Class D Shares - Retail Net (Unbundled)

Fund fact sheet date: 30 September 2021

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

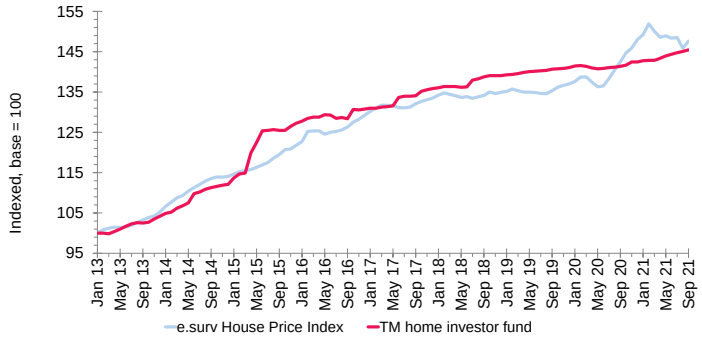
This factsheet is for information only. It is not designed to provide advice on the suitability of an investment for your personal financial situation. If you have any questions regarding the information included in this factsheet, you are recommended to speak to a financial adviser.

Investment Objective

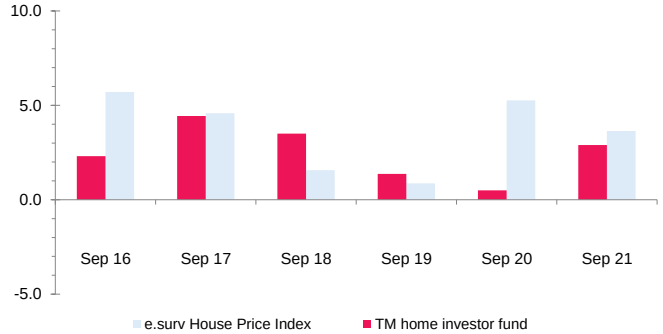
The Fund invests in private rented sector housing across the mainland UK regions and aims to capture UK house price growth plus provide an element of income return. The property investment manager, Hearthstone Asset Management Limited, uses quantitative asset allocation methods and qualitative regional 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 e.surv House Price Index (previously known as LSL Acadata) 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	0.28	0.76	1.82	2.90	4.82	13.31
e.surv House Price Index	1.21	-0.49	-1.63	3.64	10.04	16.88

Discrete total return (%) 12 months ending:

	Sep 17	Sep 18	Sep 19	Sep 20	Sep 21
TM home investor fund	4.44	3.50	1.37	0.50	2.90
e.surv House Price Index	4.58	1.56	0.87	5.26	3.64

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 30/09/2021 and e.surv 30/09/2021 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 Standing Independent Valuer('SIV'), CBRE, increased valuations on the Fund's property portfolio again in September. This month's increase was by a total of £147,500 (0.29%) - the sixth consecutive month of upward valuations, and the eighth increase this year. September's increases were applied to 16 properties in locations which included Nottingham, Colchester, and Fareham.

Rent collection for the month was 104% of that demanded as some of the small number of tenants in arrears caught up with their rent. Collection rates stand at just under 99% over the 12 months to the end of September. The Fund had 7 vacant properties at the end of September, although lets on 3 of these have subsequently been agreed so far during October and demand for good quality properties for rent remains strong across all regions.

The fund held £18.6 million cash at the end of September, approximately £4.5 million of this is committed to acquisitions on 2 sites in Doncaster and Preston for 21 new-build houses. We had hoped to complete on these in September but unexpected additional legal enquires meant these were delayed for another few weeks and should now complete in October. The Hearthstone team has been carrying out due diligence on a number of other potential acquisitions and aims to allocate up to £5 million of the remaining cash holding in the coming weeks.

* The Standing Independent Valuer has attached a valuation uncertainty clause to the Spectrum flats pending a satisfactory EWS1 (external wall safety) assessment. The building's Management Committee has registered with the Building Safety Fund and is currently working to assess the remediation works required.

