



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

**Case Reference** : CHI/24UP/OAF/2020/0001

**Property** : 18 Highcliffe Road, Winchester SO23 0JE

**Applicant** : Gordon Leonard & Pamela Ann Hauser

**Representative** : Paris Smith LLP

**Respondent** : Missing

**Representative** :

**Type of Application** : Leasehold Reform Act 1967 (Missing Landlord)

**Tribunal Member** : Mr D Banfield FRICS

**Date of Decision** : 12 March 2020

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DECISION

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**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 **£40.00** and the amount of unpaid pecuniary rent payable for the property up to the date of the proposed conveyance is nil.

## **Background**

1. District Judge Stewart sitting at the County Court at Winchester made an order dated 10 January 2020 directing that the First-tier Tribunal (Property Chamber)
  - a. Assess the appropriate sum in accordance with S27 (5) of the Leasehold Reform Act 1967. (The Act)
  - b. Approve the form of conveyance
2. By Directions dated 27 January 2020 the Tribunal stated that the application would be dealt with on the papers without a hearing unless an objection was received within 28 days. No objection has been received and the matter is therefore determined in accordance with Rule 31 of the Tribunal Procedural Rules.
3. The Directions also required the submission of an expert valuation report and draft of the proposed Transfer.
4. At tab 4 of the bundle is a valuation report dated 24 February 2020 from Simon Philip Dancer FRICS who has valued the freehold interest at the nominal sum of £40.
5. An inspection of the property has not been made.

## **The Lease**

6. The site is identified on the HM Land Registry plans edged red under leasehold title number HP530724. The Freehold Title is unregistered. The leasehold title is for a term of 1,000 years from 29 September 1883 and made between Henry David Johnson and John Steel. The lease is subject to a yearly rent of £2.50.
7. It appears that there is a superior lease in respect of this and other land between William Burrough Hill and Edward Haskell details of which are unknown.

## **The Law**

8. Section 27(5) of the Act provides:  
*The appropriate sum which in accordance with Section 27(3) of the Act to be paid into 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.*
9. 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.

10. 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**

11. The property comprises a mid terrace house constructed at the turn of the last century.
12. The accommodation comprises an entrance hall, sitting room, dining room and kitchen on the ground floor, 2 bedrooms, bathroom and shower room on the first floor and a third bedroom on the second floor.
13. Outside there are small gardens front and rear.

### **Evidence and Decision**

14. Mr Dancer made his determination on an open market value of the property of £525,000 and a site value proportion of 30.00% (£157,500). However, in view of the length of time before reversion he assesses its value at nil.
15. Mr Dancer then values the income of £2.50 per annum at a 6% return arriving at £42 which he rounds down to £40.
16. Mr Dancer bases his open market value on the sale of three similar sized properties sold between April 2017 and October 2019 at prices between £500,000 and £570,000.
17. The freeholder's interest comprises a modest income of £2.50 per annum plus a reversion to vacant possession in little short of 900 years' time.
18. In view of the above the Tribunal accepts Mr Dancer's valuation of £40.00
19. The Tribunal determines that the amount of unpaid pecuniary rent payable for the property up to the date of the proposed conveyance is nil.
20. The TR1 at Tab 8 of the bundle is approved.

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.