



Guernsey property update: September 2017

October 2017

Summer has come and gone, children are back to school and the nights are drawing in. After a break over the summer, we thought it was high time to update you on market progress.

September saw 105 conveyancing transactions complete worth a whopping £70 million – significantly skewed due to the acquisition of the flag ship office building Royal Chambers by the Channel Islands Property Fund for £42 million, ably assisted by [our own lawyers](#). Such a freehold transaction has significantly assisted with putting much needed cash in to the document duty pot.

Of the 105 transactions, 4 were arms-length open market, bringing the year to date total to 32. While this is disappointing, hopefully it will turn out to be better than last year when 39 were recorded for the whole of 2016.

There have also been some notable share transfers which are not recorded, and therefore do not contribute to this figure, as people try to complete before the law regarding document duty changes.

At last the States appear to be giving Locate Guernsey some decent incentive tools. Let's hope that, subject to the budget being approved by the States in November, the proposed lowering of the income tax cap for anyone spending £50,000 or more in document duty will have the desired effect of bringing in more people to the ailing open market. In real terms, that equates to a house with a figure attributable to the house itself and not the contents of £1,463,000 or more.

The September figures bring the year to date number of transactions to 1056 worth £353 million – we have not seen so many transactions since 2012 when there were 1156 after 9 months of the year with a combined value of £393 million.

August was a good month in terms of numbers as people continue to take advantage of the summer holidays to move house with 154 transactions worth a combined £43million.

In terms of lending, 728 bonds have been registered up until the end of September – this is up on last year and, of which, 446 appear to relate to house purchases. Of the 70 registered in September, 49 appear to relate to house purchases. RBS leads the way in terms of numbers year to date. The total lending year to date stands at £294 million.

We suspect that the next couple of months will continue in a similar vein meaning that 2017 should be in a much improved position when compared with last year.

What we need now though is decisive action from the States following the issue of the KPMG Housing survey to really move things forwards at a high level.

WE ARE OFFSHORE LAW

BVI | Cayman | Guernsey | Jersey | London





For more information please contact:



Jason Green

Senior Partner // Guernsey

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



Paul Nettleship

Partner // Guernsey

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

WE ARE OFFSHORE LAW

BVI | Cayman | Guernsey | Jersey | London

