



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

Case Reference : **MAN/00BL/OAF/2022/0043**

Property : **91 High Street
Turton
Lancashire
BL7 0EZ**

Applicants : **Angela Sefton &
Craig William Sefton**

Representative : **Adcocks Solicitors Limited**

Respondent : **Persons Unknown**

Representative : **N/A**

Type of Application : **Houses and Premises – Leasehold
Enfranchisement: Missing Landlord
S21(1)(cza), S21(2) and S27(5) of the
Leasehold Reform Act 1967**

Tribunal : **Valuer Chair J Fraser FRICS
H Clayton JP**

Date of Decision : **27th February 2023**

DECISION

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DECISION

The Tribunal determines that the total price to be paid for the freehold interest in 91 High Street, Turton, Lancashire, BL7 0EZ is £8.00.

The amount of pecuniary rent payable in accordance with section 27(5)(b) of the Leasehold Reform Act 1967 has been determined by the County Court at £3.45.

REASONS

Background

1. The Tribunal has received an application under sections 21(1)(c), 21(2) and 27(5) of the Leasehold Reform Act 1967 (“the Act”). The application arises following an application made to the County Court for a Vesting Order in the case of a missing Freeholder. On the 24th October 2022 Deputy District Judge Walthall sitting at the County Court at Manchester ordered that the Applicants may apply to the First-tier Tribunal (Property Chamber) for the determination of the price payable for the Freehold interest in accordance with Section 27(5)(a) of the Act. This is the sole issue for the Tribunal to determine.
2. The Applicants attach to their application a bundle of documents in support including, *inter alia*, a copy of the County Court order, the lease, the title register, valuation evidence and enquiries made to ascertain the Rateable Value. The Applicants request that the determination be made on the papers and without further directions given the documentary evidence provided. The Tribunal considers it appropriate for the matter to be determined by way of a paper determination and as no submissions have been received for an oral hearing the application has been determined on the papers.
3. The Tribunal has not inspected the property.

The Law

4. 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.*

The Property and Lease

5. To support the application the Tribunal is provided with a valuation report prepared by Mr Geoffrey R Bates BA FRICS dated 1st November 2022. The valuation report is prepared as an Expert Witness Report and contains the usual statement of truth and declarations as required by Rule 19 of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013.
6. In Mr Bates's report, he states that 91 High Street ("The Property") is a traditionally built two bedroom mid terrace house. The accommodation is arranged over two storeys and provides two reception rooms, kitchen and bathroom/wc. Externally is a small enclosed rear yard.
7. The Property is registered with Leasehold Title Number LA538947 and it is held on a long lease for a term of 999 years from 1st November 1883 at a ground rent of 11s.6d per annum (£0.575).

The Premium

8. The Tribunal is required to determine the premium payable for the Freehold Interest, calculated in accordance with section 9 of the Act. Section 9 sets out the premium to be paid to enfranchise and the valuation basis to be adopted. There is a term remaining of circa 860 years. The Tribunal refers to the aforementioned report of Mr Bates who prepares a valuation in accordance with section 9(1) of the Act.
9. The Tribunal is provided with evidence of the enquiries made to establish the Rateable Value at the "Relevant Date"; 23rd March 1965. It has not been possible for the Applicants to establish the Rateable Value on the Relevant Date, however the Rateable Value for the year 1956-1957 has been obtained and is £9.00. The Applicants submit that the Rateable value is likely to have increased by the Relevant Date and therefore the ground rent is less than two thirds of the rateable value. The Tribunal agrees and adopts the "original" valuation basis in accordance with section 9(1) of the Act.
10. Mr Bates capitalises the ground rent for the remainder of the term, 860 years, at a capitalisation rate of 7% to arrive at £8.22. Mr Bates adopts a nil value for the first reversion to a modern ground rent and a nil value for the ultimate reversion, which occur in 860 and 910 years respectively. The Tribunal agrees that there is no value to the reversionary interest.
11. The Tribunal accepts Mr Bates's valuation of £8.22, say £8.00. The pecuniary rent payable in accordance with section 27(5)(b) of the Act has been determined by Judge Walthall at £3.45.

J Fraser
Valuer Chair of the First-tier Tribunal
Date: 27th February 2023

