

Homestead Funds Celebrates 35 Years of Serving Main Street America

Built by Co-ops, Available to All Investors: Virginia-Based Mutual Fund Company Marks Three and a Half Decades of Institutional-Quality Investing

ARLINGTON, Va. (Nov. 19, 2025) – Homestead Funds marks its 35th anniversary today as a Virginia-based mutual fund company. Homestead Funds was founded in 1990 by the National Rural Electric Cooperative Association, the national trade association representing nearly 900 not-for-profit local electric cooperatives.

Through the creation of Homestead Funds, NRECA sought to give the employees who bring power to America's farms, factories, schools and homes access to high-quality money management and financial services. Since then, Homestead Funds has expanded its offering of equity and fixed-income funds, which are open to all investors.

"Homestead Funds represents a natural extension of the seventh cooperative principle, which is concern for community," said NRECA CEO Jim Matheson. "Just as the cooperatives we represent were formed to bring essential services to underserved areas, Homestead Funds was created to provide Americans with access to professional investment management. It's a partnership that has served cooperative members and the broader investing public well for 35 years."

Homestead Advisers, the investment manager for Homestead Funds, operates with a mission-driven approach that sets it apart from other investment service companies. The firm:

- Returns its profits to NRECA to support members' needs and initiatives.
- Operates with a long-term focus, without the distraction of quarterly earnings calls.
- Manages assets through a pension lens, with a long-term investment horizon.
- Employs active investment strategies that emphasize buying quality companies.
- Features investment teams that are directly involved in strategy execution.
- Provides high-touch service with access to our team of investment professionals.

The firm's eight actively managed mutual funds have earned industry recognition for their long-term performance and dedication to active management. The flagship **Homestead Value Fund (HOVLX)** and the **Homestead Intermediate Bond Fund (HOIBX)** each earned a 4-star Morningstar rating for the overall period as of September 30, 2025, reflecting their consistent, disciplined investment approaches.

"As we celebrate this milestone, our roots continue to guide us," said Homestead Funds CEO Mark Santero. "We remain committed to providing straightforward, accessible investment solutions for individual investors, our electric cooperative clients and financial professionals who trust us with their clients' assets. Our commitment to serving all three audiences with the same level of care and professionalism will continue to define us in the years ahead."

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More on Mark Santero can be found on [FINRA BrokerCheck](#).

Morningstar rated the Homestead Value Fund, in Morningstar's large-value category, 4 stars for the overall period out of 1,086 funds, 4 stars for the 10-year period out of 842 funds, 3 stars for the five-year period out of 1,025 funds, and 4 stars for the three-year period out of 1,086 funds for performance month ending 9/30/25. Morningstar rated the Homestead Intermediate Bond Fund, in Morningstar's intermediate core bond category, 4 stars for the Overall period out of 430 fund, 4 stars for the five-year period out of 382 funds, and 3 stars for the three-year period out of 430 funds for performance month ending 9/30/25. The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, close-end funds and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustments for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-year, five-year and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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Debt securities are subject to various risks, including, among others, interest rate risk, credit risk, extension risk, income risk, issuer risk and market risk. The value of U.S. government securities can decrease due to, among other reasons, changes in interest rates or changes to the financial condition or credit rating of the U.S. government. Investments in asset-backed and mortgage-backed securities are also subject to prepayment risk, as well as increased susceptibility to adverse economic developments. High-yield, lower-rated securities involve greater risk than higher-rated securities.

Equity securities generally have greater price volatility than fixed-income securities. The market price of equity securities may go up or down, sometimes rapidly or unpredictably. Equity securities may decline in value due to a number of factors, including those relating to the issuer or equity securities markets generally, among others.

Value stocks are subject to the risk that returns on stocks within this style category will trail returns of stocks representing other styles or the market overall over any period of time and may shift in and out of favor with investors generally, sometimes rapidly, depending on changes in market, economic and other factors. Investments in value securities may be subject to risks, among others, that (1) the issuer's potential business prospects will not be realized, (2) their potential values will not be recognized by the market, and (3) they will not perform as anticipated.

Past performance does not guarantee future results. Investing in any mutual fund, including Homestead Funds, involves risk, including the possible loss of principal. *An investment in a mutual fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.*

Before investing in any Homestead Fund, you should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus contains this and other information about each of the Homestead Funds and should be read carefully before investing. To obtain a prospectus, call 800.258.3030 or visit [homesteadadvisers.com](#).

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