

Class D Shares - Retail Net (Unbundled) - 31 August 2023

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. Investors should read the Key Investor Information Document or Prospectus which are available on www.homeinvestor.fund or by contacting info@hearthstone.co.uk.

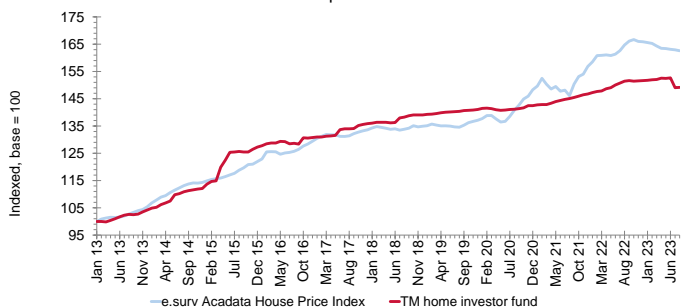
Investment Objective Summary

The Fund invests in private rented sector housing across mainland UK regions and aims to capture UK house price growth and provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation and qualitative regional stock selection to build a portfolio of assets reflecting the distribution of UK mainland housing stock which are let under assured shorthold tenancies (AST's) and corporate lets. Investment returns comprise capital growth and rental income. The e.surv Acadata House Price Index is used for performance comparisons only. It is not a target benchmark and the fund is not constrained by it. This index has been chosen as a comparator benchmark as it is based upon actual sales completed and is mix-adjusted.

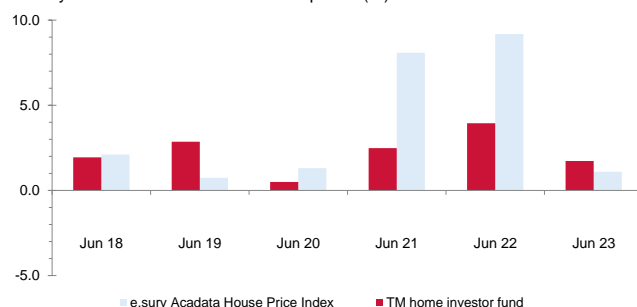
Please see the Key Investor Information Document or Prospectus for the full Investment Objective and Policy wording, and on the choice of performance comparator.

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	0.07	-2.16	-1.84	-1.52	5.66	7.88
e.surv Acadata House Price Index	-0.20	-0.49	-1.62	-1.28	15.48	21.50

Discrete total return (%) 12 months ending:

	Jun 19	Jun 20	Jun 21	Jun 22	Jun 23
TM home investor fund	2.86	0.50	2.48	3.94	1.73
e.surv Acadata House Price Index	0.74	1.31	8.08	9.18	1.10

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 31/08/2023 and e.surv 31/08/2023 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. Tax treatment depends on the individual circumstances of each investor and may be subject to change in future.

Property Investment Manager's commentary

Thesis Unit Trust Management Limited (Tutman) as the authorised fund manager (AFM) of the Funds has, as of Monday 31st July 2023, obtained the agreement of the Funds' Depository, NatWest Trustee and Depository Services Limited, to suspend dealing in the Funds, effective from 10:30pm on 31st July 2023 until further notice. The investor notice and Q&A document can be downloaded from www.homeinvestor.fund, and further updates will be posted there as they become available.

CBRE Limited, the fund's Standing Independent Valuer, reduced valuations on 14 of the fund's properties in August by a total of £63,000 but rental income more than offset this reduction. The property portfolio valuation is broadly unchanged over 12 months whilst the e.surv Acadata index shows a fall of -1.3% in house prices over the same period; the portfolio is generating a potential gross yield of 5.1%. The Fund has been priced at Bid-basis since 3rd July 2023 (a one-off reduction of -2.5%) as vacant properties are being marketed to raise cash, and this step was taken to protect remaining investors from the costs of property disposals. One sale completed in August for £330,000 and a further 1.82m of stock is currently under offer.

Rental growth remains strong at an average of 6% over the 12 months to the end of August, which is above the latest ONS rental index of 5.5%. Rent reviews of the fund's existing tenancies have been broadly in line with the ONS at an average 5.2% but vacated properties have been let at 8.6% above previous rents. Our pragmatic approach to reviewing existing tenancies in the current economic climate has kept arrears low and rent collection has averaged 99.3% over the year.

* The Standing Independent Valuer (SIV) attached a material valuation uncertainty clause to the Spectrum flats in Manchester in April 2021 following a failed EWS1 (external wall safety) assessment. These assessments were introduced by the government to improve fire safety of high-rise buildings including external cladding. As of the end of February there was no clarity as to potential cost and timing of any remedial works, or whether this may require funding from leaseholders, the clause remains in place. Consequently, the SIV states less certainty and a higher degree of caution should be attached to its valuation of these units, and that it may take longer than the usual 3-6 month marketing period should a decision be made to sell them individually. However, the original developer of the flats has recently signed the Government's Buildings Safety Repairs pledge and stated its intent to work with the site's Residents Management Company to agree a schedule of remediation works. All residents are aware of the situation and additional fire safety measures have been implemented. The 17 flats held by the fund, of which 12 are in a building below 18 metres, are part of a larger development of c. 600 apartments. Since a Material Valuation Uncertainty clause has been attached to these properties, the 30th June 2022 financial statements were qualified.

