



**PAIF Class X - Retail (Net)**

Fund fact sheet date: 28 February 2019

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.

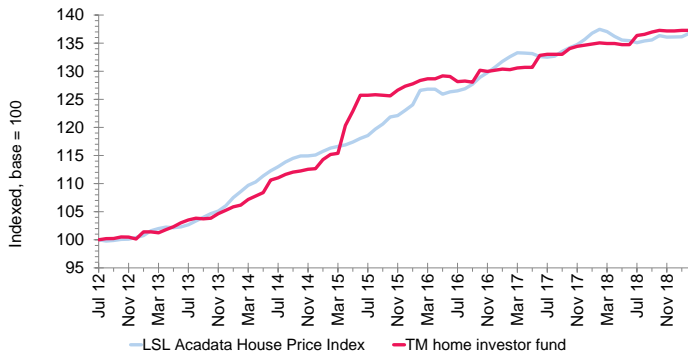
**Investment Objective**

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. These properties are let under assured shorthold tenancy agreements (AST's) and corporate lets. Investment returns comprise capital growth and rental income.

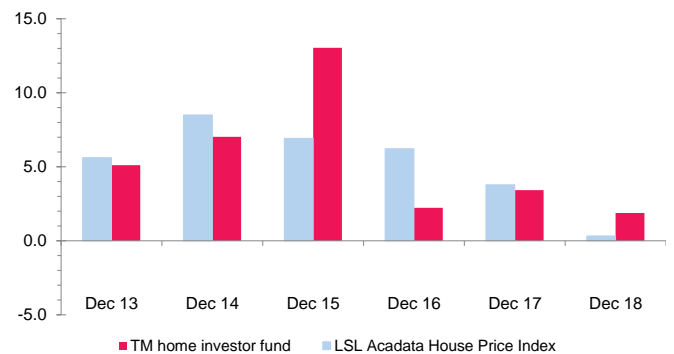
**Fund v. Benchmark**

**Important: Simulated past performance - see footnotes**

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	0.00	0.07	0.52	1.65	6.95	29.29
LSL Acadata House Price Index	0.45	0.50	1.00	-0.51	8.03	25.95

Discrete total return (%) 12 months ending:

	Dec 14	Dec 15	Dec 16	Dec 17	Dec 18
TM home investor fund	7.03	13.04	2.23	3.42	1.88
LSL Acadata House Price Index	8.50	6.92	6.22	3.78	0.33

**Simulated past performance:** Returns data for Class B shares (launched 26/07/2012) shown above in lieu of data for Class X, as Class X was not launched until 13/07/2018. Class X has lower annual charges than Class B (Class X OCF 1.81% p.a. and Class B OCF 2.21% p.a.); the above information has not been adjusted to account for this difference. Lower charges may result in higher returns, which may in turn result in a higher tax liability. Taxation will depend on your personal circumstances - please consult your tax/financial adviser.

**Performance basis:** Prevailing single price\*, net of charges, in GBP with net income reinvested. Performance of other share classes may vary.

\*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. Source of data: Financial Express and LSL Acadata.

**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**

In February the Fund again showed a positive return net of fees. Although the value of the portfolio, as reported by the Standing Independent Valuer was unchanged, net rental income contributed its customary return.

Demonstrating the resilience of demand for good quality modern housing to rent, occupancy of the portfolio was over 97% and rental growth on reviews and new lettings was between 2% and 2.5% compared with the previous year.

Brexit uncertainty has continued to impact the sales market with first time buyers driving the market, and the number of home movers remaining constrained. The estimated number of sales was just under 60,000, still a fair market, but below the level expected for this time of year.

The Housebuilders Federation reported good levels of site visits and reservations from both first-time buyers and home movers, although these were both down marginally against seasonal averages. Reservations from Buy to Let investors fell again.

The LSL Acadata Index showed prices up nationally by 0.5% over the month, although down 0.5% over the previous 12 months with significant regional variations. London and the South East showed modest falls over a three month period, and there were gains in the West and East Midlands, Wales and the North West. The Scottish Index, which is reported separately, and with a delay, showed continuing growth in the market North of the Border, with Edinburgh showing the best annual performance. This reflects the Fund's experience with the Independent Valuer lifting the values of the Edinburgh homes.

The February 2019 RICS UK Residential Survey results continue to signal the market is struggling for momentum, with key indicators on enquiries, sales and new instructions all remaining subdued. In an extra question included this month, aimed at drawing out the most significant force holding back activity at this point in time, 77% of respondents across the UK cited Brexit uncertainty as the biggest challenge facing the housing market at present. A further small reduction in the volume of sales was reported but with a modest increase in the number of rental enquiries.

