COLLAS CRILL

2022 | A review of the Guernsey property market

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The past few years have seen unprecedented activity in the Guernsey property market as easy access to low-interest lending (among other influences) whipped the post-pandemic property market into a frenzy.

Whilst demand remains high, this has been tempered by limited availability and events occurring in Westminster and beyond.

Let's turn to the figures[1]:

Property transactions

- **2022 saw the second-highest value of property conveyed** in the time that these figures have been recorded, with nearly £900m worth of property changing hands (£856,297,368). This total is some £100m lower than the highest recorded year (2021), yet still £100m higher than the third-highest year (2020).
- While values have remained high, the **number of transactions has seen a decline from recent years**. In 2022, a total of 990 arms' length transactions completed, with the local and open markets accounting for 892 and 98 of these transactions respectively.
- The **open market saw another active year** with numbers remaining high, although down from a high of 127 last year.
- Looking at the **local market**:
  - **the average house price** stood at **£667,669** for the year - an increase of 13.5% on the 2021 average (which had itself increased by 13% year on year); and
  - **the average apartment/flat price** stood at **£346,816** for the year - an increase of 8.2% against the previous year.
- Turning to the **open market**:
  - **the average house price** stood at **£1,499,469** for the year - a slight decrease of 4.2% on 2021; and
  - **the average apartment/flat price** stood at **£1,539,188** for the year - an increase of 14%

Owing to the more limited availability, average prices on the open market are subject to greater fluctuation than the local market, and significant transactions can distort the figures.

Lending

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- A total of **£586,022,152 was lent** against Guernsey property in 2022. This is the third-highest value in the 22 years that the figures have been collated, but still some £200m lower than the next-highest value (recorded in 2021).
- In 2022, **Lloyds Bank International remained the island's most active lender**, with a total of £181,545,708 being lent across 469 transactions.
- Although a new entrant to Guernsey's mortgage market, **Butterfield Bank** was the third most active lender for 2022, with over £75m lent across 133 transactions.
- It is interesting to see (as we did in 2021) that while the level of borrowing is one of the highest values seen, the actual number of Bonds being registered for the year (1,230) remains toward the lower end of the scale.

Outlook for 2023

Paul Nettleship, Partner and head of Collas Crill's Guernsey Property team said:

'After a very busy 2022 I expect a 'back to normal' 2023 – demand for quality housing remains high, and so it is very much hoped that supply will increase to meet that demand. As always, we are here to help buyers and sellers with our top-ranked[2] Property team.'

[1] Supplied by Unusualities of Guernsey

[2] Tier One in both Chambers & Partners, and Legal 500

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COLLAS CRILL

For more information please contact:



Paul Nettleship

Consultant (Advocate) | Guernsey

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



Jason Green

Senior Partner (Advocate) | Guernsey

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



Harry Round

Senior Associate (Advocate) | Guernsey

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

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