

Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 30 September 2018

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

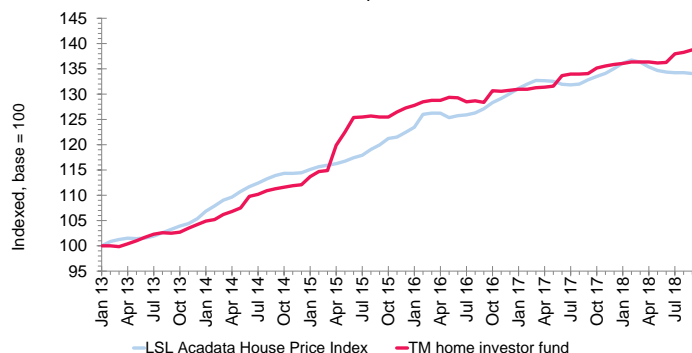
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

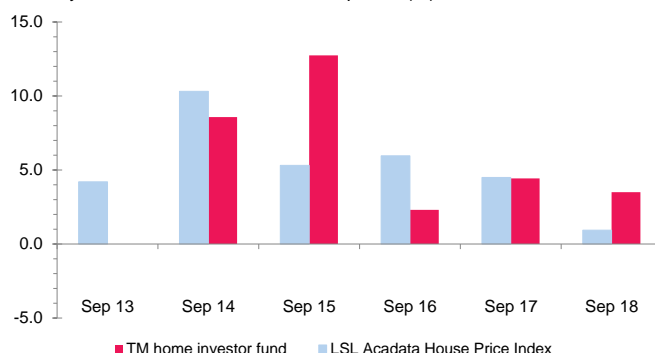
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional stock selection to build a portfolio of assets reflecting the distribution of UK mainland housing stock. These properties are let under assured shorthold tenancy agreements (AST's) and corporate lets. Investment returns comprise capital growth and rental income.

Fund v. Benchmark

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	0.36	1.83	1.76	3.50	10.59	35.38
LSL Acadata House Price Index	-0.14	-0.22	-1.66	0.94	11.76	29.84

Discrete total return (%) 12 months ending:

	Sep 14	Sep 15	Sep 16	Sep 17	Sep 18
TM home investor fund	8.58	12.75	2.31	4.44	3.50
LSL Acadata House Price Index	10.31	5.31	5.96	4.50	0.94

Performance of Class D Shares - Retail Net (Unbundled) Accumulation, launched 07/01/2013. Prevailing single price*, net of charges, in GBP with net income reinvested. Performance of other classes may vary. Source of all data: Financial Express and LSL Acadata 30/09/2018

*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 Advisor's commentary

The general level of uncertainty about Brexit has continued to constrain volume and prices in the owner occupier market. Nevertheless, LSL Acadata reports an expected 72,500 housing sales in September, down 16% before seasonal adjustment, but still running at an annual level of nearly 900,000 sales. In this relatively low volume market house price movements are also restrained. Acadata reports significant regional variations around a national 12 month increase of 0.9%, but a monthly move of -0.1%. The best performing areas were Outer London and the Midlands, both locations where the Fund has large holdings.

Separately Acadata report annual price rises of 3.9%, with Glasgow and Edinburgh being the strongest locations. All of the Fund's homes in Scotland are in Edinburgh.

Stock selection remains key to portfolio performance and the Independent Valuer reported an overall increase in value of the portfolio of 0.26% in September, with no property value being reduced.

Rental demand for our homes remains high: Excluding 7 properties which are currently for sale, 97% of the Fund's properties were occupied at the end of September, which represents just 2.75% of rent lost to voids.

The RICS monthly survey shows rental demand increasing for the fourth month in a row, and rental growth expectations of 2% this year rising to an average of 3.5% over the next five years. Increasing average earnings +2.7% in August are slightly above inflation, which supports the view that rents will continue to rise.

Portfolio Facts

Fund asset allocation	
Cash or equivalent	6.59%
Property - North West	6.44%
Property - North East	0.34%
Property - Yorks & Humber	2.21%
Property - South East	25.63%
Property - South West	8.45%
Property - Wales	0.00%
Property - Scotland	3.23%
Property - East of England	15.45%
Property - East Midlands	9.29%
Property - West Midlands	5.69%
Property - London	16.70%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	23	£7,655,000
Wickhurst Green, Horsham, RH12	14	£4,550,000
The Limes, Nottingham, NG8	18	£3,730,000
Spectrum, Manchester M3	17	£2,910,000
King Georges Park, Rowhedge, CO5	8	£2,530,000
Mansion House, Colchester, CO2	16	£2,370,000
Rea Road, Northfield, Birmingham. B31	14	£1,900,000
Henmead House, Haywards Heath, RH16	6	£1,845,000
Portland View, Bristol, BS2	6	£1,755,000
Pandora Close, Locks Heath, SO31	4	£1,300,000

Property portfolio metrics	
Flats	101
Terraced	46
Semi	41
Detached	18
Total number of properties	206
Average property value	£247,370
Average tenant stay	121 months
12 month average occupancy rate (% of income)	94.16%

Costs and charges

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.61%

* 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

Minimum investment

(May not apply for investment via online platforms or wraps)

Initial:	£1,000
Additional:	£500
Monthly:	£50

Price and Yield at 30 September 2018

Fund price:	£ 1.389
Estimated yield:	0.83 % (net)
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:	1.64 %
Maximum drawdown:	-0.86 %

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:

AJ Bell
Allfunds
Alliance Trust
Ascentric
Cofunds Institutional
Hubwise
Pershing
Parmenton
Raymond James
Transact

Direct to consumer (non-advised) platforms:

AJ Bell
Alliance Trust
Hargreaves Lansdown
Interactive Investor
Willis Owen

Fund ratings



FE Risk Score
12

Key fund information

Fund name:	TM home investor fund (a subfund of the TM Hearthstone ICVC)
Benchmark:	LSL Acadata House Price Index
Fund launch date:	25/07/2012
Share class launch date:	07/01/2013
Fund size:	£54,815,753
Share/unit class size:	£3,131,464
Primary asset class:	UK Residential Property
Structure:	OEIC with PAIF Tax Status
Distribution type:	Accumulation
Pricing frequency:	Daily
Subscription frequency:	Daily
Redemption frequency:	Daily
Dealing time:	22:30
Settlement:	T+4

Fund Codes

Class:	Class D Shares - Retail Net (Unbundled)
MiFID category:	Non-complex
Sedol:	B960879
ISIN:	GB00B9608795
Citicode:	I3HM
MEXID:	8TCLEA

Management & Administration

Fund Manager:	Alan Collett, FRICS
Chief Investment Officer:	Andrew Smith, FRICS
Property Investment Adviser and Distributor:	Hearthstone Asset Management Limited 23 Austin Friars London EC2N 2QP 020 3301 1330 info@hearthstone.co.uk
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

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 PLC 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 PLC (06379066) and Hearthstone Asset Management Limited (07458920) are both registered in England and Wales. The registered office for both companies is c/o Bridgehouse Company Secretaries, 1-2 Faulkners Alley, Cowcross Street, London EC1N 6DD.

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