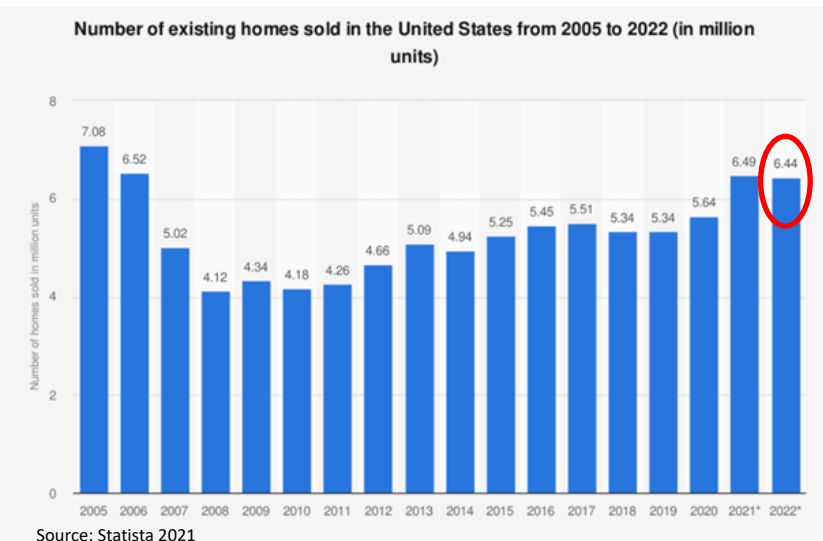




As we close the books on 2021, we are extremely pleased with how the Small Cap strategy ended the year, as for the twelve months ending December 31, the Argent Small Cap strategy outperformed its benchmark, the Russell 2000® Index, by 1.2% *net of fees*.

As we are witnessing, a decade-long housing shortage, historically low interest rates and the onslaught of work from home converged to increase the home shortage in 2021. Hand in hand with this supply problem came a nearly 20% increase in housing prices in 2021. So, what does this mean for the housing industry in 2022? Despite the highly probable increases in interest rates for 2022, we believe Americans should be ready for another dynamic year of home buying. With the backdrop of a vibrant economy and strong labor

market, it certainly appears that housing demand will remain strong, with more home buyers than homes for sale (as reflected on the chart to the left).



With the health of the housing market specifically in mind, we purchased Green Brick Partners, Inc. Currently, the company has many positive catalysts that could generate upside potential for the stock, with its attractive locations, land strategy and price point strategy. Green Brick is a homebuilder operating in Texas, Georgia, Florida, and Colorado. The locations of Green Brick's homes are currently hotbeds of growth. Almost 87% of the

company's business is located in Dallas and Dallas home prices are up 20% year-over-year. Additionally, Texas is leading the country in population growth. The company also has a unique business strategy. Many homebuilders do not own land while Green Brick has historically built a strong inventory of land. This is an enormous benefit as the company purchased much of its land at lower prices than it would pay for land today. One result of this is that it gives Green Brick the strongest profit margins in the entire homebuilding space. Another contributing factor to Green Brick's success is its price point strategy. The company builds homes from high-end luxury to entry-level housing. Recently, however, it decided to pivot to more affordable homes as a larger part of the business. With more than 45 million millennials within the prime home buying range of 26-35 years old, this could be a big boost for Green Brick. Trading at an attractive valuation, we believe Green Brick Partners, Inc. has a long runway for growth.

Argent had a terrific year with all five of its strategies, including our newest strategy, SMID Cap U.S., outperforming their stated benchmarks in 2021. We are 100% employee-owned, have peak assets under management and we thank you for your business and your interest. In addition, if you like our market letters, we hope you will pass them on to friends. For information on our five successful equity strategies—Large Cap U.S., Dividend Select, Mid Cap U.S, Small Cap U.S. and SMID Cap U.S., please contact clientservice@argentcapital.com.

Sincerely,

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