

## Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 31 August 2020

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

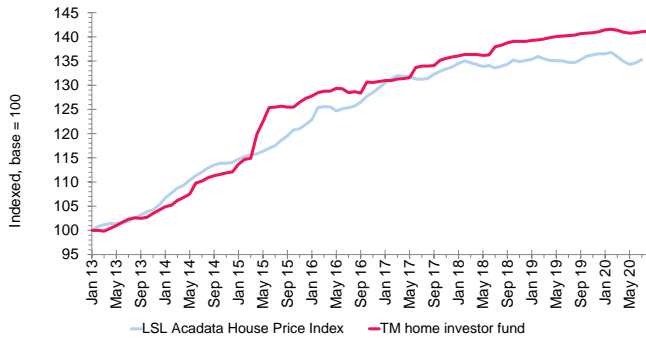
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

### Investment Objective

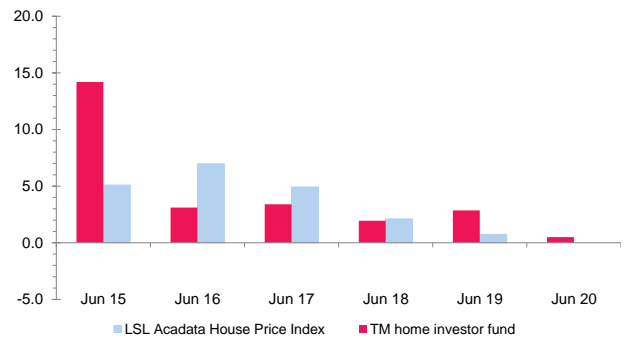
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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	0.07	0.28	-0.28	0.57	5.37	12.32
LSL Acadata House Price Index	0.48	0.25	-0.88	0.41	3.09	15.12

Discrete total return (%) 12 months ending:

	Jun 16	Jun 17	Jun 18	Jun 19	Jun 20
TM home investor fund	3.11	3.40	1.94	2.86	0.50
LSL Acadata House Price Index	6.97	4.92	2.11	0.74	-0.30

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 31/08/2020 and LSL Acadata 31/07/2020 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.**

### Property Investment Manager's commentary

The outlook for UK house prices has significantly improved over the past months. With the rebound in activity since May being remarkably sustained, the market received a further boost with the Stamp Duty holiday announced in July. The impact on the market has been immediate, and this has been reflected in the Fund's property portfolio which increased in value again in August, following increases in June and July. Month-end valuations for August were up 0.06%, giving a cumulative increase of 0.34% over the last 3 months (due to the Bank Holiday, the August increase was priced into the fund on 1st September). The properties which increased in value this time are at Mansion House in Colchester on average by 1%, due to a recently agreed sale within this scheme, and in Cleobury Mortimer, Shropshire, which increased by c.4%. The Fund's Standing Independent Valuer, CBRE, is continuing to scrutinise the strength of market activity, and has expressed optimism regarding the momentum of house prices in many of the regions in which the Fund is invested.

As mentioned over the past few months, the Fund's performance has highlighted the resilience of the Residential sector versus Commercial - not least in terms of the strength of rent collection. August has seen this continue, with the Fund collecting 98.5% of rent demanded - broadly in line with our long-term average of 99%. This high rent collection is driven not only by the quality of the Fund's tenants, but also the processes we put in place early in the Pandemic in so far that although some tenants did fall into financial difficulties, they have been able to obtain Universal Credit and maintain payment of their rent, demonstrating that residential rental income is very crisis-proof.

Although the month-end snapshot shows 17 vacant units for August, tenancies are already agreed or reserved on 10 of these, so we fully expect this to improve significantly in September and beyond, and for occupancy to be back up at pre-Covid levels in the region of 97% very soon.

### Portfolio Facts

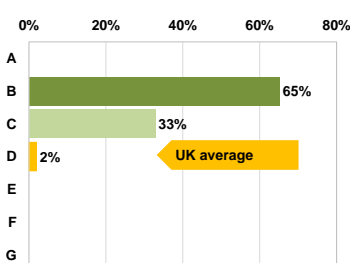
Fund asset allocation	
Cash or equivalent	15.20%
Property - North West	5.63%
Property - North East	0.00%
Property - Yorks & Humber	0.94%
Property - South East	22.05%
Property - South West	7.08%
Property - Wales	0.00%
Property - Scotland	3.24%
Property - East of England	12.26%
Property - East Midlands	8.63%
Property - West Midlands	10.16%
Property - London	14.81%

Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,442,500
Wickhurst Green, Horsham, RH12	14	£4,505,000
The Limes, Nottingham, NG8	18	£3,780,000
Crocketts Lane, Smethwick, B66	13	£3,015,000
Spectrum, Blackfriars Road, Manchester M3	17	£3,015,000
King Georges Park, Rowhedge, CO5	8	£2,425,000
Rea Road, Northfield, Birmingham. B31	14	£1,835,000
Portland View, Bristol, BS2	6	£1,715,000
Henmead House, Haywards Heath, RH16	6	£1,695,000
Mansion House, Colchester, CO2	9	£1,339,500

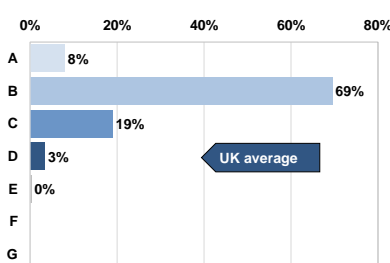
Property portfolio metrics	
Flats	93
Terraced	51
Semi	48
Detached	12
Total number of properties	204
Average property value	£248,734
Average tenant stay	27 months
1 year ave. occupancy (% of income)	92.98%

### Environmental Profile

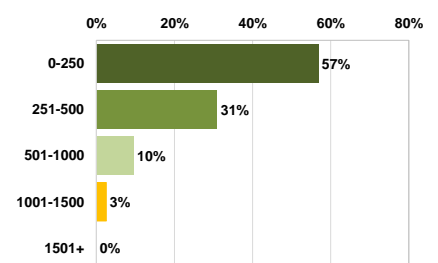
#### Energy efficiency rating



#### Environmental impact (CO<sub>2</sub>) rating



#### Metres from public transport



All charts show the property portfolio by percentage of property units. Sources: Hearthstone and Ministry of Housing, Communities & Local Government.

**Class D Shares - Retail Net (Unbundled)**

**Costs and charges**

Entry charge:	<b>0.00%</b>
Exit charge:	<b>0.00%</b>
Annual charges ('OCF')*:	<b>1.53%</b>

\* 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

**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:	<b>£1,000</b>
Additional:	<b>£500</b>
Monthly:	<b>£50</b>

**Fund Price and Yield at 31 August 2020**

	<u>Accumulation Class</u>	<u>Income Class</u>
Fund price:	<b>£ 1.413</b>	<b>£1.413</b>
Yield: *	<b>0.75 %</b>	<b>2.19 %</b>

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

Distribution dates:	<b>Annual: 31 Oct</b> <b>Interim: 28 Feb, 31 May, 30 Nov</b>
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**Investment ratios**

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

Volatility (Accumulation class):	<b>0.90 %</b>
Maximum drawdown (Accumulation class):	<b>-0.56 %</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:**

7IM  
AJ Bell  
Alliance Trust  
Ascentric  
Cofunds Institutional  
Hubwise  
Parmenion  
Pershing  
Raymond James  
Transact  
Wealthtime

AJ Bell  
Alliance Trust  
Hargreaves Lansdown  
Interactive Investor  
Willis Owen

**Fund ratings**



**FE Risk Score**  
**3**

**ESG ratings**



**Key fund information**

Fund name:	<b>TM home investor fund (a subfund of the TM Hearthstone ICVC)</b>
Performance comparator:	<b>LSL Acadata House Price Index</b>
Fund launch date:	<b>25/07/2012</b>
Share class launch date:	<b>07/01/2013 (Accumulation Class)</b> <b>20/04/2020 (Income Class)</b>
Fund size:	<b>£60,097,279</b>
Primary asset class:	<b>UK Residential Property</b>
Structure:	<b>OEIC with PAIF Tax Status</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 D Shares - Retail Net (Unbundled)</b>	
	<u>Accumulation Class</u>	<u>Income Class</u>
Sedol:	<b>B960879</b>	<b>BLHXV61</b>
ISIN:	<b>GB00B9608795</b>	<b>GB00BLHXV618</b>
Citicode:	<b>I3HM</b>	<b>QZF5</b>
MEXID:	<b>8TCLEA</b>	

MiFID category: **Non-complex**

**Management & Administration**

Fund Manager:	<b>Alan Collett, FRICS</b>
Deputy Fund Manager:	<b>Stuart Springham, MRICS</b>
Chief Investment Officer:	<b>Andrew Smith, FRICS</b>

Property Investment Manager and Distributor: **Hearthstone Asset Management Limited**  
**23 Austin Friars**  
**London**  
**EC2N 2QP**  
**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**

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 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 Third Floor, 5 St. Bride Street, London, United Kingdom, EC4A 4AS.

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