

Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 October 2021

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

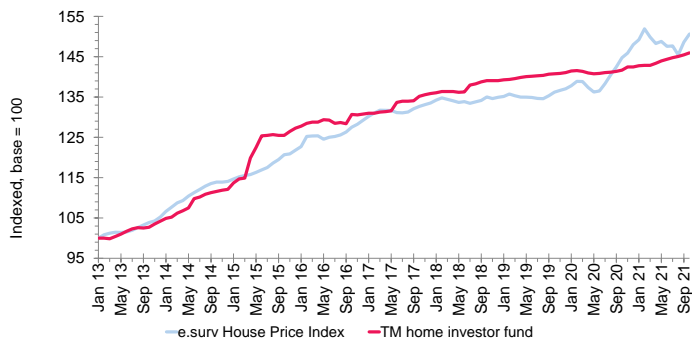
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

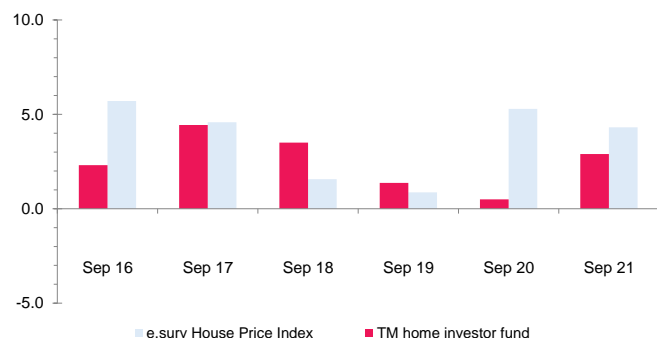
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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	0.34	0.83	1.81	3.03	4.96	11.70
e.surv House Price Index	1.36	2.01	1.60	4.08	11.57	18.14

Discrete total return (%) 12 months ending:

	Sep 17	Sep 18	Sep 19	Sep 20	Sep 21
TM home investor fund	4.44	3.50	1.37	0.50	2.90
e.surv House Price Index	4.58	1.56	0.87	5.29	4.31

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 31/10/2021 and e.surv 31/10/2021 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

Following an increase of £147,500 on the Fund's property valuations in September, the Standing Independent Valuer, CBRE, increased the overall valuation by a further £150,000 in October. The portfolio has seen increased valuations now for 15 of the past 17 months whilst the e.surv Acadata index remains quite volatile because of delays in obtaining transaction data from Land Registry.

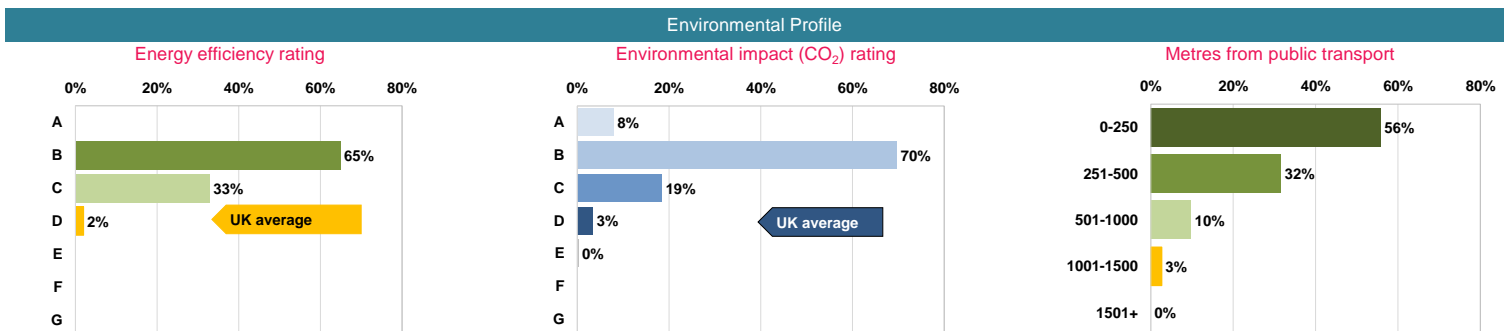
With the last day of the month falling at the weekend, rent collection for October dipped to 98% but payments due on the 30th and 31st have since been received in the first few days on November. Collection rates stand at just under 99% over the 12 months to the end of October. The Fund had just 3 vacant properties at the end of October, representing 1.60% of potential rent. Demand for good quality private rental properties remains strong across all regions.

We're pleased to be able to confirm that completion of 19 new-build homes took place on 12th November, and these will show on next month's factsheet. The properties comprise 5 x 3-bed and 1 x 2 bed houses in the Lakeside area of Doncaster, and 4 x 4-bed and 9 x 3-bed houses in the village of Broughton near Preston. The total open market value of the combined acquisition is £4,233,000. A further 2 homes in Doncaster will complete in December, and the Hearthstone team continues to review a number of further opportunities for further acquisitions over the coming months.


* 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		Top 10 property holdings		Property portfolio metrics	
Cash or equivalent	26.76%	Holding	Units	Flats	90
Property - North West	4.98%	Quadrant Court, Wembley, London HA9	22	Terraced	51
Property - North East	0.00%	Wickhurst Green, Horsham, RH12	14	Semi	48
Property - Yorks & Humber	0.90%	The Limes, Nottingham, NG8	18	Detached	11
Property - South East	19.41%	Spectrum, Blackfriars Road, Manchester M3	17	Total number of properties	200
Property - South West	5.64%	Crocketts Lane, Smethwick, B66	13	Average property value	£257,550
Property - Wales	0.00%	King Georges Park, Rowhedge, CO5	8	Average tenant stay	31 months
Property - Scotland	2.74%	Rea Road, Northfield, Birmingham. B31	14	1 year ave. occupancy (% of income)	95.67%
Property - East of England	10.26%	Henmead House, Renfields, Haywards Heath	6		
Property - East Midlands	7.96%	Portland View, Bristol, BS2	6		
Property - West Midlands	8.77%	Pandora Close, Locks Heath, SO31	4		
Property - London	12.57%	* See commentary above.			



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



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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.

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: **£70,763,173**

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**

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 October 2021

	<u>Accumulation Class</u>	<u>Income Class</u>
Fund price:	£ 1.461	£1.454
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:

7IM
AJ Bell
Alliance Trust
Ascetric
Aviva
Cofunds Institutional
Hubwise
Parmenion
Pershing
Raymond James
Transact
Wealthtime




Direct to consumer (non-advised) platforms:

AJ Bell
Alliance Trust
Hargreaves Lansdown
Interactive Investor
Willis Owen

Fund ratings

FE Risk Score
5

Environmental, Social, Governance (ESG)

   Signatory of: **PRI** Principles for Responsible Investment

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**
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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.

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