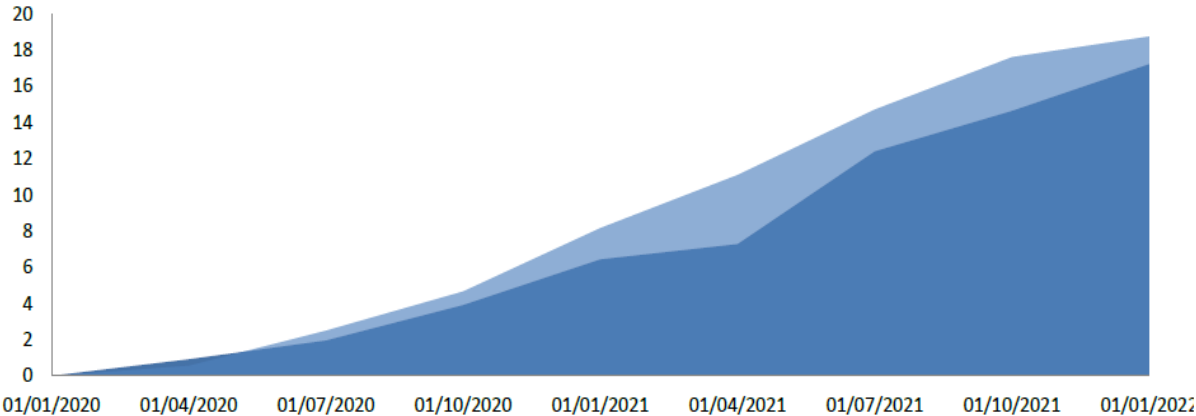




RIO Property continues to post gains!

RIO Property Group closed the fourth quarter with a gain of 0.91%. Since launch this investment has posted eight consecutive gaining quarters and remains on target, it has posted net returns of 18.75% during the past two years. The account also continues to outperform its benchmark return (the UK property market).



During December I visited two of our four projects and am happy to report that both are now firmly on target, this despite December storm damage, lockdowns, material shortages and delivery issues. The team have continued to deliver what can only be described as a considerable effort to overcome these issues, and ensure that projects remain on schedule.

While rising inflation is currently grabbing the headlines, the direct effect on pricing could be minimal as property values have a much stronger link with economic growth. The number of households in the UK are forecast to increase by 160,000 a year over the next seven years. This would be equal to the average number of properties built each year between 2010 and 2019. In conclusion, this would indicate that the imbalance between demand and supply will persist. The average UK house price has continued to rise strongly in 2021.

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