



Class C Shares - Retail Gross (Unbundled)

Fund fact sheet date: 30 November 2020

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

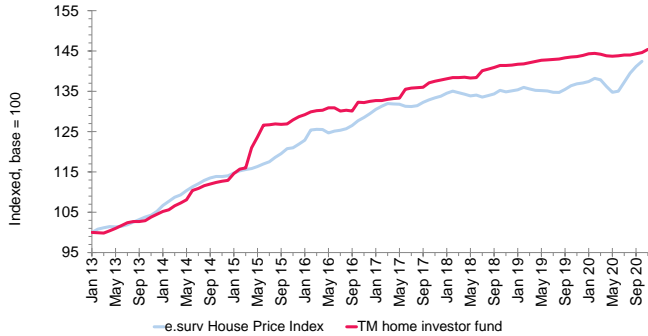
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

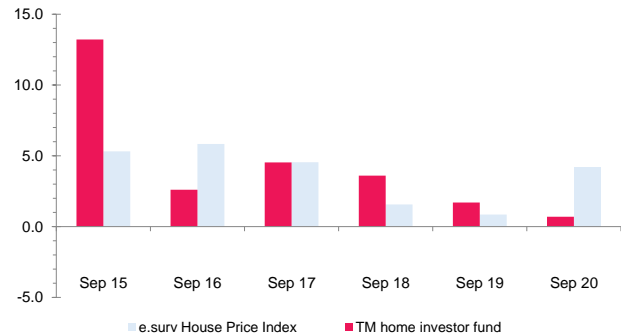
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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 e.surv House Price Index (previously known as LSL Acadata) 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 | 0.55 | 0.97 | 1.18 | 1.25 | 5.75 | 13.68 |
| e.surv House Price Index | 0.91 | 3.77 | 4.57 | 4.44 | 7.19 | 17.94 |

Discrete total return (%) 12 months ending:

| | Sep 16 | Sep 17 | Sep 18 | Sep 19 | Sep 20 |
|--------------------------|--------|--------|--------|--------|--------|
| TM home investor fund | 2.60 | 4.53 | 3.60 | 1.70 | 0.70 |
| e.surv House Price Index | 5.83 | 4.55 | 1.57 | 0.85 | 4.19 |

Performance of Class C Shares - Retail Gross (Unbundled) Accumulation Class, launched 07/01/2013. 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 30/11/2020 and e.surv 31/10/2020 unless stated otherwise.

*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

November saw a continuation of a strong housing market even before the positive news on a potential vaccine for Covid-19. Headline house price growth figures continue to be driven by the premium end of the market – both regionally and in terms of types of properties which benefit most in terms of the current stamp duty holiday. The e.surv house price index records positive annual growth in all regions in England and Wales. The Fund's properties increased in value for the sixth consecutive month: up 0.55% in November, giving a cumulative increase of 1.02% on its properties over the last six months. In total, 41 of the Fund's 204 properties were valued upwards this month, spread across the country from Bristol to Manchester across 12 sites. Most notably, these rises were not limited to houses as would be expected, but the Fund's city-centre Manchester flats also increased by 5% each. The Limes in Nottingham, one of our more-recent acquisitions and largest holdings, also increased in valuation. The Standing Independent Valuer, CBRE, continues to keep a close watch on activity in the housing market and the valuations of the Fund's property portfolio. One specific point to mention is their valuation guidelines stipulate that, when valuing a property, transaction prices of comparable properties are only relevant if contracts have exchanged on those sales, which can sometimes result in the Fund's property portfolio lagging movements in the market.

The Fund once again demonstrated the resilience of the residential sector with rent collection at 99.5% in November, taking the average monthly collection to 97.9% since the start of the Covid-19 crisis, and in significant contrast to the commercial property funds. We are also seeing occupancy in the portfolio hold steady in the upper 90's%, resulting in the highest monetary rent collection since the start of 2019.

This is the Fund's best standalone monthly performance since July 2018, and a robust continuation of Q4 2020. Finally, we recently established a shortlist of developments in the North West, the target for our next acquisition in 2021. Our focus is on 2- and 3-bed houses with gardens and we are now entering the more detailed due diligence phase.

