

# Non-UCITS retail scheme Key Investor Information



This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## TM home investor feeder fund

A sub fund of the TM Hearthstone UK Residential Feeder Fund

This Fund is managed by Thesis Unit Trust Management Limited ISIN (Accumulation): GB00B95V2K41

### Objectives and Investment Policy

TM home investor fund, currently the sole sub-fund of TM Hearthstone ICVC (a NURS), established in England.

It is intended that the TM home investor fund be a PAIF at all times, and, as such, its investment objective is to carry on Property Investment Business and to manage cash raised from investors for investment in the Property Investment Business as further described below. HM Revenue & Customs has provided confirmation to the ACD that the TM home investor fund meets the requirements to qualify as a PAIF under Regulation 690 of the Authorised Investment Funds (Tax) Regulations 2006 (as amended).

The objective of the TM home investor fund is to establish a residential property fund which provides investors with exposure to the United Kingdom housing market. Returns will derive principally from capital performance, with lettings of fund properties intended to cover costs and provide some additional return. As it is intended that the TM home investor fund follows the performance of the underlying housing market it will be ungeared apart from occasional borrowings used to support liquidity.

The key investment objective is to maintain a let property portfolio which is diversified according to the geographic distribution of housing stock in England, Scotland and Wales. As far as suitable opportunities allow, the TM home investor fund will allocate investments to each region on the basis of that region's market size compared to the United Kingdom as a whole (excluding Northern Ireland). Attention will also be given to maintaining a balance between property types which appropriately reflects the wider market.

There is no explicit income target for the TM home investor fund but the properties will be selected and managed in such a way as to provide income appropriate to their location while minimising the loss in rental yields due to management and maintenance costs.

The Trust uses the e.surv House Price Index (previously known as LSL Acadata) for performance comparison purposes only. The benchmark is not a target benchmark and the Trust is not constrained by it. This index has been chosen as a comparator benchmark as it is based upon actual sales completed and is mix-adjusted. There is a detailed comparison of the various indices on the e.surv House Price Index (previously known as LSL Acadata) website but, put simply, it is the result of taking the average of the price at which every residential transaction in England & Wales took place, smoothed over rolling 3 month periods, mix-adjusted to eliminate the effect of monthly changes in the types of properties sold, and seasonally adjusted to account for times in the year when house buying activity traditionally experiences peaks or troughs.

The base currency of the Fund is pounds sterling.

Income arising from the Fund is retained in the case of accumulation units. Investors can redeem units daily at 10.30pm.

### Risk and Reward Profile

The sole investment of the Fund are shares in the TM home investor fund, a sub-fund of TM Hearthstone ICVC. If the value of the Fund's investment in the TM home investor fund declines, or is otherwise adversely affected, this will have an adverse affect on the value of the Fund.

The TM home investor fund has a significant exposure to immovables. As such, the authorised fund manager is not permitted to disclose a synthetic risk and reward indicator for the TM home investor fund. The authorised fund manager has identified the following material risks which are relevant to the TM home investor fund:

- Liquidity risk - investments in immovable property are relatively illiquid and more difficult to realise than most equities or bonds. If an asset cannot be liquidated in a timely manner then it may be harder to attain a reasonable price.
- Valuation risk - immovable property and immovable property-related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to uncertainty and are a matter of an independent valuer's opinion. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.
- The investments of the TM home investor fund are subject to normal market movements and other risks involved with investing in property and securities. There can be no assurance that any capital growth will occur. The value of your investment may fall as well as rise.
- If significant numbers of investors want to get their money back at the same time the TM home investor fund may be forced to sell property. This could result in a lower price being obtained than the most recent valuation.
- The performance of a fund invested substantially in property can be negatively affected by a downturn in the property market in terms of both prices and rental income.
- The TM home investor fund invests mainly in one type of asset. It is therefore more vulnerable to the market sentiment for that particular type of asset.
- The investment returns of the Fund and the TM home investor fund may differ.
- The Fund may hold assets that are not always readily saleable without suffering a discount to fair value. The Fund may have to lower the selling price, sell other investments or forego another, more appealing investment opportunity.
- Investment in other funds may mean that the objectives and risk profiles of those underlying funds may not be fully in line with those of the Fund.
- Significant exposure to a particular industrial sector or geographical region reduces the diversification and is at risk of a localised event impacting the Fund.
- The Fund has a concentrated portfolio (holds a limited number of investments) and if one or more of these investments declines or is otherwise affected, it may have a pronounced effect on the Fund's value.
- The price of units/shares and any income from them may fall as well as rise and investors may not get back the full amount invested. Past performance is not a guide to future performance. There is no assurance that the investment objective of the Fund will actually be achieved.

