



Now for the good news

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Amid all the headlines about the state of the UK property market, be it for house buying, prices or buy-to-let, it may seem that all the news is unremittingly bad. But is this really the case? True, today's news brought us the latest Council of Mortgage Lenders figures for September, which on the face of it look pretty bad. At 17.7 billion, the level of home lending was ten per cent down on August, 42 per cent down on 12 months earlier and at the lowest level for September in any year since 2001. However, there is now some optimism, particularly in the wake of the recent government initiatives to help the banks. Nicholas Leeming, the director of property portal Propertyfinder.com, said that just now this hope is a 'glimmer', but suggested things will soon lighten up, stating: 'Homebuyer confidence has taken a knock but lower house prices and the promise of a bargain will begin to encourage some people back into the market once mortgage availability improves. It's too early to foresee an immediate return to health for the housing and mortgage market, but crucial first steps have been made that should help enable people to move home again.'

So even in the midst of bad news some can see better times ahead and it is of course true that the mortgage lending figures for September predated the recent events. While this month's economic uncertainty may mean that lending figures are down again, the situation in November, with lower interest rates also part of the equation, may be different. But beyond all this lies buy-to-let. While some might regard this as the ultimate symbol of bust in the property market, another survey has suggested this is not so at all. Research by property portfolio firm Young Group has established that 98 per cent of buy-to-let investors are looking to hold onto their portfolios for at least the next 12 months, suggesting a more long-term approach is popular. Indeed, this is even more so than in the firm's last survey, which showed that in the second quarter of this year 91 per cent were looking to keep their property for a year or more.

Furthermore, the survey revealed that 34 per cent of investors were looking to keep their holdings for ten years and 20 per cent for 15 years. Chief executive of the firm Neil Young was sure enough that this proves the real nature of buy-to-let, one in which most seek to buy for an extended period of time, where rises and dips in price, the economy and rental demand will come and go but gains will be made in the long run. He commented: 'Buy-to-let is arguably the world's second oldest profession and is certainly alive and kicking. With the correct advice and an analytical, long term approach, good returns are there to be made.'