

Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 August 2021

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

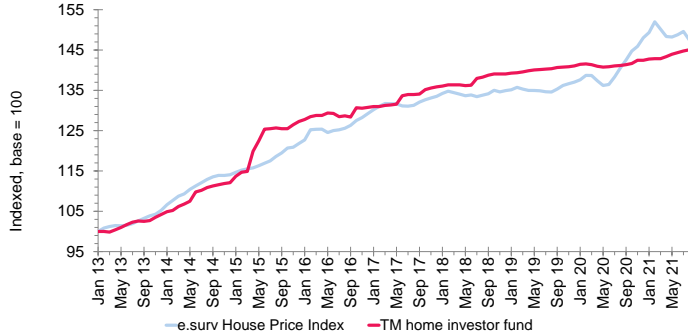
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

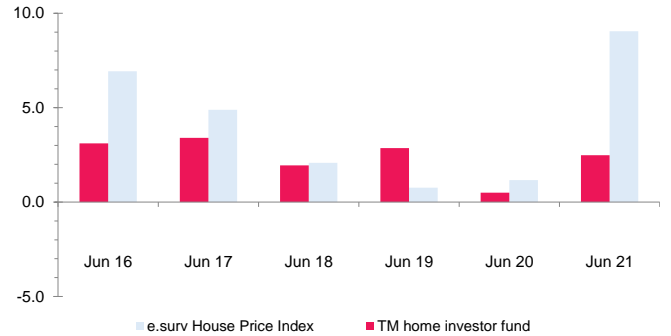
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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	0.21	0.76	1.54	2.76	4.91	12.73
e.surv House Price Index	-1.38	-0.46	-2.93	5.00	10.26	17.49

Discrete total return (%) 12 months ending:

	Jun 17	Jun 18	Jun 19	Jun 20	Jun 21
TM home investor fund	3.40	1.94	2.86	0.50	2.48
e.surv House Price Index	4.89	2.08	0.76	1.16	9.05

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 31/08/2021 and e.surv 31/08/2021 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

The Standing Independent Valuer ('SIV'), CBRE, increased valuations on 12 of the Fund's properties in August by a total of £102,000. This is the fifth consecutive month of valuation uplifts, and the seventh month this year. August's increases were applied across a number of locations including Colchester, Bolton, Northamptonshire, Suffolk and Bedfordshire. As mentioned in previous months, the Fund's properties are not valued by reference to a house price index, the SIV instead uses transaction data of comparable local properties on which to base its valuations and continues to watch several pending transactions in order to review other properties in the portfolio.

Rent collection for the month was 97% of that demanded - due to the bank holiday a handful of payments were received after the account period, but with these payments, rent collection amounted to c. 99%, as per the running average. Occupancy in the Fund remains high at 98% as the rental market continues to remain strong.

The fund held £19.25m cash at the end of August and we have been carrying out due diligence on several investment opportunities with the aim of acquiring up to £9m of stock in the near term to lower liquidity to a target range of 10%-15%. In recent weeks, the team has reviewed over £25 million of property and physically inspected sites in the North West, Yorkshire and Humber, and East Midlands regions which together represent over £15m of potential stock. We have now agreed 2 x deals with a total value of £4.5m - one comprises 8 x new build houses in Doncaster and the other 13 x new build houses near Preston. As per previous deals we have negotiated a good discount from the developer(s) and are still hopeful that these deals can be completed prior to the end of the SDLT holiday in September. We intend to deploy another £5m by year end.

* The Standing Independent Valuer has attached a valuation uncertainty clause to the Spectrum flats pending a satisfactory EWS1 (external wall safety) assessment. The building's Management Committee has registered with the Building Safety Fund and is currently working to assess the remediation works required.

Portfolio Facts

Fund asset allocation	
Cash or equivalent	26.09%
Property - North West	5.05%
Property - North East	0.00%
Property - Yorks & Humber	0.90%
Property - South East	19.63%
Property - South West	5.73%
Property - Wales	0.00%
Property - Scotland	2.79%
Property - East of England	10.16%
Property - East Midlands	7.93%
Property - West Midlands	8.90%
Property - London	12.80%

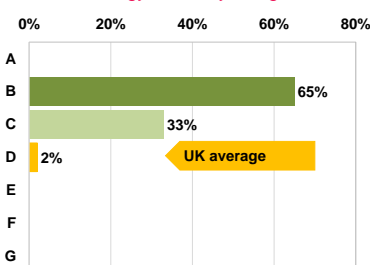
Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,450,000
Wickhurst Green, Horsham, RH12	14	£4,665,000
The Limes, Nottingham, NG8	18	£3,950,000
Spectrum, Blackfriars Road, Manchester M3	17	* £3,115,000
Crocketts Lane, Smethwick, B66	13	£3,025,000
King Georges Park, Rowhedge, CO5	8	£2,490,000
Rea Road, Northfield, Birmingham. B31	14	£1,835,000
Henmead House, Haywards Heath, RH16	6	£1,755,000
Portland View, Bristol, BS2	6	£1,750,000
Pandora Close, Locks Heath, SO31	4	£1,360,000

* See commentary above.

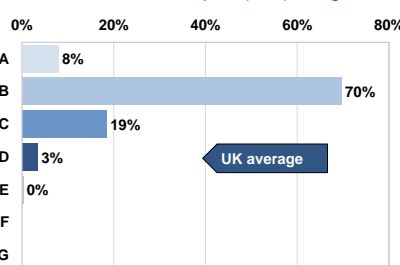
Property portfolio metrics	
Flats	90
Terraced	51
Semi	48
Detached	11
Total number of properties	200
Average property value	£256,070
Average tenant stay	31 months
1 year ave. occupancy (% of income)	94.80%

Environmental Profile

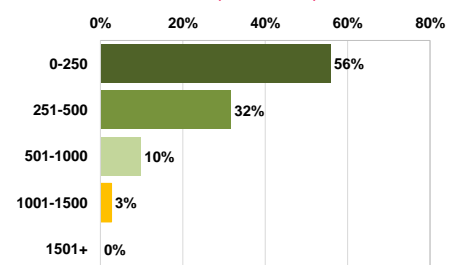
Energy efficiency rating



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')*:	1.51%

* 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 August 2021

	Accumulation Class	Income Class
Fund price:	£ 1.452	£1.452
Yield: *	0.56 %	1.86 %

* 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

Investment ratios

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

Volatility (Accumulation class):	0.56 %
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
Aviva	Willis Owen
Cofunds Institutional	
Hubwise	
Parmenion	
Pershing	
Raymond James	
Transact	
Wealthtime	

Fund ratings

Environmental, Social, Governance (ESG)

FE Risk Score
4



Signatory of:



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:	£69,738,851
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:	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 29 Throgmorton Street London EC2N 2AT 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 Thesis Unit Trust Management Ltd Sunderland SR43 4AZ 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).