



Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 December 2019

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

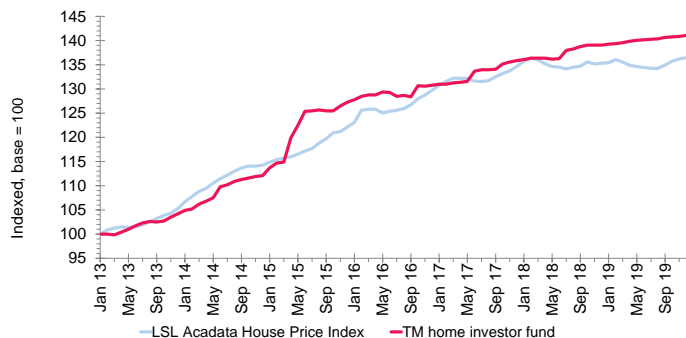
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

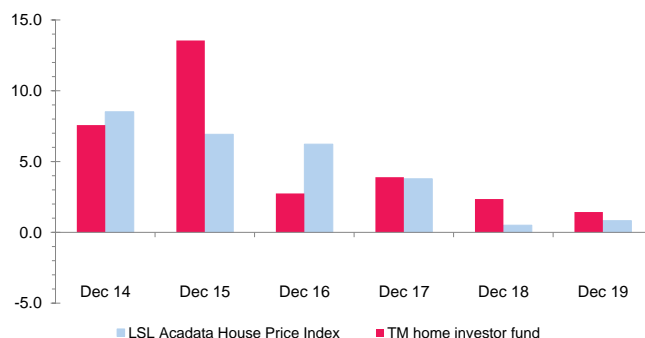
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional stock selection to build a portfolio of assets reflecting the distribution of UK mainland housing stock. Properties are let under assured shorthold tenancies (AST's) and corporate lets. Investment returns comprise capital growth and rental income. The LSL Acadata House Price Index 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	0.14	0.28	0.64	1.44	7.87	25.85
LSL Acadata House Price Index	0.18	1.11	1.51	0.83	5.17	19.45

Discrete total return (%) 12 months ending:

	Dec 15	Dec 16	Dec 17	Dec 18	Dec 19
TM home investor fund	13.55	2.75	3.90	2.35	1.44
LSL Acadata House Price Index	6.92	6.23	3.78	0.51	0.83

Performance of Class D Shares - Retail Net (Unbundled) Accumulation, 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 and LSL Acadata 31/12/2019

*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

Whilst many commentators are talking about a "Boris Bounce" in the property and financial markets, this will take time to feed through to the property market as deals need to be done and transactions complete. Estimates are that there were 65,500 transactions in December, down 13.2% on the (revised) estimate of 75,500 in November. December normally sees a 1.9% fall in sales versus November, so on a seasonally-adjusted basis, the fall is closer to 11%. Overall, the estimates of transactions in England & Wales for 2019 is 822,181 - 6.0% lower than the 874,682 sales in 2018. If this is correct, it will be the lowest level of annual sales since 2013. The LSL Acadata House Price Index shows UK average prices remained relatively flat, with Greater London, Yorks & Humber and Wales having the highest levels of growth but, in reality, the regional differences are quite small. The independent valuation of the Fund's properties is broadly flat over the past 3 months, with a 0.1% uptick in December.

The December RICS Housing Survey states that quarterly (seasonally adjusted) figures on tenant demand picked up again modestly. At the same time, landlord instructions decreased again with this indicator being negative since 2016. The latest ONS rental data states rents increased by 1.4% YTD. The Fund's rents increased by 1.56% over the same period. The imbalance between rising demand and falling supply leads to projections of around 2% rental growth over the coming year, and is anticipated to accelerate to average closer to 3% per annum over the next 5 years. It is worth noting that five-year price expectations, at 3.5% pa, are now above the rental predictions for the first time in a while. The Fund's properties are almost fully let, with eight vacant at the month end - two of which are being sold as part of the on-going asset management activity. One of the remaining six is reserved, leading to a 97.5% occupancy rate.

The Investment Committee approved the deployment of cash in November 2019, with an increased amount being authorised post-election. Further to this, the Fund Management team are in advanced conversations with developers in the Midlands and North West/Yorkshire to acquire a number of new properties for the fund.

