

Lockdown fails to dampen Jersey's buoyant market

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The start of lockdown initiated a significant slowdown in the property market during early spring. While the vast majority of ongoing transactions did continue to completion throughout that period, new matters and fresh sale agreements diminished almost entirely, with estate agents, surveyors, removal companies and other sector service providers unable to physically attend properties.

Essentially, the market slowdown lasted for a number of weeks during lockdown through to early summer. Reassuringly, as the island came out of lockdown, we witnessed an exponential increase in property transactions, which reached a peak in August when the industry had to adjust to the sheer volume of work.

While all sectors of the market have been exceptionally busy, there was a noticeable wave of transactions for properties in the £600,000 - £800,000 price bracket, with many such properties selling at full asking price, within days of coming on the market. Entering September, the market remains strong and confident and property prices do not seem to have been adversely effected by COVID-19 whatsoever and there are no signs of the market slowing down beyond the autumnal norm.

As we head closer to the winter months, our resilience may be tested again by new waves of the coronavirus, but, as yet, we have not seen any signs of a rise in cases and have no reason to believe at this stage that any tightening of restrictions would directly and negatively impact the property market. In fact, if the rapid resurgence of the market we saw this summer is anything to go by, any reduction in transactions over the winter months which is beyond the seasonal norm may lead to a similar increase in activity and competition next spring. As spring is traditionally one of the busiest times of year for the property market, now could well be a great time to get ahead of the crowd and buy property before that rush. And, with a significant number of people looking to buy properties at the moment in a market which is still catching up from the lockdown freeze – and many properties reaching full asking price – this certainly isn't a

bad time to sell.

July and August were very busy months for the industry, which had to adapt quickly to significantly increased workflows and changes in the working environment. Currently, the market is strong but not overbearing and transactions have generally returned to the normal completion window of about five to six weeks.

Those looking to sell property at the moment should be mindful that the market is incredibly buoyant and so securing a deal is likely to be quicker than anticipated. However, the conveyancing process still needs to be completed accurately and efficiently and so it is advisable to speak to your legal representative as early as possible and discuss a realistic timeframe from the outset.

Only time will tell what the long term impact of the pandemic will be on the community, the economy and, specifically, the property market but we are incredibly fortunate to live on an island where it is easier to impose and lift tailored control measures than in larger, more open populations. Hopefully this will prevent any serious escalation in the number of people affected by COVID-19 now and in the future, and in turn keep the local economy in a good place.

The property market in Jersey is a closed system and a finite number of properties coupled with a relatively affluent population results in a constant flow of property transactions and price stability. Although the nature of the pandemic makes predictions for the coming months difficult, the security of island life should help sustain confidence and protect the property market as we head towards the final quarter of this year and into 2021.

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