**Portfolio Facts**

Fund asset allocation	
Cash or equivalent	8.91%
Property - North West	6.40%
Property - North East	0.00%
Property - Yorks & Humber	1.51%
Property - South East	25.11%
Property - South West	8.39%
Property - Wales	0.00%
Property - Scotland	3.26%
Property - East of England	15.42%
Property - East Midlands	9.30%
Property - West Midlands	5.64%
Property - London	16.05%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Empire Way, London HA9	22	£7,350,000
Wickhurst Green, Horsham, RH12	14	£4,515,000
The Limes, Nottingham, NG8	18	£3,760,000
Spectrum, Blackfriars Road, Manchester M3	17	£2,910,000
King Georges Park, Rowhedge, CO5	8	£2,530,000
Mansion House, Colchester, CO2	16	£2,410,000
Rea Road, Northfield, Birmingham. B31	14	£1,900,000
Portland View, Bristol, BS2	6	£1,755,000
Henmead House, Renfields, Haywards Heath	6	£1,695,000
Pandora Close, Locks Heath, SO31	4	£1,300,000

Property portfolio metrics	
Flats	100
Terraced	46
Semi	41
Detached	15
Total number of properties	202
Average property value	£247,490
Average tenant stay	23 months
12 month average occupancy rate (% of income)	94.48%



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**Costs and charges**

Entry charge:	<b>0.00%</b>
Exit charge:	<b>0.00%</b>
Annual charges ('OCF')*:	<b>1.77%</b>

\* OCF, which may vary from year to year, is based on estimated annual expenses and includes the Annual Management Charge of 1.1%. For this share class, it also includes a product charge of 0.20% p.a., paid to WealthKernel for the service they provide for the online investment portal at <https://homeinvestor.wealthkernel.com>

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:	<b>£100</b>
Additional:	<b>£100</b>

**Price and Yield at 28 February 2019**

Fund price:	<b>£ 1.361</b>
Estimated yield:	<b>n/a - launched 13/07/2018</b>
Distribution dates:	<b>Annual: 31 Oct</b>
	<b>Interim: 28 Feb, 31 May, 30 Nov</b>

**Investment ratios**

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

Volatility:	<b>1.60 %</b>
Maximum drawdown:	<b>-0.86 %</b>

**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:*

*This share class is currently only available on the WealthKernel online investment portal which can be accessed via <https://homeinvestor.wealthkernel.com>*

**Key fund information**

Fund name:	<b>TM home investor fund (a subfund of the TM Hearthstone ICVC)</b>
Benchmark:	<b>LSL Acadata House Price Index</b>
Fund launch date:	<b>25/07/2012</b>
Share class launch date:	<b>13/07/2018</b>
Fund size:	<b>£55,156,885</b>
Primary asset class:	<b>UK Residential Property</b>
Structure:	<b>OEIC with PAIF Tax Status</b>
Distribution type:	<b>Accumulation</b>
Pricing frequency:	<b>Daily</b>
Subscription frequency:	<b>Daily</b>
Redemption frequency:	<b>Daily</b>
Dealing time:	<b>22:30 London, UK</b>
Settlement:	<b>T+4</b>

**Fund Codes**

Class:	<b>Class X Shares - Retail</b>
MiFID category:	<b>Non-complex</b>
Sedol:	<b>BFZ58Z5</b>
ISIN:	<b>GB00BFZ58Z57</b>
Citicode:	<b>P9JT</b>
MEXID:	<b>THOSL</b>

**Management & Administration**

Fund Manager:	<b>Alan Collett, FRICS</b>
Chief Investment Officer:	<b>Andrew Smith, FRICS</b>
Property Investment Adviser and Distributor:	<b>Hearthstone Asset Management Limited 23 Austin Friars London EC2N 2QP 020 3301 1330 <a href="mailto:info@hearthstone.co.uk">info@hearthstone.co.uk</a></b>
Authorised Corporate Director:	<b>Thesis Unit Trust Management Limited Exchange Building, St Johns Street, Chichester, West Sussex, PO19 1UP 01243 531234</b>
Dealing and administration:	<b>TM Hearthstone ICVC PO Box 3733 Royal Wootton Bassett, Swindon, SN4 4BG 0333 300 0375</b>
Depository:	<b>NatWest Trustee &amp; Depository Services</b>
Independent valuer:	<b>CBRE</b>
Auditor:	<b>Grant Thornton UK LLP</b>

**Fund ratings**



**FE Risk Score**  
**10**

**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.

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