

Temporarily Suspended.
See www.homeinvestor.fund for information

Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 May 2020

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

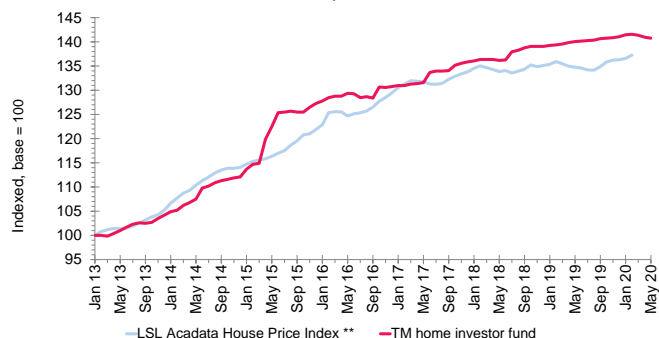
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

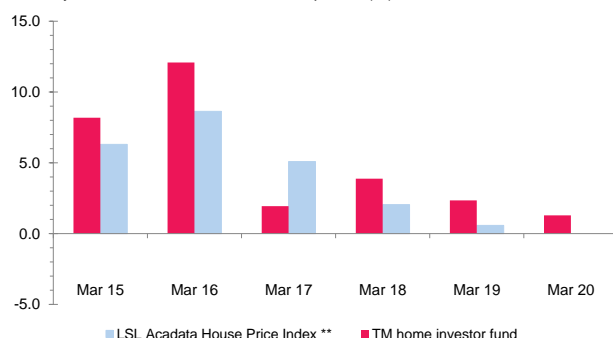
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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	-0.14	-0.56	-0.07	0.50	6.99	14.93
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	12.09	1.94	3.88	2.34	1.29
LSL Acadata House Price Index **	8.64	5.09	2.04	0.58	N/A

Performance of Class D Shares - Retail Net (Unbundled) Accumulation Class, 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 31/05/2020

*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

May began much as April finished, with the Fund still suspended and estate agencies closed, however there were positive changes as the month progressed. On 14th May it was agreed by the RICS that, subject to the valuer's agreement, the material uncertainty clause could be removed from three asset types including certain long income structures, with this being extended to two further asset types including rented social housing owned by housing associations on 21st May. Although there are no indicators of when the clause will be removed for private residential valuations, we see it as a positive that each property sector is now being assessed on an individual basis.

On 12th May, the Government informed estate agencies in England that they could open the next day, subject to social distancing guidelines. Agents spent the first few days rearranging offices and setting up appropriate health and safety measures, but by Monday 18th May, they were open for business. As mentioned last month, enquiries to local agents increased markedly towards the end of April in anticipation of Lockdown easing, and this continued into May with agents reporting high levels of instructions and enquiries as soon as their offices re-opened, stating that they see this as pent-up demand from the closure of offices. Positive signs thus far.

The Fund's May property valuation was down 0.14% on April as the flats in Wembley flats were downvalued by 1%. The Fund's occupancy at the end of May was c.90%, but 11 of the 21 vacant units are in the development we had just purchased prior to the enforced Lockdown, and one further property is for sale. As such, excluding these 12 units, occupancy stands at 95.5%. The Fund collected 98% of rent demanded in May, up from 96% in April. We are working very hard alongside our property managers Touchstone to help any tenants that have been impacted by Covid-19, setting up payment plans, deferring rent reviews and agreeing rent holidays where appropriate. It is encouraging that most of our tenants want to pay their rent in full and, once in receipt of government financial aid, they immediately settle their arrears.

Portfolio Facts

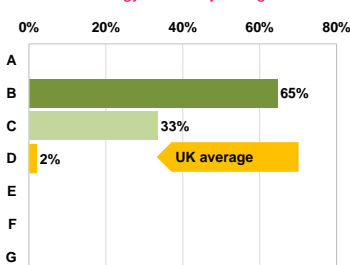
Fund asset allocation	
Cash or equivalent	17.34%
Property - North West	5.52%
Property - North East	0.00%
Property - Yorks & Humber	0.92%
Property - South East	21.68%
Property - South West	6.93%
Property - Wales	0.00%
Property - Scotland	3.19%
Property - East of England	12.16%
Property - East Midlands	8.47%
Property - West Midlands	9.21%
Property - London	14.58%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,442,500
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

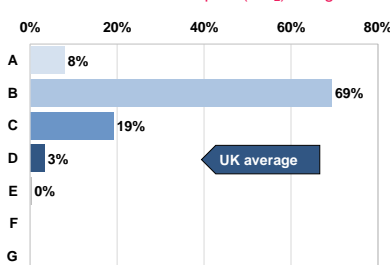
Property portfolio metrics	
Flats	94
Terraced	51
Semi	46
Detached	12
Total number of properties	203
Average property value	£247,721
Average tenant stay	27 months
1 year ave. occupancy (% of income)	94.29%

Environmental Profile

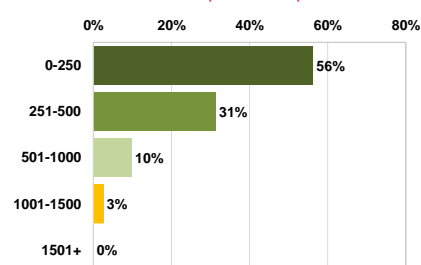
Energy efficiency rating



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 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

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 31 May 2020

	<u>Accumulation Class</u>	<u>Income Class</u>
Fund price:	£ 1.409	£1.409
Yield: *	0.90 %	2.19 %

* net of basic rate income tax. Income class yield is estimated, based on historical yield of the Accumulation class.

Distribution dates:	Annual: 31 Oct Interim: 28 Feb, 31 May, 30 Nov
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Investment ratios

Annualised over last 36 monthly prices. Source: Financial Express Analytics.

Volatility (Accumulation class):	1.23 %
Maximum drawdown (Accumulation class):	-0.56 %

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
Alliance Trust	Hargreaves Lansdown
Ascentric	Interactive Investor
Cofunds Institutional	Willis Owen
Hubwise	
Parmenion	
Pershing	
Raymond James	
Transact	
Wealthtime	

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 (Accumulation Class) 20/04/2020 (Income Class)
Fund size:	£61,138,691
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 D Shares - Retail Net (Unbundled)	
	<u>Accumulation Class</u>	<u>Income Class</u>
Sedol:	B960879	BLHXV61
ISIN:	GB00B9608795	GB00BLHXV618
Citicode:	I3HM	QZF5
MEXID:	8TCLEA	

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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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**

Fund ratings



FE Risk Score
3

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 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).