

**QUESTION TO BE ASKED OF THE PRESIDENT OF THE FINANCE AND ECONOMICS
COMMITTEE ON TUESDAY 21st OCTOBER 2003,
BY DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT**

Question

Will the President advise whether the Committee has a strategy to assist first-time buyers who become trapped in negative equity situations with their lenders?

Answer

“First-time buyers” is a term which is used in a number of different contexts. The States of Jersey has a number of strategies to assist first-time buyers including zoning land, developing subsidised properties, reducing stamp duty and providing loan interest tax relief.

Current policy does not extend to a strategy to assist in the event of negative equity. The reason for this is that financial arrangements for house purchases are a private matter between a lender and a borrower; and as such the Finance and Economics Committee has no plans or intentions to intervene as a matter of broad policy.