

## PAIF Class X - Retail (Net)

Fund fact sheet date: 31 March 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.

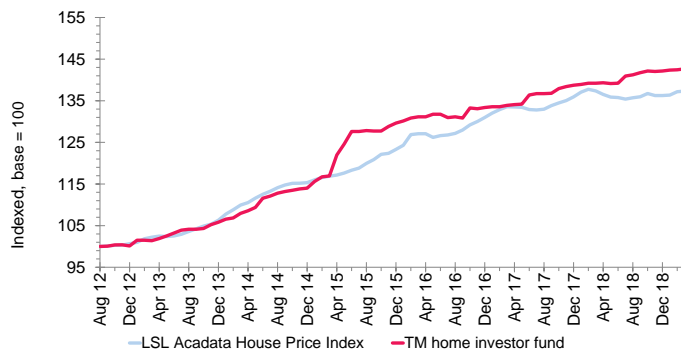
### Investment Objective

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.

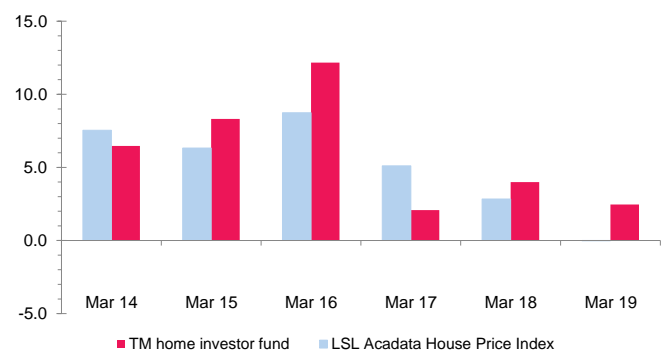
### Fund v. Benchmark

**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	0.14	0.35	0.64	2.46	8.77	32.15
LSL Acadata House Price Index	0.12	0.79	1.01	-0.02	8.07	24.94

Discrete total return (%) 12 months ending:

	Mar 15	Mar 16	Mar 17	Mar 18	Mar 19
TM home investor fund	8.32	12.17	2.08	3.99	2.46
LSL Acadata House Price Index	6.32	8.74	5.11	2.84	-0.02

**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 1.77% p.a. and Class B OCF 2.17% 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

Income contributes strongly while politicians dither.

As in politics little has changed in the housing market since February. Capital values nationally are effectively unchanged and rental demand, and rental growth continues. The fundamental undersupply of good housing remains. Once again in March the Fund again showed a positive return net of fees.

First time buyers are still driving the market, but although the number of home movers remained constrained there was an increase in sales and purchases overall. The estimated number of monthly sales rose to 71,500, above the level in January and February, and slightly higher than in 2018. This represents a fair market, but a little below the level expected for this time of year.

The Housebuilders Federation reported levels of site visits down on a seasonally adjusted basis but new homes reservations from first-time buyers up strongly and from home movers up slightly. Reservations from Buy to Let investors fell yet again, demonstrating the impact of the tax changes impacting individual investors.

The LSL Acadata Index showed a flat market nationally but with significant regional variations. London and the South East showed modest annual falls but the South East with a small monthly increase, and there were gains in the West and East Midlands, Wales and the North West over both one month and one year. Even in London the picture is variable. The majority of the Fund's investments in Outer London are part of the Wembley Park regeneration in Brent, which remains a consistent performer over both one month and one year.

The March 2019 RICS UK Residential Survey results mirror the results from Acadata with a further small reduction in the volume of sales was reported but agents remain positive looking twelve months ahead. Tenant demand rose for the third successive month and rental growth expectations remain 2% for 2019 and averaging 3%pa through to 2024.

### Portfolio Facts

#### Fund asset allocation

Cash or equivalent	11.43%
Property - North West	5.82%
Property - North East	0.00%
Property - Yorks & Humber	1.48%
Property - South East	24.61%
Property - South West	8.21%
Property - Wales	0.00%
Property - Scotland	3.20%
Property - East of England	14.83%
Property - East Midlands	9.15%
Property - West Midlands	5.55%
Property - London	15.71%

#### 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	£3,780,000
Spectrum, Blackfriars Road, Manchester M3	17	£2,910,000
King Georges Park, Rowhedge, CO5	8	£2,530,000
Mansion House, Colchester, CO2	15	£2,260,000
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	99
Terraced	46
Semi	41
Detached	14
Total number of properties	200
Average property value	£248,162
Average tenant stay	23 months
12 month average occupancy rate (% of income)	94.89%

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**Costs and charges**

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.77%

\* 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:	£100
Additional:	£100

**Price and Yield at 31 March 2019**

Fund price:	£ 1.363
Estimated yield:	n/a - launched 13/07/2018
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:	-0.69 %

**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>*

**Fund ratings**



FE Risk Score  
10

**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:	25-07-12
Share class launch date:	13-07-18
Fund size:	£56,320,342
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 London, UK
Settlement:	T+4

**Fund Codes**

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

**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 <a href="mailto:info@hearthstone.co.uk">info@hearthstone.co.uk</a>
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.

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