

## Buying an Open Market house and living in Guernsey

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If you are looking to relocate to Guernsey you might have heard about our so-called 'two-tier' housing system, which divides properties into 'Open Market' and 'Local Market'. Although anyone can buy any type of property in Guernsey, it's important to be aware of the distinction between Open and Local Market properties when house hunting, as it determines whether you have the right to actually live in the house or apartment you intend to purchase.

### | Local Market properties

A property which is described as being 'Local Market' is, simply, one that is not 'Open Market'. You will only be allowed to live in a Local Market property if you fit within a defined group of people, which includes those who were born and grew up in Guernsey, who have a strong family connection with Guernsey, and those who come to work in Guernsey to be employed in positions where there is a shortage of suitable 'local' candidates.

### | Open Market properties

There are about 1,600 Open Market properties on the island which, as the name suggests, can be occupied by those who do not meet the criteria to live in a Local Market property.

If you are looking to relocate to the island, you will probably be looking for an Open Market property on Part A of the Housing Register. A property in this category is a private house, as opposed to properties on other parts of the register, which are for hotels, nursing homes and lodging houses.

### | Who can live and work in Guernsey?

To live in Guernsey you must, in addition to meeting immigration requirements, occupy the

property in accordance with the Population Management Law (the Law). The starting point is that everyone must have a Certificate or Permit issued under the Law to show they are allowed to live and/or work here.

A Certificate of some sort will be issued to those who are entitled to live in Guernsey, and who can undertake any employment here. A Permit will be issued to someone so they can live and work in Guernsey provided certain conditions are met – typical conditions are that they are going to work for a particular employer, or live with a named individual.

As the owner of an Open Market house you may be the 'householder' for the purposes of the Law. As the householder you will be issued with an Open Market Resident Certificate. Your immediate and extended family will also be able to apply for a Permit, which will be conditional upon them living with you at the Open Market property.

## **The process of buying a property**

Having found your ideal property you should tell the estate agent the name of your Advocate. The estate agent will prepare “Conditions of Sale” and send them to your Advocate to review. The Conditions of Sale can be signed conditionally if you need time to satisfy yourself as to (i) the condition of the property (survey), (ii) finance (if you are relying on a bank lending you the money for the purchase) or (iii) the legal aspects (called “property matters”).

When you sign Conditions of Sale you will be expected to pay a 10% deposit.

One of the things your Advocate will discuss with you is whether you should obtain a report to confirm that the property is properly inscribed on Part A of the Housing Register. The vendor will give you a warranty that this is the case, but a report from Housing will, for a fee, give added comfort. The importance of the property being properly inscribed on the register cannot be overstated. The authorities have the power to remove a property from the register where it has been altered without their permission, which would mean you would not be able to live in it.

Your Advocate will research title to the property, check that it has the necessary rights and is not burdened by any unreasonable obligations and report to you on the outcome of their site visit (when they will look at the boundaries of the property).

If you “sign up” conditionally you will be asked to agree a date after which the contract becomes unconditional – this is called the Operative Date and is usually three weeks or so after signing. Completion takes place on a date agreed between the parties, and this is usually six weeks to two months after signing Conditions of Sale. If, before the Operative Date has passed, you decide to withdraw from the purchase because of a problem with one of the reserved matters, say a problem with the survey, you will be entitled to claim back your deposit.

If you are relocating to Guernsey your Advocate may suggest you consider making a Guernsey

Will.

In all cases you should speak to an Advocate early on, and certainly before signing the Conditions of Sale.

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