



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

Case Reference : CHI/23UC/OAF/2021/0023

Property : Cotswold View, High Street, Mickleton,
Chipping Campden, Gloucestershire GL55
6RJ

Applicant : Andrew Gerard Delaney and Jill Delaney

Representative : Ladders Solicitors LLP

Respondent : Unknown

Type of Application : Section 27 Leasehold Reform Act 1967
(Missing Landlord)

Tribunal Member(s) : D Banfield FRICS
Regional Surveyor

Date of Decision : 13 October 2021

DECISION

The Tribunal determines that the price to be paid for the freehold interest is £6.00

The Tribunal determines that the amount of unpaid pecuniary rent (if any) payable for the property up to the date of the proposed conveyance is nil.

Background

1. By an Order of Judge Dobson sitting as a Judge of the County Court exercising the jurisdiction of a District Judge sitting at Havant Justice Centre on 19 August 2021 the Court issued a Vesting Order under section 27 of the Leasehold Reform Act 1967 for the sale of the freehold of the Property to the Claimants on such terms as may be determined by the First-tier Tribunal.
2. By the same Order the Court directed that the matter be transferred to the First-tier Tribunal to determine the price payable for a conveyance under the provisions of Section 21 of the Leasehold Reform Act 1967. The Tribunal is therefore required to determine the price payable for both the freehold and head-leasehold interests in the Property.
3. The Tribunal made Directions on 3 September 2021 setting out the information required to enable it to make its determination and a bundle has now been received containing a valuation report from Jolyon Moore MA dated 4 October 2021. An inspection of the property has not been made.

The Lease

4. The site is identified on the HM Land Registry plan edged red under title number GR281984 and is held by way of an Underlease dated 20 January 1909 between Charles Breakspear and Charles Edward Leach demising a term of 1000 years (less one day) from 19 March 1707 reserving a yearly ground rent of 1s 6d. The superior lease is dated 19 March 1707 between Richard Graves and William Summers demising a term of 1000 years from the same date reserving a yearly rent of 2s.

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 detached three-bedroom house built in the 1800s and extended in the 1960s or 70s and again in 1990. There is a separate side garage the front half of which is part of this demise the rear part falling within the demise of the neighbouring property.

Evidence and Decision

9. In his valuation report Mr Moore has determined that the value for the purposes of Section 9 of The Act is £6.00.
10. There are no records of the applicable Rateable Value which is required to determine the appropriate basis of valuation. Mr Moore has therefore provided two alternatives.
11. Mr Moore made his determination of the Freehold value by capitalising the ground rent at 10% for 685.80 years arriving at £0.25 to which he added the value of the reversion assuming Section 9(1) applies based on an open market value of the property of £600,000, a site value proportion of 35.00% (£210,000) a modern ground rent at 4.75% (£9,975), a YP of 50 years at 4.75% deferred 685.80 years plus a Haresign addition of £600,000 deferred for 735.80 years at 4.75% . This produced the rounded sum of £0.25.
12. Mr Moore also carried out a valuation assuming Section 9(1A) applied which also produced a value of £0.25.
13. Mr Moore's determination of the Head Leasehold interest was on the "Minor Superior Tenancy" basis the price of which is calculated on a set formula and in this instance amounts to £5.43.
14. Adding the value of the two interests Mr Moore arrives at his rounded figure of £6.00.
15. In assessing the appropriate market value Mr Moore states that there are no reliable comparable sales. However, by a combination of sale and asking prices suitably adjusted he has arrived at his figure of £600,000. In doing so he has considered the sale of 46 Ballards Close Mickleton at £535,000 and Wykam, High Street Mickleton being marketed at £525,000.
16. The Tribunal accepts Mr Moore's valuation as a fair reflection of the price and determines that the price to be paid for the Freehold and Head Leasehold interests is £6.00

17. The Tribunal determines that the amount of unpaid pecuniary rent (if any) payable for the property up to the date of the proposed conveyance is nil.

D Banfield FRICS

13 October 2021

RIGHTS OF APPEAL

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to rpsouthern@justice.gov.uk to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. 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.
3. 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.
4. 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.