

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : MAN/OODA/OAF/2019/0008

Property : 55 Tinshill Road, Leeds, LS16 7DR

Applicants : Mrs Susan Jackson

Respondent : Unknown

Type of Application : S21(1)(a) and S27(5) of the Leasehold

Reform Act 1967

Tribunal Members : Mr John Murray LLB

: Ms. Aisling Ramshaw MRICS

Date of Decision : 17 May 2019

Date of Determination : 24 May 2019

## **DECISION**

### **ORDER**

That the purchase price for the freehold interest of 55 Tinshill Road, Cookridge, Leeds, LS16 7DR be determined at £100.

That the Applicant shall pay the purchase price into Court pursuant to s27(5) of the Leasehold Reform Act 1967.

#### THE APPLICATION

- 1. The Applicant issued an application on the 13 March 2019 for an order under s21(1) of the Leasehold Reform Act 1967 ("the Act") for a determination as to the amount of the appropriate sum to be paid into Court under s27(5) of the Act for transfer of the Freehold of the Property, the Landlord being missing.
- 2. An order was made by District Judge Goldberg in the County Court at Leeds on the 26 February 2019 that the rights and obligations of the parties be determined as if the claimant had, at the date of the application, duly given notice of her desire to have the freeholder under section 27 of the Act.
- 3. The Tribunal is therefore asked by the Applicant to determine the single issue of the price payable for the transfer of the freehold interest pursuant to s21 of the Act.
- 4. Directions were made on 12 April 2019 for the Applicant to provide two copies of any evidence (including valuations, photographs and plans) she wished the Tribunal to consider, along with a draft transfer.
- 5. The Application was listed to be determined on the papers alone, following an inspection of the Property.

## THE PROPERTY

- 6. The Tribunal carried out an inspection of the Property at 10.00am on 17 May 2019. The Applicant was present and arranged access for the Tribunal.
- 7. The Property was found to be a semi- detached bungalow built in or around the 1950s satisfying the condition of s2(1) of the Act on a road of similar semi- detached and detached houses.

- 8. Internally was an entrance hall and stairs, a lounge, dining kitchen, three bedrooms and bathroom with WC. A brick built garage was attached with car port behind. It was on a large plot with gardens to front and rear.
- 9. The Tribunal subsequently met for deliberations. In accordance with the directions, no hearing was held and the Tribunal considered the application in the light of evidence and submissions filed by the Applicants, the inspection, and its own expert knowledge.

#### THE LEASE

10. The lease of 55 Tinshill Road was granted by John Cliff Watson to the Leeds Ex Serviceman's Housing Association Limited and others (sureties of the Association) on the 5th November 1951. The lease was granted for a period of 999 years from 2nd July 1951 at a ground rent of £6 12s 6d (£6.63) per annum.

#### THE LAW

#### s21 Jurisdiction of tribunals.

- (1) The following matters shall, in default of agreement, be determined by the appropriate tribunal namely,—
- (a) the price payable for a house and premises under section 9 above;
- (b) the amount of the rent to be payable (whether originally or on a revision) for a house and premises in accordance with section 15(2);
- (ba) the amount of any costs payable under section 9(4) or 14(2);
- (c) the amount of any compensation payable to a tenant under section 17 or 18 for the loss of a house and premises.
- (cza) the amount of the appropriate sum to be paid into court under section 27(5);
- (ca) the amount of any compensation payable under section 27A;
- (1A)....
- (1B) No application may be made to the appropriate tribunal under subsection
- (1) above to determine the price for a house and premises unless either—
- (a) the landlord has informed the tenant of the price he is asking; or

(b) two months have elapsed without his doing so since the tenant gave notice of his desire to have the freehold under this Part of this Act.

#### VALUATION EVIDENCE

- 11. The Applicants filed valuation evidence prepared by Mr. John A Rhoades FRICS of ABV Rhoades Chartered Surveyors, Manchester.
- 12. Mr Rhoades confirmed he was instructed to value the purchase price of the property as set out in the Leasehold Reform Act 1967 as amended by the Leasehold Reform, Housing and Urban Development Act 1993, the Housing Act 1996 and the Commonhold and Leasehold Reform Act 2002.
- 13. His opinion was that the price payable on the basis set out in the Leasehold Reform Act 1967 is in the order of £100 (One Hundred Pounds), exclusive of costs. His calculation was set out at Appendix 3 of his report, and was based on a market value of £221,000 of the existing lease with 99% of the freehold, with the freehold value with vacant possession assessed at £223,232.
- 14. The Ground rent at £6.63 per annum with a YP at 6.5% for the remaining 931.5 years of the term produced a figure of £102 for the landlord's interest.

#### **DETERMINATION**

- 15. The price payable by the Applicants for the Transfer of the freehold will be £100.
- 16. The Tribunal considered market information of comparable properties currently on the market and recently sold in the local area. Two similar bungalows on Tinshill Lane £195,000 and £199,950. A three-bedroomed property (on a smaller plot) at 126 Tinshill Road sold on the 14th February 2019 for £205,000; A three bedroomed semi-detached house 128 Tinshill Road sold on the 2 November 2018 for £240,000. In those circumstances Mr. Rhoades valuation of the freehold was accepted. There is no marriage value to consider given the length of the reversion being in excess of 80 years.
- 17. The Tribunal accepted a market yield of 6.5%, for annual rent of £6.63, a Year's Purchase would be 0.0650 multiplied by the remaining length of the term (931.5 years) provides a figure of £102, and in circumstances the Tribunal would adopt the Applicant's suggestion of arriving at figure of £100.
- 18. There is no need to make an order for any costs to be borne by the Applicant, as there has been no Respondent to this application

Judge John Murray 17 May 2019