Finally, in addition to the newly obtained ESG-rating from 3D investing, the Fund Management team started implementing its 2020 Environmental Improvement Plan.

Portfolio Facts

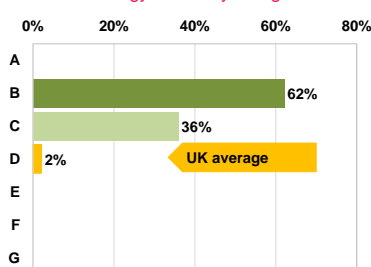
Fund asset allocation	
Cash or equivalent	20.16%
Property - North West	5.49%
Property - North East	0.00%
Property - Yorks & Humber	0.92%
Property - South East	22.56%
Property - South West	6.94%
Property - Wales	0.00%
Property - Scotland	3.17%
Property - East of England	12.82%
Property - East Midlands	8.43%
Property - West Midlands	5.12%
Property - London	14.40%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,350,000
Wickhurst Green, Horsham, RH12	14	£4,505,000
The Limes, Nottingham, NG8	18	£3,780,000
Spectrum, Blackfriars Road, Manchester M3	17	£3,015,000
King Georges Park, Rowhead, CO5	8	£2,530,000
Rea Road, Northfield, Birmingham. B31	14	£1,900,000
Mansion House, Colchester, CO2	12	£1,820,000
Portland View, Bristol, BS2	6	£1,725,000
Henmead House, Haywards Heath, RH16	6	£1,695,000
Pandora Close, Locks Heath, SO31	4	£1,300,000

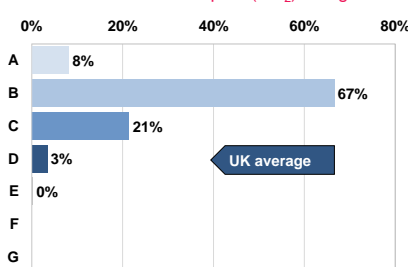
Property portfolio metrics	
Flats	96
Terraced	46
Semi	40
Detached	13
Total number of properties	195
Average property value	£250,309
Average tenant stay	28 months
1 year ave. occupancy (% of income)	95.82%

Environmental Profile

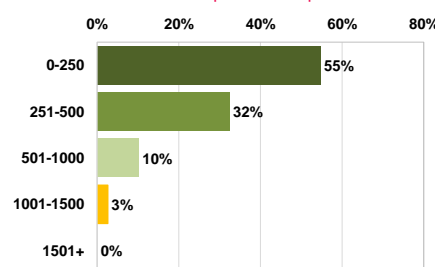
Energy efficiency rating



Environmental impact (CO₂) rating



Metres from public transport





Class D Shares - Retail Net (Unbundled)

Costs and charges

Entry charge:	0.00%
Exit charge:	0.00%
Annual charges ('OCF')*:	1.53%

* 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

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 December 2019

Fund price:	£ 1.412
Estimated fund yield:	1.19 % net of basic rate income tax
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:	1.17 %
Maximum drawdown:	-0.15 %

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:

7IM	AJ Bell
AJ Bell	Alliance Trust
Allfunds	Hargreaves Lansdown
Alliance Trust	Interactive Investor
Ascentric	Willis Owen
Cofunds Institutional	
Hubwise	
Parmenion	
Pershing	
Raymond James	
Transact	
Wealthtime	

Fund ratings



FE Risk Score
7



Key fund information

Fund name:	TM home investor fund (a subfund of the TM Hearthstone ICVC)
Performance comparator:	LSL Acadata House Price Index
Fund launch date:	25/07/2012
Share class launch date:	07/01/2013
Fund size:	£61,445,523
Share/unit class size:	£2,750,369
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 D Shares - Retail Net (Unbundled)
MiFID category:	Non-complex
Sedol:	B960879
ISIN:	GB00B9608795
Citicode:	I3HM
MEXID:	8TCLEA

Management & Administration

Fund Manager:	Alan Collett, FRICS
Deputy Fund Manager:	Stuart Springham, MRICS
Chief Investment Officer:	Andrew Smith, FRICS
Property Investment Manager 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
Depositary:	NatWest Trustee & Depositary Services
Independent valuer:	CBRE
Auditor:	Grant Thornton UK LLP

ESG ratings



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).