



All I Want for Christmas is... Monday, December 22, 2008

Latest Young Index results from Young Group have, perhaps unsurprisingly, identified that house price stability and wider mortgage choice are top of this Christmas' wish lists...

This quarter's findings from the Young Index market sentiment survey indicates that house price stability was top of the agenda for property investors (36 per cent of respondents) and wider mortgage choice was second on their wish lists (28 per cent).

Only 12 per cent expressed a desire for further reductions in base rate, perhaps reflecting lender's lack of enthusiasm in passing rates onto borrowers.

Further action by way of additional VAT cuts or stamp duty incentives were bottom of the pile, both wanted by only two per cent of investors.

Young Index: Summary Results for Q4 2008

96 per cent of investors intend to hold their residential property investments for the next 12 months.

37 per cent intend to hold their assets for at least 10 years and more than 20 per cent of buy-to-let investors aim to keep their property investments for the next 15 years or more.

33 per cent intend to buy additional residential property investments within London within the next 12 months, whereas just eight per cent of investors intend to buy UK residential property outside of the capital.

The outlook for London property prices is three times higher than for the rest of the UK. 36 per cent of investors believe that London prices will be at current levels or higher by this time next year, whereas just 10 per cent expect the same to be true of UK property outside London.

Investors are focusing on mortgage finance; 50 per cent now review their mortgage every 3-6 months and almost 1 in 4 are reviewing their finance options more than once a quarter.

69 per cent of respondents expect the Bank of England base rate to be at or below the current level of 2.0 per cent at the end of 2009, and most predict it to stand at 1.0 per cent at that time.