



# YOUNG GROUP<sup>®</sup>

Property Portfolio Managers

## PRESS INFORMATION

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### Lehman Brothers' Shares v Buy-to-Let Investment? Neil Young, CEO - Young Group, weighs property v equity investments

With news of the demise of Lehman Brothers, the respected 158 year old investment bank, on everyone's lips it's an opportune time to reflect on the performance of equity investments and tangible property assets.

#### The Property Market:

- Property prices can fall e.g. in the early 1990s, property in England fell by 15%.
- Property prices have only fallen 5 out of the last 55 years. House prices are currently more than three times the level of the early 1990s. (Source: DCLG)
- Property has a 100% record of price recovery.
- Despite current headlines, UK property prices have fallen by an average of just 1.2% year on year 2007-2008. (Source: Chesterton Poll of Polls)
- Historically property doubles in value every 7-10 years.

#### The Financial Market:

- Stocks also fall e.g. in the 3 months post 'Black Monday' in 1987 the FTSE 100 fell by 33%.
- Since the FTSE 100's last high of 6,939 in Dec 1999, it has still not recovered (reaching a high in September 2007 of 6,752) and now stands at 5117 (down 24% from September 2007).
- Companies cease trading: Lehman Brothers, Northern Rock, Railtrack, Rover, etc – where 100% of the investment can be lost overnight.

***"Don't invest if you don't understand: the 'Dragons' don't..."***

Neil Young, CEO Young Group, comments; *"One clear difference between property and paper investments is that property has a tangible value. Much of the current pressure in the financial markets comes from the repackaging and reselling of debt, as investment companies and banks have taken 'educated bets' on the performance of assets in relation to the cost of their finance.*

*"The attraction of property investment is not only that it is a tangible asset, appreciating over the long term, but it is also easy to comprehend. Financial institutions have created instruments that many don't fully understand; you try getting money from the Dragons Den panel for an investment they don't fully grasp!"*

**-ends-**

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## Notes for Editors:

### About Young Group

Young Group specialises in providing Property Portfolio Management services to private investors, offering the best off-plan direct investment opportunities in London, as well as access to indirect, development fund investment opportunities through its development arm, Young Property. Young Group manages the entire investment process. For direct investments this spans from sourcing the opportunities through to financing, furnishing and letting. Young Group owns all the property that it sells, and also retains a number of units in each development for its own portfolio. As the principal in every transaction, Young Group does not realise any profits until completion and has transacted in excess of 1,700 apartments, with a retail value of more than £700 million. The majority of our units are bought by clients for their private portfolios. The Group's portfolio managers liaise with the **Young London** ([www.younglondon.co.uk](http://www.younglondon.co.uk)) estate agency team in advance of completion to let investors' apartments to quality tenants, often through corporate lets.

Young Group clients have access to all available finance products via Young Group's FSA regulated mortgage desk, **Young Finance** ([www.youngfinance.co.uk](http://www.youngfinance.co.uk)). Young Finance is an appointed representative of Thinc Assured Network, one of the UK's largest financial advisory firms and is not tied to any group of lenders, nor does it charge commission or transaction fees.

- Young Group's iconic Canary Wharf development, **The Landmark** ([www.TheLandmarkE14.com](http://www.TheLandmarkE14.com)), has been awarded two **Daily Mail Property Awards** in the categories of *best high rise development* and *best high rise architecture*. The Landmark East Tower rises to a height of 459 ft, making it one of the tallest residential properties in Europe.
- Young Group's COO, Sylvana Young, has just been named Bradford and Bingley's **Property Woman of the Year**, 2008 for London. The overall national winner will be announced on 13 March 2008.

Young Group supports NORWOOD and CHILDREN with LEUKAEMIA, two charities particularly close to our heart, donating £50 per property exchange and providing additional support throughout the year. Visit [www.younggroup.co.uk](http://www.younggroup.co.uk) to learn more.

**Neil Young, CEO – Young Group, is available for interview/comment**

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