



Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 30 September 2020

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

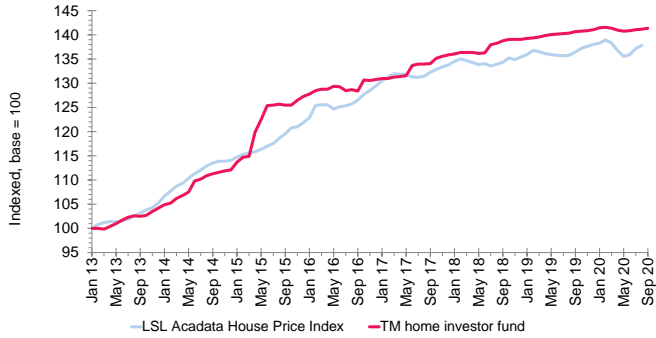
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

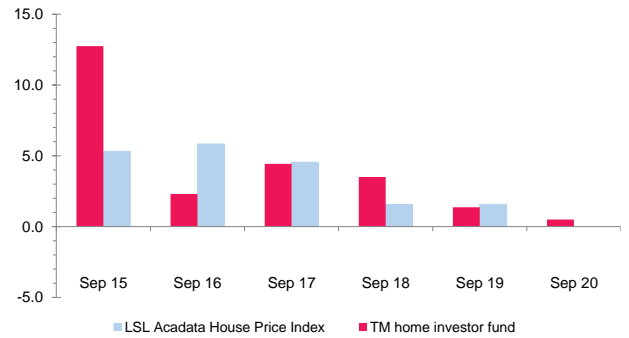
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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	0.14	0.35	0.00	0.50	5.44	12.66
LSL Acadata House Price Index	0.50	1.70	-0.80	1.52	4.88	16.20

Discrete total return (%) 12 months ending:

	Sep 16	Sep 17	Sep 18	Sep 19	Sep 20
TM home investor fund	2.31	4.44	3.50	1.37	0.50
LSL Acadata House Price Index	5.83	4.55	1.57	1.57	N/A

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 30/09/2020 and LSL Acadata 31/08/2020 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 UK housing market continued its rebound in September with demand, inventory, and sales agreed all up YTD versus 2019. Since the housing market re-opened in May house prices reverted to growth, and the rental market has been buoyant. This has again been reflected in the Fund's property portfolio which increased in value again in September, following increases in June, July, and August. Month-end valuations for September were up 0.02%, giving a cumulative increase of 0.36% over the last four months. The Fund's Standing Independent Valuer, CBRE, increased the value of our holding in Minster, Kent this month, and is continuing to scrutinise the strength of market activity across other regions. CBRE has expressed optimism regarding the momentum of house prices in many of the regions in which the Fund is invested, including Colchester and Haywards Heath, which has incidentally also seen a 'surge' in rental activity recently.

As mentioned repeatedly, the Fund's performance has highlighted the resilience of the Residential sector versus Commercial - not least, in terms of the strength of rent collection. September has seen this continue, with the Fund collecting 96.5% of rent demanded - broadly in line with our long-term average of 99%. In stark contrast, commercial landlords are reported to have collected just over 22% at quarter rent day on 29th September, with the UK retail sector fairsing worst at just over 12% of rent being collected for the quarter.

The Fund's high rent collection is driven not only by the quality of the Fund's tenants, but also the processes 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. We are also seeing the number of vacancies within the portfolio slowly fall, with occupancy now back up to 97% from a low of 90% at the height of the pandemic, resulting in the highest monetary rent collection for 2020.

Portfolio Facts

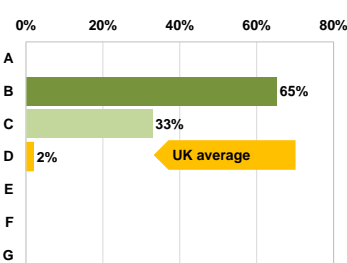
Fund asset allocation	
Cash or equivalent	15.20%
Property - North West	5.63%
Property - North East	0.00%
Property - Yorks & Humber	0.94%
Property - South East	22.06%
Property - South West	7.08%
Property - Wales	0.00%
Property - Scotland	3.24%
Property - East of England	12.26%
Property - East Midlands	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
Spectrum, Blackfriars Road, Manchester M3	17	£3,015,000
Crocketts Lane, Smethwick, B66	13	£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	£1,357,500

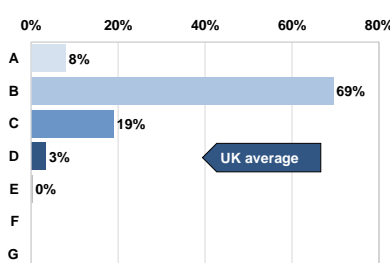
Property portfolio metrics	
Flats	93
Terraced	51
Semi	48
Detached	12
Total number of properties	204
Average property value	£248,783
Average tenant stay	27 months
1 year ave. occupancy (% of income)	92.65%

Environmental Profile

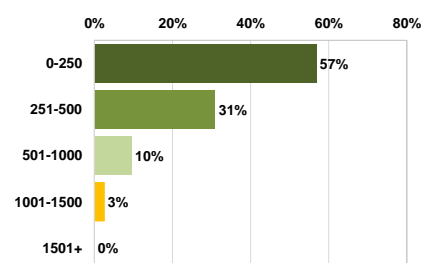
Energy efficiency rating



Environmental impact (CO₂) 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:	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

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

Fund Price and Yield at 30 September 2020

	<u>Accumulation Class</u>	<u>Income Class</u>
Fund price:	£ 1.415	£1.415
Yield: *	0.75 %	2.19 %

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

Distribution dates:	Annual: 31 Oct Interim: 28 Feb, 31 May, 30 Nov
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Investment ratios

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

Volatility (Accumulation class):	0.90 %
Maximum drawdown (Accumulation class):	-0.56 %

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
Aviva
Cofunds Institutional
Hubwise
Parmenion
Pershing
Raymond James
Transact
Wealthtime

AJ Bell
Alliance Trust
Hargreaves Lansdown
Interactive Investor
Willis Owen

Fund ratings



FE Risk Score
2

ESG ratings



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 (Accumulation Class) 20/04/2020 (Income Class)
Fund size:	£60,002,747
Primary asset class:	UK Residential Property
Structure:	OEIC with PAIF Tax Status
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)	
	<u>Accumulation Class</u>	<u>Income Class</u>
Sedol:	B960879	BLHXV61
ISIN:	GB00B9608795	GB00BLHXV618
Citicode:	I3HM	QZF5
MEXID:	8TCLEA	

MiFID category: **Non-complex**

Management & Administration

Fund Manager: **Stuart Springham, MRICS**
Chief Investment Officer: **Andrew Smith, FRICS**

Investment Committee: **Cedric Bucher**
Alan Collett, FRICS
Andrew Smith, FRICS
Stuart Springham, MRICS
Darren Stent

Property Investment Manager and Distributor: **Hearthstone Asset Management Limited**
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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).