




**Homestead**  
Funds

# Investor's Guide to Homestead Funds

Investing for a Brighter Future

A man and a woman are walking away from the camera on a gravel path that runs through a cornfield. The man is on the right, wearing a light-colored short-sleeved shirt and jeans, with his arm around the woman's shoulder. The woman is on the left, wearing a bright yellow t-shirt and shorts. The sky is filled with soft, golden light from a setting or rising sun, with wispy clouds. The overall mood is peaceful and hopeful.

*We are Homestead Funds, an established and trusted mutual fund manager, empowering cooperatives, families and advisors with education, access and opportunity through straightforward investment planning and partnership.*

# Who is Homestead?

Investing has never been more important in supporting the financial futures of American families – yet many in rural and regional communities do not get the focused guidance they need.

We believe that an exceptional community requires a partner that helps protect its interests and understands the experiences of those that help power this country and make it special.

This is where Homestead Funds truly makes a difference. We are a mutual fund manager with roots in rural America, originally formed over 30 years ago to invest on behalf of community electric cooperatives and their members.

At Homestead, we strive to harness the ideals of integrity, self-reliance and community to develop personalized investment approach, while giving our partners the resources, education and support needed to help build the bright financial futures they deserve.

## Driven By The Cooperative Spirit

In 1990, the National Rural Electric Cooperative Association (NRECA) created Homestead Funds to provide co-ops and their employees with sensible options for saving and investing their money.

Homestead Funds holds fast to the cooperative principles of our founding organization, principles grounded in a philosophy guided by putting people first.

### Homestead By The Numbers

**1990**

Founded

**350+**

Cooperative-owned  
Accounts



## Our Story Starts With You

**Products. People. Process.**

The most important aspects of Homestead are reflections of a mission guided by those we serve.

# Why Invest with Homestead?

With so many other investment choices available, why should you consider investing with Homestead? Here are three good reasons:

## Reason 1

### Committed To Our Communities

Our origins are an essential aspect of our identity. They inform and guide our way of doing business, with every decision based on client needs.

## Reason 2

### Partners in Perspective

We are not Wall Street. We view investing from the perspective of those we serve, allowing us to create strategies that are truly aligned with our clients' needs, providing support driven by deeper understanding.

## Reason 3

### Investing Made Simple

Serving your interests means simplifying the investment process. We work hard to remove complexity from the experience so that it's easy to set up and manage your investment accounts.

## Investing in a Brighter Future, Together

### Aligned

Our community origins create client alignment through a common perspective, ensuring guidance and solutions driven by your interests.

### Accessible

With a mission to serve, we are here to offer an attentive ear and provide a helping hand.

### Affordable

We provide value in many ways, working hard to keep costs down to ensure your hard-earned money is working for you.



# People Driven By Purpose

With roots in the cooperative community, we have held the same mindset since inception: Work hard every day to bring the benefits of smart investing to those we serve. Such dedication to a common cause has allowed us to find and retain talented, purpose-driven individuals who care deeply about the individuals and families they work with. These are our people.

## Equity Team



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



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



Nick supports Homestead Advisers' equity strategies. He is a graduate of Southern Virginia University, where he received a Bachelor of Arts degree in Business Management and Leadership. Nick has completed level I of the Chartered Financial Analyst curriculum.



Rachel supports Homestead Advisers' equity strategies. She previously worked for the company's parent organization, NRECA, as a mutual fund accountant. Rachel began her career in public accounting as an auditor. She received a BSBA from Appalachian State University and majored in accounting.

## Fixed-Income Team



Mauricio co-manages Homestead Advisers' fixed-income strategies. He received a Bachelor of Science in finance from the University of Maryland, Robert H. Smith School of Business. He holds the Chartered Financial Analyst designation.



Ivan co-manages Homestead Advisers' fixed-income strategies. He received a Bachelor of Science in finance from the University of Maryland, Robert H. Smith School of Business. He holds the Chartered Financial Analyst and Financial Risk Manager designations.



David supports Homestead Advisers' fixed-income team by implementing solutions to facilitate the monitoring of portfolio risk, exposures, performance and best execution. He also conducts company financial analysis and data reporting. David received a Bachelor of Science in finance with a minor in economics from University of Maryland Global Campus.

# Putting Homestead Funds to Work for You

We provide a comprehensive range of investment products and planning services to offer every type of investor a tailored experience. Choose from a wide range of predefined portfolios, or customize your own fund mix.

Your Time Frame	Investment Types and Their Traits	Homestead Funds	Investment Objective
Short term: Less than one year	<b>MONEY MARKETS</b> Generally carry lower risk but typically also give you a lower reward	Daily Income Fund	Seeks maximum current income, consistent with preservation of capital and liquidity, by investing in high-quality money market securities.
Medium term: Less than five years	<b>BONDS</b> Generally carry more risk than money market investments but, in turn, may deliver a higher reward	Short-Term Government Securities Fund	Seeks a high level of current income from investments in a portfolio of securities backed by the full faith and credit of the U.S. government.
		Short-Term Bond Fund	Seeks a high level of income consistent with maintaining minimum fluctuation of principal by investing in high-quality, short-term debt securities.
		Intermediate Bond Fund	Seeks to provide a high level of current income consistent with preservation of capital through investments in bonds and other debt securities.
Long term: Five or more years	<b>STOCK &amp; BALANCED FUNDS</b> Generally carry higher risk but over long periods have delivered a higher reward	Rural America Growth & Income Fund	Seeks long-term total return through capital appreciation and current income.
		Stock Index Fund	Seeks to match, as closely as possible, before expenses, the performance of the Standard & Poor's 500 Index (the "Index"), which emphasizes stocks of large U.S. companies.
		Value Fund	Seeks long-term growth of capital and income for the long-term investor. Current income is a secondary objective.
		Growth Fund	Seeks to provide long-term capital appreciation through investments in common stocks of growth companies.
		International Equity Fund	Seeks long-term capital appreciation through investments in equity securities of companies based outside the U.S.
		Small-Company Stock Fund	Seeks long-term growth of capital for the long-term investor.

*As a money market fund, the Daily Income Fund has limited potential for income production. You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.*

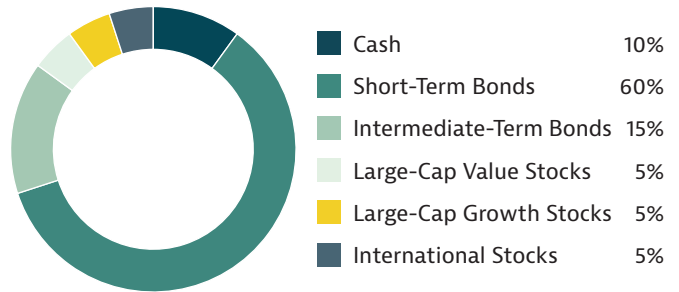
Debt securities are subject to interest rate risk, credit risk, income risk, issuer risk and market risk. The value of U.S. Government securities can decrease due to changes in interest rates or changes to the financial condition or credit rating of the U.S. Government.

# Investor Profiles and Sample Portfolios

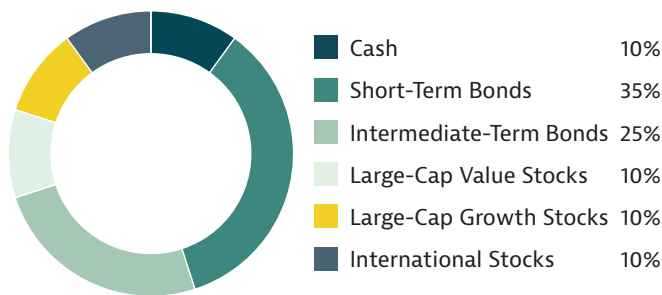
Our funds are designed to offer our investors, cooperatives and advisors a full suite of solutions.

A Homestead Funds client services associate can help you tailor a portfolio to your specific needs.

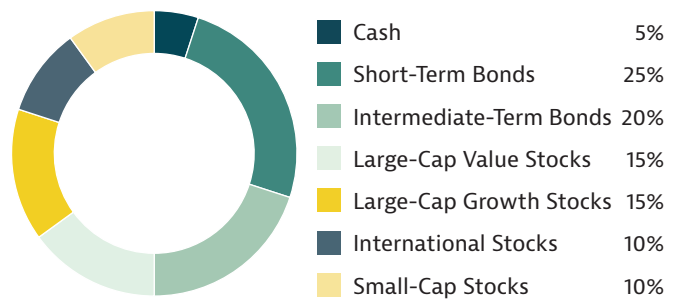
## Conservative Portfolio



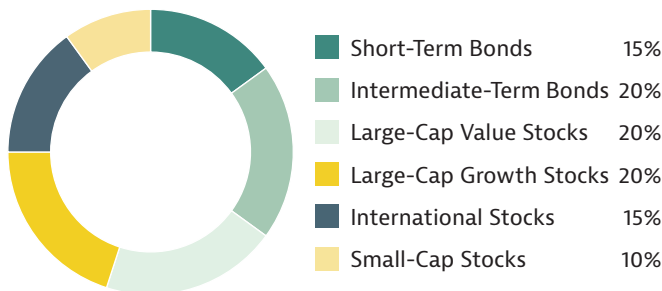
## Moderately Conservative Portfolio



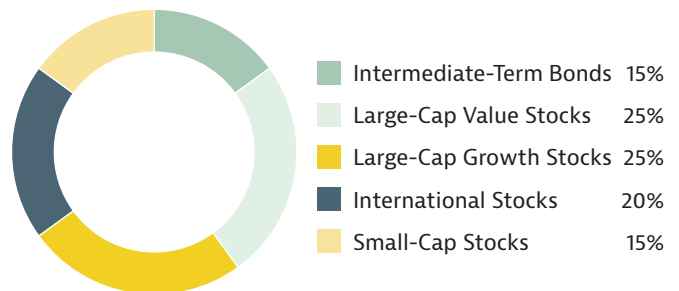
## Moderate Portfolio



## Aggressive Portfolio



## Very Aggressive Portfolio



Debt securities are subject to 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 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. Loans are subject to risks involving the enforceability of security interests and loan transactions, inadequate collateral, liabilities relating to collateral securing obligations, and the liquidity of the loans.

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 affecting the issuer or equity securities markets generally.

Growth and value stocks are subject to the risk that returns on stocks within the 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. Growth stocks can be volatile, as these companies usually invest a high portion of earnings in their business and therefore may lack the dividends of value stocks that can cushion stock prices in a falling market. Also, earnings disappointments often lead to sharply falling prices because investors buy growth stocks in anticipation of superior earnings growth. Investments in value securities may be subject to risks that (1) the issuer's potential business prospects will not be realized; (2) their potential values will never be recognized by the market; and (3) their value was appropriately priced when acquired and they do not perform as anticipated.

The Stock Index Fund pursues its objective by investing substantially all of its assets in another pooled investment vehicle (a "master fund"). The ability of the Stock Index Fund to meet its investment objective is directly related to the ability of the master fund to meet its investment objective. Index funds may hold securities of companies that present risks that an investment adviser researching individual securities might otherwise seek to avoid and are subject to tracking error risk.

Securities of small and medium-sized companies tend to be riskier than those of larger companies. Compared to large companies, small and medium-sized companies may face greater business risks because they lack the management depth or experience, financial resources, product diversification or competitive strengths of larger companies, and they may be more adversely affected by poor economic conditions. There may be less publicly available information about smaller companies than larger companies. In addition, these companies may have been recently organized and may have little or no track record of success.

Foreign securities are subject to political, regulatory, and economic risks not present in domestic investments and may exhibit more extreme changes in value than securities of U.S. companies. Investing in emerging and frontier markets will be subject to greater political and economic instability, less developed securities markets, and other similar risks than in more developed markets.



# More Than an Investment, Homestead's Funds Are a Way to Manage Your Money

- ① **Easy Management**  
You can take advantage of our digital access and tools to help you build your portfolio and review accounts on an ongoing basis.
- ② **Dividend Reinvestment**  
You may automatically invest periodic dividends and capital gains (if any).
- ③ **Automatic Programs**  
With Homestead's programs you can send money directly from — or to — your bank account.
- ④ **Regular Reports**  
You will receive quarterly account statements and transaction confirmations, both of which can be sent electronically or by mail. Manager commentary and other resources are available online or by subscription.
- ⑤ **Retirement and Education Plans**  
You can purchase shares of Homestead Funds for your IRA, ESA or UGMA/UTMA.

[For more details](#)  
call us at 800.258.3030.

## Focus on Your Future

Our client services associates can help you evaluate these action steps in light of your individual needs.

- 1 Set goals**  
Defining your objectives is a critical step in building your plan. Know what you need your money to do over both the short and long term.
- 2 Stay ahead of inflation**  
Virtually every item you buy today costs more than it did 10 years ago. Don't let the corrosive power of inflation undermine your plans.
- 3 Invest in a mix of funds**  
Choose funds with complementary objectives to temper investment volatility while you pursue a variety of objectives.
- 4 Start your plan today**  
We make getting started easy and convenient with automatic investing plans that save you time and paperwork. There is no required minimum investment amount.
- 5 Give your portfolio regular checkups**  
Review your portfolio on a regular basis, perhaps with the help of an investment representative. Consider adjustments at least once a year.

# Individual Investors

Let Us Help Guide You on Your Financial Journey

Our client services associates can help you define your investment objectives and build a diversified portfolio that is aligned with your risk tolerance and time horizon.

As your needs change, we're here to provide ongoing counsel and support.

Wherever you are on your investment journey, we welcome the opportunity to talk to you about your financial goals.



**Beth Civerolo**  
Director, Mutual Fund Operations

## Whatever Your Dreams, Homestead Wants to Help You Reach Them

Homestead provides a convenient way to:

- ① Complement or diversify investments you already have in your program
- ① Structure a comprehensive investment program composed of multiple Homestead funds to pursue specific outcomes like these:
  - Investing by Life Stage
  - Investing for Retirement
  - Investing for Education
- ① Establish a plan that seeks to build wealth over time by making regular, automatic investments from your bank account or paycheck

Questions? Give us a call.  
**800.258.3030.**



Diversification does not guarantee a profit or protect against a loss in a declining market. It is a method used to help manage investment risk. Homestead Funds does not offer legal or tax advice. Please consult the appropriate professional regarding your individual circumstance.

# How We Help Cooperatives

## Supporting Your Members and Your Mission

We are here to support your mission by providing investment solutions, tools and resources that can help foster the long-term success of your cooperative.

### Stay Prepared

Make money decisions easier and carry out plans to help grow assets and support financial needs

### Care For Communities

Support those around you by funding scholarship and community initiatives

### Attract & Retain

Recruit and reward leadership through deferred compensation plans and supplemental benefits

### Engage & Educate Employees

Build solid financial foundations by educating individuals and sponsoring savings programs

Established by NRECA, Homestead is a firm that has made serving the investment needs of cooperatives and their employees its prime directive. We have a long history of working with cooperatives and understand your specific needs and challenges.

## Financial Professionals: A Foundation For Financial Advisors

If you are looking for a family of funds that is small in number, yet broad in scope, you have come to the right place.

Homestead provides a convenient way to:

- Target and replace investment sleeves or mandates that under-perform or are over-correlated to other portfolio investments
- Complement, offset or augment risk profiles to help optimize portfolio efficiency

Questions? Give us a call. We're happy to help.  
800.258.3030.



# Homestead Quick Facts

30+

Years of Investing

Homestead was established in 1990 by NRECA, a not-for-profit organization representing the nation's consumer-owned rural electric cooperatives.

90+

Years of Experience

Homestead Advisers, an SEC-registered investment advisor, serves as investment manager to nine of the ten funds in the Homestead Family of Funds. The portfolio managers and analysts of Homestead Advisers have 96 years cumulative experience.

10

No-Load Mutual Funds

A comprehensive range of ten mutual funds across the risk and reward investment spectrum. Our no-load funds can act as complements or as alternatives to portfolio investments—or provide a customized blended solution to help meet your asset allocation objective.



Investing in mutual funds involves risk, including the possible loss of principal. **Past performance does not guarantee future results.**

*Investors should carefully consider fund objectives, risks, charges and expenses before investing. The prospectus contains this and other information about the funds and should be read carefully before investing. To obtain a prospectus, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).*

Homestead Funds' investment advisor and/or administrator, Homestead Advisers Corp., and distributor, Homestead Financial Services Corp., are indirect wholly owned subsidiaries of NRECA.

Homestead Financial Services Corp., Distributor 06/23

INVGUIDE

