

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY M.R. HIGGINS OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 26th MARCH 2019**

Question

Further to the answer given to Written Question 112/2019 on 26th February 2019, will the Minister, as shareholder representative, request the States of Jersey Development Company to provide the States with details of all buy-to-let purchases of properties in all of its residential property developments since it was incorporated, including how many of the sales have gone to buy-to-let purchasers and how many to off-Island individuals or company investors and how many to individuals and companies from in the Island, as well as whether the purchases were off-plan or following completion?

Answer

To date, the States of Jersey Development Company has completed or is carrying out two residential developments - College Gardens and Horizon.

The latest position on each of these residential developments, as provided by the Company is:-

College Gardens

College Gardens comprises 187 apartments all of which were sold off-plan prior to physical completion.

40 units were pre-sold to the Jersey Homes Trust for social rented housing.

A further 40 units were pre-sold as Shared Equity through the Housing Gateway scheme to eligible first-time buyers.

The remaining 107 units were sold on the open market.

Excluding the Jersey Homes Trust units, the breakdown is as follows:

Owner occupier = 104 units

Buy-to-let = 43 units

Of the 43 buy-to-let sales, 3 units were purchased via local companies whose beneficial owners were on-island. No units were sold to off-island individuals or off-island companies or local companies whose beneficial owner was off-island. 40 units were sold to on-island individuals for buy-to-let purposes.

Horizon

Horizon comprises 280 apartments and, as of 19 March 2019, 170 units have been sold off-plan.

Owner occupier = 70 units

Buy-to-let = 100 units

Of the 100 buy-to-let off-plan sales, 12 units have been purchased via local companies whose beneficial owners are on-island. Four units have been purchased by off-island individuals. 84 units were sold to on-island individuals for buy-to-let purposes.

Additional note:

One of the primary risk mitigation measures contained in: P.73/2010 that established the States of Jersey Development Company and in the MoU between the Company and its Shareholder (the Minister for Treasury and Resources) is to secure a sufficient level of legally binding pre-sales to fund the costs of constructing the first phase of a scheme. In relation to residential development this means the Company has to pre-sell a significant proportion of units off-plan in advance of committing to the construction costs.