Portfolio Facts

Fund asset allocation	
Cash or equivalent	26.28%
Property - North West	5.03%
Property - North East	0.00%
Property - Yorks & Humber	0.90%
Property - South East	19.57%
Property - South West	5.70%
Property - Wales	0.00%
Property - Scotland	2.77%
Property - East of England	10.19%
Property - East Midlands	7.98%
Property - West Midlands	8.86%
Property - London	12.73%

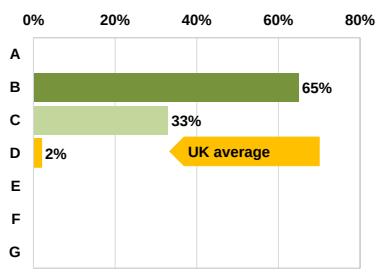
Top 10 property holdings		
Holding	Units	Value
Quadrant Court, Wembley, London HA9	22	£7,450,000
Wickhurst Green, Horsham, RH12	14	£4,665,000
The Limes, Nottingham, NG8	18	£3,950,000
Spectrum, Blackfriars Road, Manchester M3	17	* £3,115,000
Crocketts Lane, Smethwick, B66	13	£3,025,000
King Georges Park, Rowhedge, CO5	8	£2,490,000
Rea Road, Northfield, Birmingham. B31	14	£1,835,000
Henmead House, Haywards Heath, RH16	6	£1,755,000
Portland View, Bristol, BS2	6	£1,750,000
Pandora Close, Locks Heath, SO31	4	£1,372,500

* See commentary above.

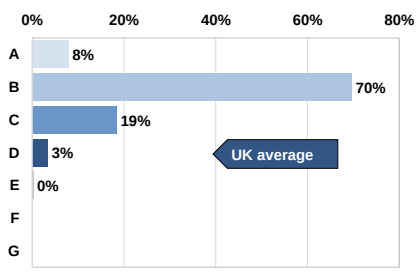
Property portfolio metrics	
Flats	90
Terraced	51
Semi	48
Detached	11
Total number of properties	200
Average property value	£256,803
Average tenant stay	31 months
1 year ave. occupancy (% of income)	95.20%

Environmental Profile

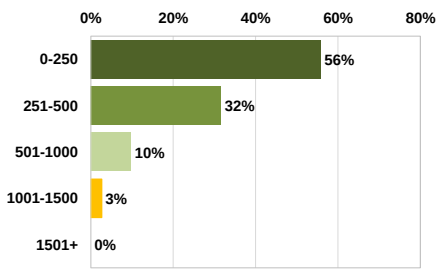
Energy efficiency rating



Environmental impact (CO_2) 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.

TM home investor fund
RESIDENTIAL PROPERTY BY HEARTHSTONE

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Costs and charges

Entry charge:	**0.00%**
Exit charge:	**0.00%**
Annual charges ('OCF')*:	**1.51%**

** 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 2021

	Accumulation Class	Income Class
Fund price:	**£ 1.456**	**£1.456**
Yield: *	**0.56 %**	**1.86 %**

** 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

Investment ratios

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

Volatility (Accumulation class):	**0.55 %**
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:

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

Direct to consumer (non-advised) platforms:

AJ Bell
Alliance Trust
Hargreaves Lansdown
Interactive Investor
Willis Owen

Fund ratings

FE Risk Score
4

Environmental, Social, Governance (ESG)

CERTIFIED FUND 3D

Signatory of: PRI Principles for Responsible Investment

Key fund information

Fund name:	**TM home investor fund (a subfund of the TM Hearthstone ICVC)**
Performance comparator:	**e.surv 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:	**£70,241,678**
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)**

	Accumulation Class	Income Class
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** **29 Throgmorton Street** **London** **EC2N 2AT** **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** **Thesis Unit Trust Management Ltd** **Sunderland** **SR43 4AZ** **0333 300 0375**
Depositary:	**NatWest Trustee & Depositary 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).