



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

**Case reference** : **CHI/21UH/OCE/2022/0021**

**Property** : **44 Framfield Road  
Uckfield  
TN22 5AH**

**Applicants** : **Mr Martin Robert Dalmeida  
Mrs Kimmie Suzanne Dalmeida  
Mr Julian Hartfield  
Mrs Deborah Ann Hartfield**

**Representative** : **Rix & Kay Solicitors LLP**

**Respondent** : **Stuart Andrew Berry  
Missing Landlord**

**Type of application** : **Freehold Acquisition  
Leasehold Reform, Housing and Urban  
Development Act 1993**

**Tribunal member** : **Mr I R Perry FRICS**

**Date of decision** : **9<sup>th</sup> February 2023**

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**DECISION**

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### **Decision of the Tribunal**

- 1. The premium payable for the ground floor flat is £13,500 and the premium payable for the upper flat is £22,550. An additional £50 is payable for the appurtenant land. The total payable is £36,100. The case is remitted to the County Court at Brighton to give effect to the Vesting Order. Claim Number HOOBN518.**

### **Background**

2. By an Order of District Judge Sullivan sitting at the County Court at Brighton, dated 23<sup>rd</sup> March 2022, the Tribunal is required to determine the price payable for the Freehold interest in the Property and any other appropriate terms.
3. The valuation date is 25<sup>th</sup> August 2021, this being the date that the Claim was issued.
4. The Tribunal made Directions on 18<sup>th</sup> November 2022 setting out the information required to enable it to make a determination.
5. A bundle has been submitted by the Applicants, which includes an expert witness report and valuation prepared by Mr Tom Hobman AssocRICS of Andrew Pridell Associates Ltd. The report contained a signed and dated statement confirming that it complied with the Royal Institution of Chartered Surveyors Practice Statement: Surveyors Acting as Expert Witnesses. The report also included a statement that Mr Hobman had complied with his duty to the Tribunal.
6. In accordance with Directions, the Tribunal did not inspect the property, instead relying on information, including photographs, provided by the Applicant and viewing the property via online portals.

### **Evidence**

7. The Tribunal considered the valuation report of Mr Hobman dated 12<sup>th</sup> January 2023.
8. The property is a semi-detached Victorian building originally built as a single private dwellinghouse, but now converted into 2 flats. It is well located for access to all local facilities but is attached to a Fish and Chip shop.
9. The ground floor flat, known as 44 Framfield Road is of some 22 sq. m<sup>2</sup> with an open plan kitchen/living room, single bedroom, bathroom with WC and a single car space outside.
10. On the first and second floors there is a larger flat, known as 44a Framfield Road, of some 103 m<sup>2</sup> with accommodation including a living room with front bay, kitchen, bathroom with WC, 2 double bedrooms, a single bedroom. Outside there is a garden and 2 car spaces.
11. The building is of traditional construction with brick elevations beneath a slate roof.
12. Each flat is held on the remainder of a 99-year lease from 24<sup>th</sup> June 1989; as at the valuation date 66.87 years unexpired.

13. The ground rent for the ground floor flat is £50 per annum for the first 33 years, £100 per annum for the second 33 years and £200 per annum for the final 33 years of the term.
14. The ground rent for the upper flat is £75 per annum for the first 33 years, £150 per annum for the second 33 years and £300 per annum for the final 33 years of the term.
15. In his calculation Mr Hobman applies a capitalisation rate of 6.5% to the ground rents. This is based on his experience of Property Tribunals having consistently adopted a 7% rate for modest ground rents but reducing this by 0.5% in order to reflect a long-term general fall in interest rates. The Tribunal accepts this rate.
16. In his calculation for the ground floor flat Mr Hobman incorrectly capitalises the ground rent for the first and second 33 years rather than the rent for the second and third 33 years. A revised calculation for the ground floor flat is included at the end of this decision.
17. Mr Hobman applies the reversionary discount rate of 5% for flats as determined in the Court of Appeal case *Cadogan v Sportelli*. The Tribunal accepts this rate.
18. Based on his experience Mr Hobman applies a Relativity Rate of 82.77% to the capital value following the case of *Trustees of the Barry and Peggy High Foundation v Claudio Zucconi and Mirella Zanre*. The Tribunal accepts this rate.
19. Within his report Mr Hobman provides a detailed list of comparable sales in the area including sale particulars with photographs and floorplans, official copies of Title and a detailed analysis based on numbers of rooms, floor area, sale price and date, condition, and location. He adjusts the figure for the upper flat by £10,000 to reflect tenant's improvements and concludes that the value of the unimproved leasehold interests at the valuation date are £125,000 for the lower flat and £210,000 for the upper flat.
20. Mr Hobman then follows accepted valuation practice to increase these figures by 1% to arrive at a value of the freehold interest. Accordingly he assesses the freehold value of the lower flat to be £126,250 and the upper flat £212,100. Applying the relativity rate of 82.77% the present value of the lower flat is represented by £104,497 and the upper flat by £175,555. The Tribunal accepts these figures.
21. The valuation report provided by Mr Hobman concludes with his calculations of the premium for each flat. Given that the first rent review is only 0.87 years away he capitalises the rent which applies from the first review for 33.87 years. The effect of this is de minimus so it is accepted by the Tribunal.
22. Mr Hobman assesses a notional payment of £50 for appurtenant land. This is accepted by the Tribunal.

### Decision

23. **The premium payable for the freehold interest shall be £13,500 for the ground floor flat, plus £22,550 for the upper flat plus £50 for the appurtenant land. A total of £36,100.**

**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](mailto: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.

**Value of freeholder's interest ground floor flat at 44 Framfield Road**

Capitalisation of ground rental income

Ground rent 2021-2055	£100	
YP 33.87 years @ 6.5%	<u>13.5617</u>	£1,356

Ground rent 2055-2088	£200	
YP 33 years @ 6.5%	13.4590	
PV of £1 in 33.87 years @ 6.5%	<u>0.1184</u>	<u>£319</u>

Value of Ground rent		£1,675
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Value of reversion

Reversion to capital value of £125,000 plus 1% for freehold=	£126,250	
PV of £1 in 66.87 years @ 5%	<u>0.0382888</u>	<u>£4,834</u>

Total Value of freeholder's interest		£6,509
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**Marriage Value**

Value of long leasehold		£125,000
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Less

Value of freeholder's interest	£6,509	
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Value of lessees interest	<u>£104,497</u>	<u>£111,006</u>
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Total Marriage Value		£13,994
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Freeholder's share @ 50%	<u>£6,997</u>	<u>£6,997</u>
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Total Premium		£13,506
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OR SAY		<b>£13,500</b>
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