

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY THE DEPUTY OF ST. JOHN
ANSWER TO BE TABLED ON TUESDAY 24TH FEBRUARY 2009**

Question

Would the Minister inform members if he has sought legal advice from the Law Officers' Department on the subject matter of imposing conditions such as flying freehold on new flats/apartments/developments in order to preclude non qualified investors purchasing shares in companies owning residential property with local occupancy conditions attached?

Answer

It is not the usual practice for Governments to disclose whether or not they have sought legal advice, or the content of such advice, and it would not be appropriate to do so in this case.

Notwithstanding this, it is important to appreciate the dimensions of this issue:

- Share Transfer flats can only be occupied by persons qualified under the Housing Law;
- The purchase of Share Transfer flats by non qualified persons is relatively limited - around 11% of the Share Transfer market is owned by non residents persons and companies, and a further 12% by non qualified Jersey residents, in many cases patiently waiting to qualify. This is based on a sample analysis performed by the Population Office, using Annual Returns, and as outlined below.
- Where ownership of Share Transfer flats by non residents and non qualified persons has arisen, it has primarily been concentrated to a very small number of specific developments.
- Share Transfer properties account for around 60% of the flat market in Jersey; and not much more than 0% of all free standing houses.

It is further important to be cautious to not to remove incentives to develop flats, which are in demand from locally qualified persons seeking to lease, and in particular, at a time when the local construction industry is to be supported.

Table illustrating the ownership of share transfer properties from a sample:

Total Properties in sample	Locally Qualified Owner	Owner not Qualified but Resident in Jersey	Owner not qualified and not resident in Jersey	Non-Jersey Resident Company	Jersey Resident Company
840	588	103	64	24	61
	70%	12%	8%	3%	7%

Properties with Owner-Occupiers (using addresses on Annual Returns)	Properties with Non Resident Owners (using addresses on Annual Returns)
546	294
65%	35%