

Looking for an apartment in Jersey? A guide for first time buyers

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Buying your first home is an exciting step, but it also brings with it a whole set of questions and challenges. You might be uncertain about how you start the process, particularly given Jersey's unique property laws.

Before beginning your search, you need to know how much you can borrow and what price you can afford to offer. Mortgages can be obtained directly from a bank or through a mortgage broker; explore all of your options. Speak to a lawyer who specialises in Jersey property law as early as possible - legal fees for a standard transaction are usually on a fixed fee basis, so they won't increase if you ask for advice early. Your lawyer can give you a full breakdown of all the costs involved, and they will also be able to confirm whether you meet the government's first time buyer criteria, which entitles you to certain reductions.

Once you know your financial position, you will then be ready to speak to estate agents. Contact a range of them and be clear about what you're looking for; I would always advise an element of flexibility however, as you don't want to miss out on the perfect property because your search was too narrow. It's worth building a good relationship with your estate agents so they contact you first when the perfect property comes along.

When you view properties, make sure you know what category they fall under in Jersey law. The three most common forms of property ownership in Jersey are:

Freehold - where you own the entire property and the land it's built on - this is the common form of ownership for houses, and does not apply to apartments.

Flying freehold - where you own an apartment and a share of the apartment building and land, meaning you need to contribute towards the maintenance and upkeep of common areas, usually through a service charge payment.

Share transfer - where you purchase a block of shares in a company which owns the property

building and grounds, giving you the right to occupy a specific apartment. Again there is usually a service charge for common areas under this arrangement.

Flying freehold and share transfer each have a unique buying process, which your lawyer can talk through with you in more detail.

When looking around flats, take the entire apartment block into account – you will, after all, be partly responsible for the whole building. It's worth speaking with existing owners/occupiers about the maintenance of shared areas and other issues such as parking and noise.

Be aware there are other costs that aren't immediately obvious, including stamp duty (for freehold/flying freehold) or land transaction tax (for a share transfer property, set at the same rate as stamp duty). If the property you're buying is under £450,000, you'll pay a reduced amount as a first time buyer and may also be eligible for reduced stamp duty on the charge to secure mortgage monies.

There are specially designated first time buyer developments advertised by local estate agents, which are only sold to people who are first time buyers. First time buyers can also apply to purchase an affordable home through the Affordable Housing Gateway – find out more on gov.je.

In all this, it's highly advisable to speak to your lawyer early. Getting the right advice at the start can save you a lot of money and headaches later on. With a trusted adviser on your side, the experience of buying your first home will be the positive one it should be.

This article first appeared in JEP HomeLife Magazine.

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