale, the occupancy of the fund stands at c. 94.5%. Latest ONS rental index data for March shows UK rents increased year on year by 1.4%. The Fund's rents increased by 1.7% over the same period, and inflation (CPIH) was 1.5%.

Positively, the Fund collected 95.7% of rent demanded in April, which is above the 93% we understand to be sector average currently. We continue to work hard to support tenants now relying on their homes more than ever, particularly those where Covid-19 has caused financial difficulties. We aim to balance both tenants' and investors' needs, wherever possible setting up payment plans to ease temporary difficulties. Encouragingly, most tenants want to pay their rent in full and once their government financial aid has been paid quickly settle their arrears.

Portfolio Facts

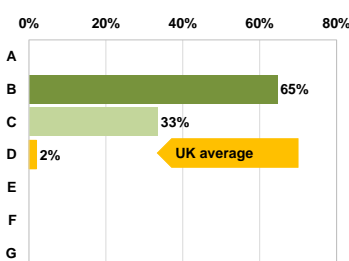
Fund asset allocation	
Cash or equivalent	17.27%
Property - North West	5.51%
Property - North East	0.00%
Property - Yorks & Humber	0.92%
Property - South East	21.66%
Property - South West	6.92%
Property - Wales	0.00%
Property - Scotland	3.19%
Property - East of England	12.16%
Property - East Midlands	8.46%
Property - West Midlands	9.21%
Property - London	14.68%

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
Crocketts Lane, Smethwick, B66	11	£2,555,000
King Georges Park, Rowhedge, CO5	8	£2,425,000
Rea Road, Northfield, Birmingham. B31	14	£1,835,000
Portland View, Bristol, BS2	6	£1,715,000
Henmead House, Haywards Heath, RH16	6	£1,695,000
Mansion House, Colchester, CO2	10	£1,492,000

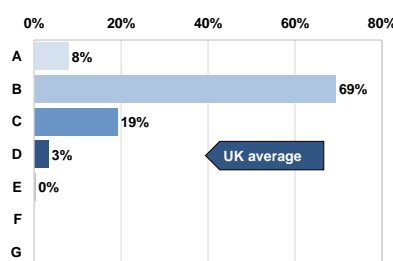
Property portfolio metrics	
Flats	94
Terraced	51
Semi	46
Detached	12
Total number of properties	203
Average property value	£248,064
Average tenant stay	26 months
1 year ave. occupancy (% of income)	94.64%

Environmental Profile

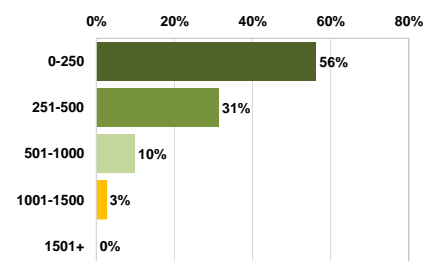
Energy efficiency rating



Environmental impact (CO₂) rating



Metres from public transport



All charts show the property portfolio by percentage of property units. Sources: Hearthstone and Ministry of Housing, Communities & Local Government.



Class A Shares - Retail Gross (Bundled)

Costs and charges

Entry charge: **3.00%** *Initial charge is reduced to 0% on most platforms and for direct applications.*
Exit charge: **0.00%**
Annual charges ('OCF')*: **2.13%**

* Ongoing Charges Figure (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

CHARGES TO CAPITAL: Charges for the income share class only, insofar as possible, are taken from capital. Whilst this may increase the level of income distributed, capital may be eroded if growth is less than charges taken.

Minimum investment

(May not apply for investment via online platforms or wraps)

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

Fund Price and Yield at 30 April 2020

	<u>Accumulation Class</u>	<u>Income Class</u>
Fund price:	£ 1.376	£1.376
Estimated fund yield:	0.51 % *	(TBC - launch 20/04/20)
	* gross (no deduction of 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: **1.24 %**
Maximum drawdown: **-0.58 %**

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
Cofunds Institutional
Pershing
Transact
Wealthtime

AJ Bell

Fund ratings



FE Risk Score
3

ESG ratings



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: **29/08/2012 (Accumulation Class)**
20/04/2020 (Income Class)
Fund size: **£61,171,140**
Primary asset class: **UK Residential Property**
Structure: **OEIC with PAIF Tax Status**
Pricing frequency: **Daily**
Subscription frequency: **Daily**
Redemption frequency: **Daily**
Dealing time: **22:30 London, UK**
Settlement: **T+4**

Fund Codes

Class: **Class A Shares - Retail Gross (Bundled)**

	<u>Accumulation Class</u>	<u>Income Class</u>
Sedol:	B7L7F47	BLHWSY5
ISIN:	GB00B7L7F472	GB00BLHWSY51
Citicode:	112G	QZF2
MEXID:	8TRESI	

MiFID category: **Non-complex**

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**
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London
EC2N 2QP
020 3301 1330
info@hearthstone.co.uk
www.homeinvestor.fund

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 Ltd 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 Ltd (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).