

Swoffers

Guernsey Estate Agents

2020

A phenomenal year
for Guernsey's
housing market



#GuernseyTogether



Guernsey's housing market thrives during a global pandemic

As the UK enters a second national lockdown, those already living in Guernsey are in the enviable position of doing so without restrictions (other than travel) and an economy that is recovering.

With just a handful of active cases (all from inbound travel and in isolation from the moment they arrive on island) the local community is free to meet, socialise, play sport and hold gatherings of any size. Education has been relatively unaffected; after a brief period of virtual learning the island's children are able to enjoy team sports, outings and performances without even a hint of concern.

Travel to and from the island is currently restricted to essential travel only to preserve the freedom currently enjoyed by Guernsey residents. It is a haven of safety, resilience and opportunity which we hope can be enjoyed by others in the near future.





Record year

One of the biggest post-lockdown surprises was the explosion of the housing market – 2020 was an unprecedented year. With a renewed excitement to invest in the island, there were just under 100 open market property sales, of which Swoffers sold 53%. We also sold the most expensive open market house of the year for just over £5m.

House prices rose by 12% in 2020 and on the local market there were 1,017 house sales, with Swoffers selling one in four of them. The most expensive local market property was also sold by Swoffers, for £2.7m.

'I've never seen anything like it, said local market director, Andre Austin.

'After a cautious start, come May and June it just went crazy with huge numbers of viewings on individual properties and quite often people offering on the spot for fear of missing out. Every level of the market was busy.'

Business tunnels

In April Guernsey's government introduced business tunnels, enabling people to come to the island to view properties under strict protocols, wearing PPE. It was a nervy time, but an inspired decision. This had to be halted because of the worsening situation elsewhere and the authorities displayed admirable concern for the island community. During the period when the business tunnels were in place, we conducted nine tours and six of those successfully offered on properties on the day.

'We also sold multi-million pound properties via virtual viewings, which were a first for us. But with the technology we have invested in and now have at our disposal, we agreed additional sales, and it looks likely to be a feature of the market again this year.' said open market director, Shauna Clapham.

'Whilst the current 'essential-only' travel restrictions are in place we would be pleased to offer virtual tours, so that you can begin the search from the comfort of your own home.'

Andre added: 'The Government helped inspire confidence by opening up the housing market early and quickly putting money in the public coffers as a consequence. They worked with us, took an active interest in our industry and really do deserve our thanks. They have just imposed stricter travel rules in order to preserve the freedom we are currently able to enjoy.'





Unique position

So what is it about Guernsey that has set it apart in both its handling of the virus and the subsequent recovery? We have to say that our local Government (the States of Guernsey) has taken a firm approach with excellent communication and transparency throughout. It responded with agility to the developments elsewhere, relaxing and tightening border controls accordingly. Possibly surprisingly, there was very little, if any, public criticism of the authorities; the island community trusted them and looked to them for strength and reassurance. It was quite remarkable to see.

The size of the island and the fact that it has the obvious barrier of a stretch of water has undoubtedly helped, but having said that, a different approach employed by our sister island of Jersey saw the island's cases spiral out of control shortly before Christmas. At one point it had the highest number of cases per 100,000 population in the world. Thankfully, after a short, circuit-breaker lockdown those figures are now falling.

Community spirit

During this pandemic Guernsey demonstrated its community spirit in a way that hadn't been seen since the Island's occupation by German forces during the Second World War. #GuernseyTogether became more than a hashtag, it was a true symbol of the island's togetherness in the face of adversity.

So, it should come as no surprise really that there's been a resurgence of interest from people looking to move here. There is a distinct feeling of a return to the days of people relocating their businesses here or simply opting for a better quality of life.





The future

'We really are seeing tremendous opportunities in the open market. Whilst stock levels are challenging, tax advantages are clear. The safe, stable environment is a huge draw, and we expect the latter part of 2021 to be a bumper one,' said Shauna.

'Taxes will inevitably have to rise in the UK, and any talk of a wealth tax is really focusing people's minds. And aside from the pandemic, the Brexit deal has left Guernsey in a good position, with continuity for the Bailiwick in respect of the common travel area, trade stability and the extension of our membership of the World Trade Association.

'I think Guernsey has a massive opportunity now because a number of the people who are coming are still very economically active. They're interesting people, they're loving what they see, and you can feel that they want to give and be part of it. It's quite different, it's back to how I remember the open market in its heyday; people arriving and being really excited,' she added.

If relocation is on your mind, Guernsey is certainly worth consideration. Its unique position makes it ever more attractive to those yearning for normality, with the huge added bonuses of safety and a favourable tax regime.

Get in touch with our Open Market team to arrange a virtual viewing or discuss your requirements,

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