

PRESS INFORMATION

7 May 2009

Groundhog Day . . . with a difference

As the UK's Bank of England Monetary Policy Committee (MPC) opts to hold the current base rate at 0.5%, the similarities between the current market and pre-credit crunch days become clearer – but so do the startling differences...

Neil Young, CEO of Property Portfolio Manager [Young Group](http://www.younggroup.co.uk), believes that the Bank of England's MPC base rate announcement's recently are more reminiscent of the former Bank of England governor, the late Lord Eddie George's, days of little change. *"We seem to be heading back towards where we were before the credit crunch in as much as rates aren't changing, the level of mortgage lending is stabilising and the majority of lending is through the high street rather than specialist lenders. However, the startling differences are that the base rate is now 0.5%, not the long term average of 5.0%, lending volumes are 60% lower and margins are at levels that the banks would previously only have dreamt of."*

Inflated Margins

Despite the fact that over the last 12 months three-month Libor has come down by 4.4 percentage points, the best trackers are only 3 percentage points lower.

"The treasury is fast to draw attention to the value of economic stimulus that it has provided, but much less quick to acknowledge that the treasury-owned lenders are amongst those sitting on the benefit of a record low base rate." Neil Young, CEO – Young Group.

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About Young Group (www.younggroup.co.uk)

Young Group specialises in providing Property Portfolio Management services to private and institutional investors, offering asset management, acquisition and disposal off residential property investments in London.

At a Glance:

- **255:** The number of apartments that Young Group clients have successfully completed on in 2008
- **67%:** The percentage of new business generated through referral and by repeat investors
- **£700 million:** The value of property that Young Group has transacted since it formed in 2003
- **1,700:** The number of apartments that Young Group has transacted since 2003
- **15:** The number of developments offered to Young Group's client base of global private investors
- **300:** The number of assets currently under management by Young London - our lettings business
- **£35 million:** The value of mortgages written by Young Finance in 2008
- **272:** The number of tenants who will sleep soundly in beds provided by Young Furnishing

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YOUNG GROUP®

Property Portfolio Managers

- **99%:** The proportion of investors who will hold their property assets for at least the next 12 months.

Young Group manages the entire investment process from sourcing opportunities through to financing (**Young Finance:** www.youngfinance.co.uk), furnishing (**Young Furnishing:** www.youngfurnishing.co.uk) and letting (**Young London:** www.younglondon.co.uk). Young Group is the principal in the majority of transactions and also retains a number of units for its own portfolio. As the principal, 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 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](http://www.youngfinance.co.uk).

- Young Group's iconic Canary Wharf development, **The Landmark** (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 been named Bradford and Bingley's **Property Woman of the Year**, 2008 for London.
- **Young London** (www.younglondon.co.uk) is a finalist in the national Estate Agent and Letting Agent Awards, 2009.

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 to learn more.

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