



# Homestead Value Fund (HOVLX)

## Quality Value Approach

*Homestead Funds' large-cap strategy employs a disciplined quality value approach, which seeks long-term growth of capital for the long-term investor. Historically this approach has been resilient during periods of market underperformance as we closely monitor both portfolio and individual security risks to try to limit volatility and maximize risk-adjusted long-term returns.*

*The foundation of our investment approach is based on three pillars that seek to identify companies that have robust business models, strong management teams and attractive valuations.*

### Our Three-Pillar Framework

**Business Quality:** We seek high-quality businesses that have common characteristics across industries. These companies demonstrate competitive advantages, strong cash flows and operational resilience.



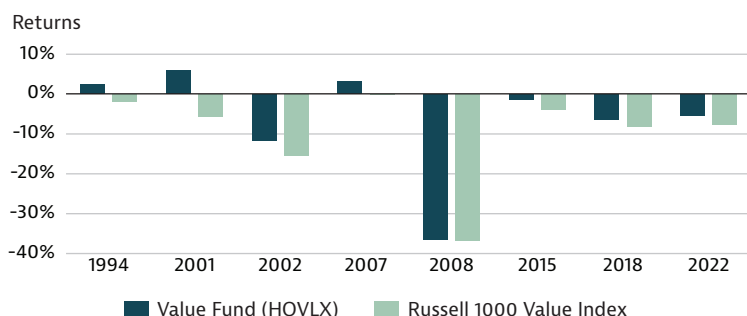
**Management Quality:** A company's business quality depends on its leadership. We seek managers with proven capital allocation skills, strategic vision and a record of creating shareholder value.

**Valuation Quality:** Investing when the market value is below our assessment of intrinsic value offer a potential for growth and helps drive returns. We evaluate each stock by comparing its current price to our projections, peer valuations and historical valuations.



### The Result: Outperformance When It Matters the Most

Over the past 30 years, the integration of these three pillars has delivered **outperformance every year that the Russell 1000 Value Index was down, as shown below.** When markets decline, the Value Fund has historically experienced fewer drawdowns than its benchmark, preserving capital during stress periods.



Source: Morningstar

### Resilience Across Market Cycles

Homesteads' quality value approach has demonstrated resilience across major market disruptions.<sup>1</sup>

Tech Bubble	2000-2003
HOVLX	29.57%
Russell 1000 Value Index	10.98%

Global Financial Crisis	2008-2009
HOVLX	-19.28%
Russell 1000 Value Index	-24.41%

The Lost Decade	2000-2009
HOVLX	61.91%
Russell 1000 Value Index	27.67%

COVID Sell-Off/Recovery	2020
HOVLX	7.61%
Russell 1000 Value Index	2.80%

Source: Morningstar

<sup>1</sup>Performance measure from the period between January 1 and December 31.

*The total returns shown above represent past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. For performance data current to the most recent month-end, call 800.258.3030 or visit [homesteadadvisers.com](https://homesteadadvisers.com).*

Fund total returns include changes in principal value and reinvested dividends, income and capital gain distributions.

## We're Wired Differently

- Founded by the National Rural Electric Cooperative Association (NRECA), a nonprofit trade association representing America's electric cooperatives, Homestead Advisers operates with a **mission-driven approach** and returns its profits to NRECA to support members' needs and initiatives
- As a nonpublic asset management company, we **operate with a long-term focus**, without the distraction of quarterly earnings calls
- We manage assets through a **pension lens**, with a long-term investment horizon
- We employ **active investment strategies** that emphasize buying quality
- We maintain a portfolio of **high-conviction** holdings
- Our agile, experienced investment teams are **directly involved** in strategy execution
- We provide **high-touch service** with access to our team of investment professionals

### Total Returns as of 12/31/2025

	Value Fund (HOVLX)	Russell 1000 Value Index
Aggregate QTD	2.51%	3.81%
Aggregate YTD	14.54%	15.91%
1-YR	14.54%	15.91%
3-YR	13.90%	13.90%
5-YR	11.80%	11.33%
10-YR	11.91%	10.53%
Since Fund's Inception	10.49%	10.43%

Expense ratio 0.62% (gross) 0.62% (net) (12/31/24)

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The expense ratio shows the percentage of fund assets deducted annually to cover operating expenses. Fund expense ratios shown here do not include acquired fund fees and expenses. If applicable, these additional costs are disclosed in the prospectus. For some funds, the investment advisor has agreed voluntarily or contractually (for at least the current fiscal year) to waive or reimburse a portion of expenses. The net expense ratio is the expense ratio minus the portion of expenses waived or reimbursed.



**Jim Polk, CFA®**  
**Head of Equity Investments**

Jim co-manages Homestead Advisers' equity strategies. He is a graduate of Colby College, where he received a bachelor's degree in English. He received his MBA from the Olin Graduate School of Business at Babson College. Jim holds the Chartered Financial Analyst designation.



**Mark Long, CFA®**  
**Equity Portfolio Manager**

Mark co-manages the Homestead Advisers' large-cap strategies. Mark is a graduate of Cornell University, where he received a bachelor's degree in operations research and information engineering. Mark holds the Chartered Financial Analyst designation.

Drawdowns are a change between an investment or fund's price peak and trough before it recovers to the initial peak.

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 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.

The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. Indices are unmanaged, and investors cannot invest directly in an index. Unless otherwise noted, performance of indices does not account for any fees, commissions or other expenses that would be incurred. Returns include reinvested dividends.

Index funds are subject to tracking risk, the risk that the fund's return will not closely track the return of the index. Indices are unmanaged, and investors cannot invest directly in an index. Unless otherwise noted, performance of indices does not account for any fees, commissions or other expenses that would be incurred. Returns include reinvested dividends.

Investing in any mutual funds, including the 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. **Past performance does not guarantee future results.**

**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](http://homesteadadvisers.com).**

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