Portfolio Facts

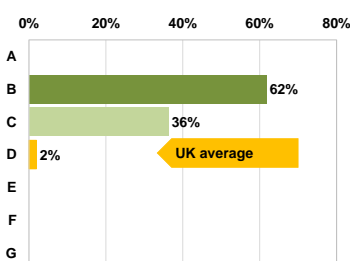
| Fund asset allocation | |
|----------------------------|--------|
| Cash or equivalent | 13.46% |
| Property - North West | 5.87% |
| Property - North East | 0.00% |
| Property - Yorks & Humber | 0.96% |
| Property - South East | 22.56% |
| Property - South West | 7.25% |
| Property - Wales | 0.00% |
| Property - Scotland | 3.29% |
| Property - East of England | 12.47% |
| Property - East Midlands | 8.82% |
| Property - West Midlands | 10.31% |
| Property - London | 15.01% |

| 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 | £3,820,000 |
| Spectrum, Blackfriars Road, Manchester M3 | 17 | £3,115,000 |
| Crocketts Lane, Smethwick, B66 | 13 | £3,015,000 |
| 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 |
| Pandora Close, Locks Heath, SO31 | 4 | £1,360,000 |

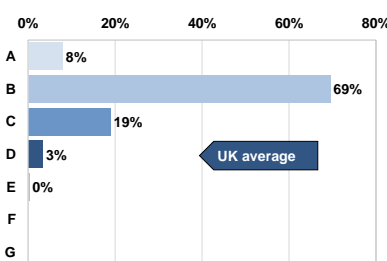
| Property portfolio metrics | |
|-------------------------------------|-----------|
| Flats | 93 |
| Terraced | 51 |
| Semi | 48 |
| Detached | 12 |
| Total number of properties | 204 |
| Average property value | £250,446 |
| Average tenant stay | 27 months |
| 1 year ave. occupancy (% of income) | 92.21% |

Environmental Profile

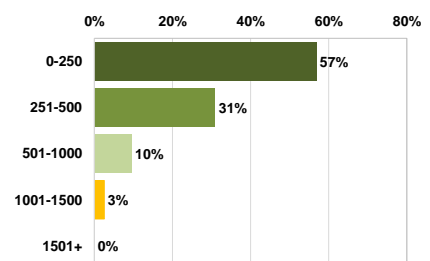
Energy efficiency rating



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 C Shares - Retail Gross (Unbundled)

Costs and charges

| | |
|--------------------------|--------------|
| Entry charge: | 0.00% |
| Exit charge: | 0.00% |
| Annual charges ('OCF')*: | 1.54% |

* 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 30 November 2020

| | <u>Accumulation Class</u> | <u>Income Class</u> |
|---|--|---------------------|
| Fund price: | £ 1.454 | £1.453 |
| Yield: * | 0.94 % | 2.41 % |
| * gross (no deduction of 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 | |

Investment ratios

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

| | |
|--|----------------|
| Volatility (Accumulation class): | 0.83 % |
| Maximum drawdown (Accumulation class): | -0.48 % |

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
Alliance Trust
Ascentric
Aviva
Cofunds Institutional
Fidelity FundsNetwork
Hubwise
Pershing
Raymond James
Transact
Wealthtime

AJ Bell
Alliance Trust
Fidelity FundsNetwork
Hargreaves Lansdown
Interactive Investor
Willis Owen

Fund ratings

FE Risk Score
2

ESG ratings



Key fund information

| | | |
|--------------------------|---|-----------------------------|
| Fund name: | TM home investor fund (a subfund of the TM Hearthstone ICVC) | |
| Performance comparator: | e.surv 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: | £59,329,189 | |
| 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 C Shares - Retail Gross (Unbundled) | | |
| | <u>Accumulation Class</u> | <u>Income Class</u> | |
| Sedol: | B95VYK8 | BLHXV50 | |
| ISIN: | GB00B95VYK84 | GB00BLHXV501 | |
| Citicode: | I3HL | QZF4 | |
| MEXID: | 8THEAP | | |

MiFID category: **Non-complex**

Management & Administration

Fund Manager: **Stuart Springham, MRICS**
Chief Investment Officer: **Andrew Smith, FRICS**

Investment Committee: **Cedric Bucher**
Alan Collett, FRICS
Andrew Smith, FRICS
Stuart Springham, MRICS
Darren Stent

Property Investment Manager and Distributor: **Hearthstone Asset Management Limited**
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EC2N 2QP
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info@hearthstone.co.uk
www.homeinvestor.fund

Authorised Corporate Director: **Thesis Unit Trust Management Limited**
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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).