



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

Case Reference : **CAM/38UF/2022/0004
P:PAPERREMOTE**

Property : **Star Cottage and Wynfield Meadow
Lane Fulbrook Oxford OX18 4BW**

Applicants : **Mr Peter Wyatt (1)
Mrs Sally Wyatt (2)**

Representative : **Knights Professional Services**

Respondent : **Persons Unknown (Being the
freeholder(s) of Star Cottage and
Wynfield Meadow Lane Fulbrook
Burford)**

Representative : **None**

Type of Application : **Missing landlord
S27(1) Leasehold Reform Act 1967**

Tribunal Members : **Evelyn Flint FRICS**

**Date and venue of
Hearing** : **14 February 2023
Remote hearing on the papers**

Date of Decision : **14 February 2023**

DECISION

This has been a remote hearing which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing

was not held because it was not practicable and all issues could be determined in a remote hearing. The documents that the Tribunal were referred to are in a bundle of 101 pages, the contents of which have been noted. The order made is described below.

Decision

1. The premium payable is £351,360 (three hundred and fifty one thousand three hundred and sixty pounds). The case is remitted to the County Court at Oxford to give effect to the transfer of the freehold (J00OX504).

Background

2. This case relates to an application made under section 27(1) of the Leasehold Reform Act 1967 for a determination of the price to be paid for the transfer of the freehold of two cottages which were joined together to form a single dwelling and garden held under long leases where the landlord is unknown. The application was made in the County Court at Oxford on 17 August 2022. On 30 September 2022 District Judge Waken transferred the case to the Tribunal to determine the price payable in accordance with s9(1) of the Act.
3. Mr Geraint Evans of ebureau Limited had prepared a report and valuation, dated 17 January 2023, relating to the application. The report included statements confirming that he had complied with the requirements of the rules, protocols and directions of the tribunal and his duty to the Tribunal as an expert witness; the report complied with the Royal Institution of Chartered Surveyors Practice Statement: Surveyors Acting as Expert Witnesses.

Evidence

4. The Tribunal considered the valuation report of Mr Evans.
5. The property comprises two cottages which have been knocked through to form one dwelling. Star Cottage comprises a living room and kitchen on the ground floor, two bedrooms, a bathroom and separate wc on the first floor and a third bedroom with limited ceiling height on the second floor. Wynfield comprises two living rooms, kitchen, wc and two bedrooms one of which has an ensuite. An extension across the rear of both cottages connects both properties, there are also further connecting doors at ground and first floor level. The gardens of both cottages have been combined.
6. There is limited information regarding the terms of the leases. Both cottages appear to have been part of the land included in a lease for 300 years commencing on the Feast of Annunciation of the Blessed Virgin Mary in the year 1714. The rent on the Office Copy entry for Wynfield is

- stated to be three shillings, it is noted that the lease also comprises other land.
7. Mr Evans listed details of assignments and conveyances which had taken place since 1946. It was evidenced that no rent has been paid since 1965. The contractual lease term expired in 2014.
 8. Mr Evans stated that the exact amount of ground rent for each cottage is not known but the amount is trivial: the original ground rent of three shillings included other land. In the circumstances he has not capitalised the ground rent.
 9. In 2022 the cottages were offered for sale on the open market at a freehold asking price of £1,100,000. An offer of £1,060,000 to include fixtures, fittings and some soft furnishings was accepted by the Applicants. At the date of the valuation report the property remained under offer to the same purchaser. Mr Evans was of the opinion that this represented the entirety value and that the site was fully developed.
 10. He adjusted the agreed price by £10,000 to reach a standing house value of £1,050,00. He reduced the standing house value by 10% to £945,000 to reflect the tenant's rights under Schedule 10 Local Government and Housing Act 1989.
 11. He calculated the modern ground rent at 28% rather than his norm of 30% of the entirety value because the site would be difficult to develop; the cottages are held under different leases; Meadow Lane is narrow and heavily congested making access for plant and machinery difficult and in addition one of the cottages is a Listed building. He was unsure how the listing of half the property would affect the other half.
 12. He adopted a deferment rate of 5.25%. He did so by adding 0.5% to the usual Sportelli deferment rate of 4.75% because at the valuation date the Prime Minister had resigned, Liz Truss was yet to take up post, the war in Ukraine had been ongoing for about six months, there were rising interest rates, the cost of living was rising and there were suggestions that the property market may slow substantially, partly in response to the possibility of the economy going into recession. He noted that a change in economic policy under Liz Truss resulted in turmoil in the markets.
 13. He valued the premium at £338,210 (three hundred and thirty eight thousand two hundred and ten pounds).

Decision

14. **Valuation date.** The valuation date is 17 August 2022, the date of service of the claim.
15. **Valuation of the freehold.** The tribunal accepts the value proposed of £1,060,000 based on the sales evidence provided.

16. **Capitalisation and Deferment Rates.** The ground rent is too low to have an effect on the value of the premium, no determination on the capitalisation rate is required.
17. The Tribunal determines the deferment rate at 5%, since it does not agree that the turmoil in the markets in the autumn of 2022 would have had any effect in August 2022 since the change in economic policy referred to was not known at the valuation date. Nevertheless all the other factors referred to were relevant at the valuation date, it was already clear that the era of very low interest rates had come to an end and that house prices were stagnating or falling. Moreover, there is the uncertainty regarding the effect on Star Cottage of the Listing of Wynfield.
18. **Enfranchisement Price.** The Tribunal determines the premium to be paid at £351,360 (three hundred and fifty one thousand three hundred and sixty pounds) in accordance with the valuation attached.

Evelyn Flint

15 February 2023

RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.

