



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : CHI/00MS/OAF/2015/0002

Property : 282, Spring Road, Sholing, Southampton
SO19 2NX

Applicant : Mr Shaun Peter & Ms Wendy Leigh Connolly

Representative : Payne Marsh Stillwell

Respondent : Unknown

Representative :

Type of Application : Leasehold Reform Act 1967 (Missing
Landlord) Determination of price payable

Tribunal Member : Mr D Banfield FRICS

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Date of Decision : 23 April 2015

DECISION

Summary of Decision

The Tribunal has determined for the reasons set out below that the price payable by the Applicant for the freehold reversion of the property is to be the sum of £25.00 and the amount of unpaid pecuniary rent payable for the property up to the date of the proposed conveyance is nil.

Background

1. Following an application made by the Applicants dated 6 February 2015, Deputy District Judge Bridger sitting at the County Court at Southampton made an order dated 5 March 2015 directing that the First-tier Tribunal (Property Chamber) assess the appropriate sum in accordance with S27(5) of the Leasehold Reform Act 1967 (The Act).
2. Directions were made by the Tribunal on 17 March 2015 indicating that the matter would be dealt with on the papers already received unless an objection was received within 28 days. No objection was received and the matter is therefore determined on the basis of the written information supplied with the application and the valuation report of Mr C R Rutland FRICS MAE dated 9 January 2015.
3. An inspection of the property has not been made.

The Lease

4. The property is held by way of a lease for 998 years from 29 September 1870 dated 31 October 1931 between Mr Henry Frederick Rosoman and Victor Gosselin Carey of one part and Ernest Kneller of the other. The lease covers a larger area than that occupied by the subject property and the ground rent of £10 pa has been apportioned between the properties. The amount applicable to No 282 is £1 pa.

The Law

5. Section 27(5) of the Act provides:
The appropriate sum which in accordance with Section 27(3) of the Act to be paid in to Court is the aggregate of:
 - a. *Such amount as may be determined by (or on appeal from) the appropriate Tribunal to be the price payable in accordance with Section 9 above; and*
 - b. *The amount or estimated amount (as so determined) of any pecuniary rent payable for the house and premises up to the date of the Conveyance which remains unpaid.*
6. Section 9 of the Act sets out in detail the assumptions to be made and the procedure to be followed in carrying out the valuation. The effect of Section 27(1) is that the valuation date is the date on which the application was made to the Court.

7. There are various bases set out in Section 9 of the Act and the Tribunal determines that the appropriate basis is in Subsection 9(1) being that on 31 March 1990 the Rateable value of the house and premises was not above £500.

The Premises

8. The property comprises a semi detached house.

Evidence and Decision

9. In a valuation report dated 9 January 2015 Mr C R Rutland FRICS MAE determined that the value for the purposes of Section 27 of The Act as at the date of his valuation is £25.
10. Mr Rutland considers that it is likely that the property is held on a sublease from the lease described above. No copy of this lease is available and he has had to make assumptions as to its terms. For the purpose of his valuation he has assumed a term of 998 years less three days. He says that the £1 ground rent has not been collected for a number of years. He values the right to receive a ground rent of £1 per annum in perpetuity at £25.00
11. Based on the sale of 5 nearby properties at sums between £165,000 and £195,000 he assesses the value of the leasehold interest in the subject property at £200,000.
12. Although he does not explain his approach to the value of the reversion in his report it is self evident that where the reversion is some 850 years away its value is likely to be nil.
13. The Tribunal therefore accepts Mr Rutland's valuation and determines that the price to be paid is £25.00.
14. The Tribunal determines that the amount of unpaid pecuniary rent payable for the property up to the date of the proposed conveyance is nil.

D Banfield FRICS

23 April 2015

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office, which has been dealing with the case. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
2. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
3. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking