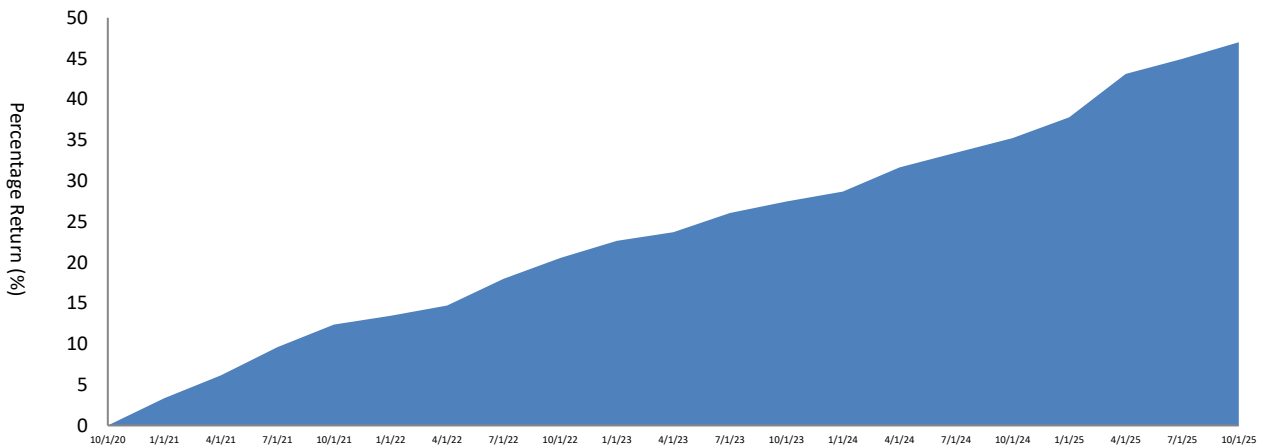




RIO Property produced a gain of 1.41% in the third quarter of 2025. Since launch, this account has filed twenty-three consecutive gaining quarters, producing a net return of 53.85%.



During July, I visited four of our redevelopment sites, and can confirm all are on track for completion this year. We had an attractive verbal offer to acquire one of the blocks two months ago, but lending has not yet been approved. That said, we have had an official written offer which will result in the sale of this land, if and when loan is approved. Importantly should the sale go ahead then the performance of this investment will be positively affected. I have heard that loan approval is very likely.

The high street office project development works are complete on the first, second and third floors, whilst work on the fourth floor will commence this month. When such works are finalised these buildings will be offered for let, and to that end we are in final negotiations with the prospective tenant. Given the above the fourth quarter looks very promising.

The Market

Stamp duty changes put the brakes on the property market earlier this year, but activity has started to pick up again. HMRC reported a 4% annual increase in transaction volumes in July – the latest figures available. Autumn is often a busy time for moving, but it remains a buyer's market.

For the meantime, the housing market appears stable in the build-up to the Autumn Budget. The latest Nationwide House Price Index showed average property values rose slightly by 0.5% on a monthly basis, reversing a 0.1% dip in August. That said, demand has dropped, which has left more homes on the market.

In some parts of the country, there is a glut of houses listed for sale. A report issued on 28 August stated that there are 10% more homes for sale than a year ago. Housing supply varies; for example, in London, supply has moved higher, up 18% compared to a year ago. In contrast, supply in northern England and Scotland is down 4% and 1% respectively, which in turn creates more attractive conditions for sellers. Among the UK nations, prices grew at the fastest rate in Northern Ireland in the 12 months to July (5.5% annually). Scotland came in second place (3.3%), followed by England (2.7%) and Wales (2%).

Looking forward, uncertainty about property taxes may soon slow the market, after all the chancellor could be considering replacing stamp duty with a national property tax on the sale of homes above £500,000 in her Autumn Budget - if the rumours are true. There are also reports that sales of properties above £1.5 million could face capital gains tax charges.

And finally, The Bank of England data shows the number of mortgage approvals dropped in August. This can indicate a slower market ahead, at least until the outcome of the Budget in November.

William Gray
The RIO Club