

INGENIOUS CORPORATE GROWTH SERVICE

SERVICE UPDATE

Period ending: 30 September 2021

Investment performance

This is the accompanying explanatory note for Ingenious Corporate Growth Service ('the Service') for the period ending 30 September 2021.

We are pleased to confirm that the Service has increased in value in the quarter by 1.14% equating to a 12-monthly growth of 4.56%.

Market Commentary September 2021

House prices have continued to grow in the most recent quarter, although at a slower pace than the first half of the year following removal of government stimulus such as the stamp duty holiday. Some low price growth is expected for the remainder of the year due to lack of supply.

The industry continues to face upwards pressure on costs for both labour and particularly materials due to difficulties with supply chains, which is expected to persist into the second half of 2022. The Real Estate team continues to factor these price increases into contingency allocations within each project.

Summary

The Service is invested into Ingenious' real estate portfolio of secured development and bridge finance loans in established markets across England.

This includes 1,713 residential units: 178 pre-construction, 1,404 under construction and 131 complete. There are 25 live development projects and 4 bridge loans where development terms are pending.

During this quarter, the team closed 2 new loans with a value of £9.3m. See below table for locations and values.

Closed new loans	£
Worcestershire	4,740,000
Newcastle	4,542,000
Total	9,282,000

There was 1 loan with a facility value of £2.7m that was fully repaid in the quarter.

The Service has a conservative investment strategy and seeks to preserve the value of an investment and deliver steady growth.

It continues to operate with low levels of uncommitted cash, with all investments fully deployed into real estate deals at present.

Valuation methodology

Please note this valuation is for illustrative purposes only as the actual return on investment cannot be determined until you realise your investment in the Service.

The illustrative valuations are based on cash invested, plus revenue received, less any costs incurred as at the date of the valuation.

Please refer to the accompanying Valuation Statement for your investment valuation and return on cash deployed.

Next communication

Your valuation statement for the period ending 31 December 2021 is scheduled to be published in February 2022.

Should you have any queries regarding the above, please do not hesitate to contact a member of our dedicated Client Services Centre on clientservices@theingeniousgroup.co.uk.