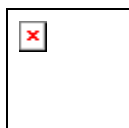


ASTORIA GUEST HOUSE, 93 ROUGE BOUILLON, ST. HELIER: ACQUISITION

**Lodged au Greffe on 24th October 2000
by the Health and Social Services Committee**



STATES OF JERSEY

STATES GREFFE

180

2000

P.181

Price code: B

PROPOSITION

THE STATES are asked to decide whether they are of opinion -

- (a) to approve the purchase from Strombolus Limited of the freehold property known as Astoria Guest House, 93 Rouge Bouillon, St. Helier, as shown on drawing No. PS/002/00, for a consideration of £530,000, with each party paying its own legal costs;
- (b) to authorise the Attorney General and the Greffier of the States to pass the necessary contracts on behalf of the public;
- (c) to authorise the payment or discharge of any expenses incurred in connection with the purchase of the said property and all interest therein from the E. Bailhache Trust Fund, which represents the reinvestment of the proceeds from the sale of two properties bequeathed to the States by the late Mrs. Eunice Bailhache, namely, 12 Halkett Street and 78 New Street, St. Helier.

HEALTH AND SOCIAL SERVICES COMMITTEE

- Notes:
- 1. The Finance and Economics Committee approves the purchase of the property, however, the future financial return that accrues to the estate of the late Mrs. E.J. Bailhache should be in line with current market rentals.
 - 2. The Planning and Environment Committee supports this proposition.

Report

The Health and Social Services Committee identified a requirement to provide additional residential accommodation in order to house nurses and other essential staff working at the General Hospital. The Committee's Director of Estates, with help from the Department of Property Services, has searched for a suitable property to purchase on behalf of the public and has identified Astoria Guest House, 93 Rouge Bouillon.

The sale of 12 Halkett Street, St. Helier, for the sum of £502,000, and 78 New Street, St. Helier, for the sum of £185,000, has raised the capital required for this purchase. The two properties which were bequeathed to the States by the late Mrs. Eunice Bailhache were generating an annual income of £7,650 and £5,449 respectively. The net income from the Bailhache properties is to be used in line with the terms of the Will for "the general welfare of persons elderly and blind or sick at the General Hospital".

The Department of Property Services inspected various proposed properties which were on the market at the time. The Astoria Guest House was identified as being the most suitable for conversion into much-needed staff accommodation. It was registered for 25 people and consists of two singles, one treble and ten double bedrooms, all with en suite facilities. The property is terraced and provides accommodation on four floors and includes a separate detached three-bedroomed house.

When conversion work is complete, the property will provide five single rooms with en suite facilities, one double room with en suite, one self-contained two-bedroomed flat, one self-contained three-bedroomed flat, along with the existing detached three-bedroomed house.

The Department of Property Services has carried out inspections, and both valuation and condition reports have been produced for this property. The condition report identified the sum of £75,000 being required for maintenance and repairs, along with a further £50,000 required for the conversion work, to create two self-contained flats and provide shared kitchen, dining-room and lounge facilities for the single and double rooms. The sums required to undertake this work can be met from the proceeds of the sale of 12 Halkett Street and 78 New Street.

The Department of Property Services has now completed negotiations, and a price of £530,000, with each party to pay its own legal costs, has been agreed. The income from the property will exceed that previously generated from the Halkett and New Street properties.

The States are asked to approve the purchase of this property and to authorise payment from the late Mrs. Eunice Bailhache Trust for the purchase of this property, which will represent a reinvestment of the capital raised from the sale of two other Trust properties.