All the risks currently identified as being applicable to the Fund are set out in the "Risk Factors" section of the Fund's Prospectus. Investors should also consider the "Risk Factors" section of the TM home investor fund.

## Charges for this Fund

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry Charge	None
Exit Charge	None
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investments are paid out	
Ongoing charges	1.61%
Charges taken from the Fund under certain specific conditions	
Performance fee	None

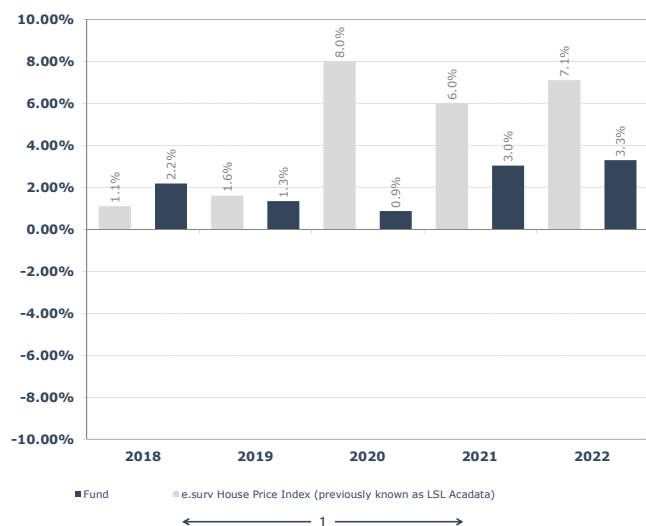
The entry and exit charges shown are maximum figures. In some cases you might pay less - you can find this out from your financial adviser.

The ongoing charge is based on last year's expenses for the year ending 30th June 2022. This figure may vary from year to year. It excludes:

- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units/shares in another collective investment scheme.

For more information about charges, please see the section headed 'Fees and Expenses' of the Fund's Prospectus, which is available on request via email to [thesisut@tutman.co.uk](mailto:thesisut@tutman.co.uk)

## Past Performance



(a) The Fund launched in 2012. The TM home investor feeder fund launched in 2013

(b) The bar chart shows the calendar year returns for the last 9 full calendar years. If a column is blank, there is insufficient performance data to provide a complete calendar year of performance

(c) Past performance has been calculated in pounds sterling

(d) Performance is calculated as Total Return, including all charges levied against the Fund

(e) Past performance has limited value as a guide to future performance

(f) Investments may go down as well as up

1. The past performance calculated between 2014 and 2017 was achieved under circumstances that no longer apply (based on a different Fund name).

## Practical Information

The trustee of the fund is NatWest Trustee and Depositary Services Limited. The trustee has delegated the function of custodian to The Northern Trust Company.

Please email [thesisut@tutman.co.uk](mailto:thesisut@tutman.co.uk) if you require, or have any queries in relation to, the Fund price, Report and Accounts or Prospectus. All documentation relating to the Fund is available in English and is free of charge. The most recent prices will appear daily on the Trustnet website at [www.trustnet.com](http://www.trustnet.com) and can also be obtained by telephone on 01483 783 900. The annual Report and Accounts will be made available annually on the 31st October.

UK tax legislation may have an impact on the personal tax position of investors.

The information in this document relates to a single class of the TM home investor feeder fund, the TM home investor feeder fund accumulation unit class.

It is possible for you to switch your entitlement between sub-Funds of the TM Hearthstone UK Residential Feeder Fund. You can obtain more information about switching by emailing [thesisut@tutman.co.uk](mailto:thesisut@tutman.co.uk). You should be aware that an exchange of units for units (of whatever class) in another sub-Fund is treated as a redemption and sale and is a disposal for Capital Gains Tax purposes. The Prospectus and Report and Accounts are prepared for the TM Hearthstone UK Residential Feeder Fund in its entirety.

The assets of the TM home investor feeder fund are segregated from other sub-Funds and can only be used to meet the liabilities of the TM home investor feeder fund and not of any other sub-Fund.

Information on the current remuneration policy, including a description of how remuneration and benefits are calculated and the identity of the remuneration committee members, is available on our website at [www.tutman.co.uk](http://www.tutman.co.uk) and a copy can be obtained, free of charge, on request.

This Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

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This Key Investor Information is accurate as at 17th February 2023.

[www.tutman.co.uk](http://www.tutman.co.uk)

Tutman is a trading style of Thesis Unit Trust Management Limited and Tutman LLP. Thesis Unit Trust Management Limited is registered in England and Wales, number 03508646 and Tutman LLP is registered in England and Wales, number OC369415. Both entities are authorised and regulated by the Financial Conduct Authority and have their registered office at Exchange Building, St John's Street, Chichester PO19 1UP.