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Latest Young Index Data Shows Buy-to-Let Investors Return to the Market

Latest Young Index results from Young Group show the beginnings of a rising trend; buy-to-let investors appear to be readying themselves for a return to the market as they believe property prices will stabilise and rise during the next 12 months.

(March 31, 2009) - Results from the Q1 2009 survey of investor market sentiment show that increasing numbers of residential property investors are considering purchasing additional UK properties within the next 12 months.

London remains the preferred location for investors; 40% are considering buying additional property in the capital – up from 33% in the previous quarter. The trend is not only confined to London, with 24% of investors considering adding UK assets outside of the capital to their portfolios – more than double that of the previous quarter.

The outlook for property prices shows a similar trend, with investors becoming increasingly positive; increasing numbers predict that prices will stabilise and/or rise over the next twelve months.

49% of investors believe that London prices will be at current levels or higher by this time next year (up from a low of 36% in Q4 2008) and 24% expect the same to be true of UK property outside London (up from 10% in the previous quarter).

Young Index: Summary Results for Q1 2009

- **99% of investors intend to hold their residential property investments for the next 12 months. 35% intend to hold their assets for at least 10 years, 28% of buy-to-let investors aim to keep their property investments for the next 15 years or more and 21% for more than 20 years.**
- **On average, residential property investors expect to hold their investment assets for the next 11 years.**
- **40% of investors are considering purchasing additional residential property assets within London during the next 12 months, compared to 23% who are looking at opportunities in the UK outside of the capital.**
- **The outlook for London property prices is more than twice as strong as for the rest of the UK. 49% of investors believe that London prices will be at current levels or higher by this time next year (up from 36% in Q4 2008) and 24% expect the same to be true of UK property outside London.**
- **86% of active UK residential property investors report positive monthly cashflow.**
- **60% of respondents expect the Bank of England base rate to have risen above the current level of 0.5% by this time next year, standing at an average of just over 1.0%.**