



# 2021 review of the Guernsey property market

## January 2022

It is no secret that the island's property market has experienced an exceptional 12 months of activity. This reflects a trend that has been observed in markets worldwide.

Not only has 'on-island' activity been notably high amongst first-time buyers, investors, developers, and those navigating rungs of the housing ladder; we have also seen a marked increase in instructions from those relocating to the island.

Cutting to the chase and diving into the figures<sup>[1]</sup>:

## Property transactions

2021 saw the highest value of property conveyed in the time that these figures have been recorded, with nearly £1bn worth of property changing hands (£966,369,883). This total is over £230m greater than the last highest recorded year, 2020.

As one would expect, this is borne out in the sustained levels of activity we have seen throughout the year. In 2021, a total of 1,153 arms' length transactions completed, with the local and open markets accounting for 1,026 and 127 of these transactions, respectively.

The open market saw its most active year in the time that these figures have been recorded, with transaction volumes being at their highest level since 2006 (when 101 transactions were recorded passing through Contracts Court).

December saw what is believed to be the most expensive property sale in Guernsey ever, with the open market property 'Normanville' changing hands for £15.21 million.

## Looking at local market averages

- House price stood at £575,504 for the year, this represents an increase of 13% on the 2020 average; and
- Apartment/flat price stood at £318,716 for the year, seeing an increase of 20% against the 2020 average.

## Turning to the open market averages

- House price stood at £1,565,172 for the year, this represents a slight decrease of 1.5% on the 2020 average (which itself was 26% higher than 2019); and
- Apartment/flat price stood at £1,324,530 for the year, seeing an increase of 7% against the 2020 average.

Owing to the limited stock, average prices on the Open Market are subject to greater fluctuation than the local market and significant

WE ARE OFFSHORE LAW

BVI | Cayman | Guernsey | Jersey | London





transactions can distort the average.

## Lending

- A total of £720,671,025 was lent against Guernsey property in 2021. Only in 2007 has more money been secured by Bonds (£743,068,118).
- Lloyds Bank International was the island's most active lender, with a total of £124,486,168 being lent across 343 transactions.
- Bolstered by the completion of a number of high-value commercial transactions, The Royal Bank of Scotland International accounted for the highest value lent, at £269,654,813 across 203 transactions.

It is interesting to see that whilst the level of borrowing is the second highest amount ever seen, the actual number of Bonds being registered (1,266) is the 14<sup>th</sup> highest, and less than half of the highest value from 2002, when 2,616 Bonds were registered.

## The outlook for 2022

Paul Nettleship, Partner and head of Collas Crill's Guernsey Property team said: *'Nobody anticipated the way the property market reacted to the Pandemic, not just locally, or even nationally, but worldwide. Following the first wave and subsequent lockdown, property sales began to increase, prices began to rise, and it has not stopped.'*

*'Whilst this cannot go on forever, I expect prices may level out this year, but remain high. While this has provided opportunities for many, it has also highlighted the problems facing buyers, in particular first time buyers, on the island.'*

Jason Green, Partner in Collas Crill's Guernsey Property team said: *'We are living in unprecedented times for all sorts of reasons. We are in the midst of a housing crisis amidst a booming property market.'*

*'Fast action is required now from the States to bring to the market all kinds of property, not just affordable housing.'*

*'Policy & Resource's Property Lead, Deputy Dave Mahoney, has, at last brought forward meaningful plans for how the States' own properties can assist this process. What we can't have is certain properties getting 'bogged down' with red tape, whether that be in the planning process or otherwise. More so than ever before, we need a slick, joined-up government for a seamless transition from States' owned land to new approved housing development. Hats off to Deputy Mahoney for wanting to ensure that the States get their fair share out of any public/private partnership working.'*

[1] Supplied by Unusualities of Guernsey

WE ARE OFFSHORE LAW

BVI | Cayman | Guernsey | Jersey | London





For more information please contact:



**Paul Nettleship**

Partner // Guernsey

t: +44 (0) 1481 734200 // e: paul.nettleship@collascrill.com



**Jason Green**

Senior Partner // Guernsey

t: +44 (0) 1481 734216 // e: jason.green@collascrill.com



**Adrian Northey**

Head of Conveyancing // Guernsey

t: +44 (0) 1481 734208 // e: adrian.northey@collascrill.com



**Harry Round**

Associate // Guernsey

t: +44 (0) 1481 734822 // e: harry.round@collascrill.com



**Kate Miller**

Conveyancer // Guernsey

t: +44 (0) 1481 734298 // e: kate.miller@collascrill.com



**Lynn Freeman**

Conveyancer // Guernsey

t: +44 (0) 1481 734235 // e: lynn.freeman@collascrill.com

WE ARE OFFSHORE LAW

BVI | Cayman | Guernsey | Jersey | London

