

Island homes

Retreat to an island

Claire Carponen goes in search of the top ten treasures around our shores

A return from holiday to the office can bring a temporary change in your dream-home preference. Suddenly you start musing about a move to a remote location — to an island, perhaps. For those considering such a relocation, we bring you the UK's top ten islands that may be apart from the mainland but are not necessarily cut off.

Guernsey

Why buy here?

The Bailiwick of Guernsey is a collection of six independent islands in the English Channel, off the coast of Normandy. Famed for its low tax, Guernsey — which has a warm climate and lovely sandy beaches — has a thriving financial centre. "You can have a dynamic City-style job without the hassle of the commute," Jo Stoddart, the director of the County Homesearch Company's Channel Islands office, says.

Low taxes are a big draw but many people are now buying on the island for the lifestyle it offers. "There has been a shift in buyer profile," Richard Hardie, a director of Livingroom estate agency, says. "It was traditionally a place for rich retirees but now we are seeing more families." The island has two markets: open and local. Anyone can buy one of the 1,700 open-market properties, but they cost considerably more than local-market properties. "If you are not locally born or have gained local status, you need to have a housing licence to buy on the local market," Stoddart says.

What's happening in the market?

The limited number of open-market homes means that prices have held up quite well and the slow market of the past three years is now picking up, Hardie says. A two-bedroom garden flat on the open market starts from £725,000,

while you can expect to pay £4 million and upwards for a mini-estate.

Jersey

Why buy here?

Jersey is the largest of the Channel Islands. Non-locals can only buy open-market homes (with exceptions for long-term residents or workers on the island) but there is a specific category for high-net-worth individuals. To qualify for a local-market home, buyers have to earn more than £625,000 and contribute £125,000 a year in tax. Increases in wealth tax across Europe have made Jersey a desirable location. "There has been an increased level of interest from Switzerland, France and the UK," Frank Cusson, associate negotiator at Broadlands estate agency, says.

What's happening in the market?

Properties are down 6 per cent on last year, with £40,000 wiped off the price of an average three-bedroom home in the past three years. Larger properties are proving harder to sell with the exception of those priced at more than £2.5 million. Four-bedroom homes, which sold for an average of £715,000 in 2010, now sell for about £645,000.

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