Portfolio Facts

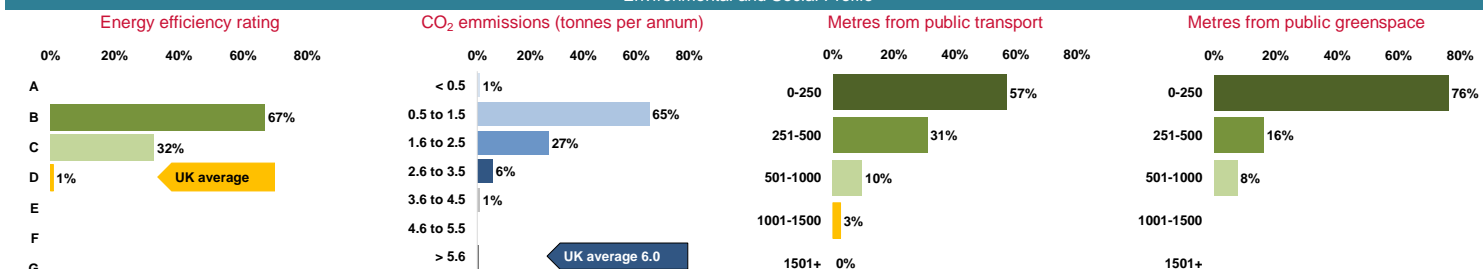
Fund asset allocation	
Cash or equivalent	7.80%
Property - North West	9.75%
Property - North East	0.00%
Property - Yorks & Humber	3.66%
Property - South East	21.49%
Property - South West	9.73%
Property - Wales	0.00%
Property - Scotland	2.99%
Property - East of England	11.28%
Property - East Midlands	9.44%
Property - West Midlands	10.13%
Property - London	13.73%

Top 10 property holdings		
Holding	Units	Valuation
Quadrant Court, Wembley, London HA9	22	£7,385,000
Wickhurst Green, Horsham, RH12	13	£4,510,000
The Limes, Nottingham, NG8	18	£4,280,000
Crocketts Lane, Smethwick, B66	13	£3,285,000
Whittingham Place, Preston, PR3	13	£2,955,000
*Spectrum, Blackfriars Road, Manchester M3	17	£2,865,000
King Georges Park, Rowhedge, CO5	8	£2,705,000
Rea Road, Northfield, Birmingham. B31	14	£1,905,000
Portland View, Bristol, BS2	6	£1,750,000
Willow Grange, Doncaster, DN4	8	£1,670,000

* See commentary above.

Property portfolio metrics	
Flats	87
Terraced	66
Semi	58
Detached	12
Total number of properties	223
Average property valuation	£264,159
Average tenant stay	35 months
1 year ave. occupancy (% of income)	96.05%

Environmental and Social Profile



All charts show the property portfolio by percentage of property units. Values may not total 100% due to rounding. Sources: Hearthstone and Department for Levelling Up, Housing and Communities, 31 August 2023

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Costs and charges

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.47%

* 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.

Portfolio transaction costs: **0.03%** of average fund value for the year to 30/06/2023.

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 2023

	<u>Accumulation Class</u>	<u>Income Class</u>
Fund price (Bid-pricing basis):	£ 1.493	£1.431
Yield: *	0.94 %	1.97 %

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

Past five years distributions (pence per share):

	0.38	0.73
2023	1.28	2.44
2022	0.66	0.65
2021	0.97	0.00
2020	1.66	0.00
2019		

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):	1.62 %
Maximum drawdown (Accumulation class):	-2.36 %

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
 Ascentric
 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

Environmental, Social, Governance (ESG)

Signatory of:



Key fund information

Fund name:	TM home investor fund (a subfund of the TM Hearthstone ICVC)	
Performance comparator:	e.surv 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 (Bid-pricing basis):	£62.58 million	
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 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
 www.tutman.co.uk

Dealing and administration: **TM Hearthstone ICVC**
Thesis Unit Trust Management Limited
 Sunderland
 SR43 4AZ
 0333 300 0375

Depository: **NatWest Trustee & Depository Services Limited**

Independent valuer: **CBRE Limited**

Auditor: **Grant Thornton UK LLP**

Fund ratings

FE Risk Score

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FE Risk Scores define risk as a measure of volatility relative to that of the UK leading 100 shares which has a risk rating of 100, and cash having a rating of zero.

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. Tax treatment depends on the individual circumstances of each investor and may be subject to change in future.

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 Suite LG:03, Bridge House, 181 Queen Victoria Street, London, EC4V 4EG.

Thesis Unit Trust Management Limited is the Authorised Corporate Director. Authorised and regulated by the Financial Conduct Authority (186882).