



6 April 2009

Investor Confidence Rising

Nearly half of buy-to-let investors believe that London property prices will be stable or higher in a year's time...

The Young Index is a quarterly gauge of market sentiment within the buy-to-let sector, polling the Young Group's client base of around 500 active investors who hold UK investment property.

Here are the key findings from the latest Young Index for Q1 2009:

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