



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

- Case Reference** : MAN/00BR/OAF/2023/0006
- Property** : 20 Sefton Drive, Worsley, Manchester, M28  
2NQ
- Applicants** : Maleka Sultan, Javed Sultan, Pervez Sultan &  
Natasha Sultan as Trustees of the Estate of the  
Late Mohammed Sultan
- Representative** : Hay & Kilner LLP
- Respondent** : Unknown
- Type of Application** : Section 27 Leasehold Reform Act 1967  
(Missing Landlord)
- Tribunal  
Member(s)** : N. Walsh FRICS  
Regional Surveyor
- Date of Decision** : 2 August 2023

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DECISION

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**The Tribunal determines that the price to be paid for the freehold interest is £300.00**

**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.**



## REASONS

### Background

1. The Tribunal has received an application under sections 21(1)(cza), 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 23 March 2019 His Honour Judge Halliwell 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) and Section 9 of the Act. This is the sole issue for the Tribunal to determine.
2. On the 1 June 2023, Ms Elena Dudley, Legal Officer of this Tribunal, gave directions to the Applicants to provide a bundle of documents in support of their application including; a statement of case; valuation evidence; and any other documents that the party wishes to rely upon. That evidence has been provided along with supporting information provided for the County Court application.
3. 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.
4. The Tribunal has not inspected the property.

### The Lease

1. The site is identified on the HM Land Registry plan edged red under title number GM360916 and is held by way of an Underlease dated 27 August 1959 between C. Musker Brothers Limited and Samuel George Grimwood Partington and Dorothy Mary Partington demising a term of 999 years from 1 February 1954 reserving a yearly ground rent of £20.

### The Law

2. 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.*
3. 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.

4. The expert surveyor for the Applicant, Mr Murphy MRICS, has unfortunately not made enquiries as to the house and premise's Rateable Value. The historic Rateable Value is required to determine the valuation basis (original or special) in accordance with Section 9 of the Act, however, given the long unexpired lease term, the Tribunal notes that the premium would remain the same regardless of the valuation basis adopted and therefore accepts the basis as being the original basis under section 9(1).

### **The Premises**

5. The property comprises a detached house with 4 bedrooms of traditional brick and tile construction situated a short distance from the village of Worsley.

### **Evidence and Decision**

6. 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. The valuation date adopted is the 18 March 2018 being the date of the application to the County Court, therefore the term remaining as at the valuation date is circa 935 years.
7. To support the application the Tribunal is provided with a valuation report and valuation calculation prepared by Mr Richard Murphy MRICS who prepares a valuation in accordance with section 9(1) of the Act. Mr Murphy's report includes a declaration and complies with the requirements of Rule 19 of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013.
8. In his valuation report Mr Murphy has determined that the value for the purposes of Section 9 of The Act is £300.00, rounding his valuation up from £286.00.
9. Mr Murphy made his determination of the Freehold value by capitalising the ground rent at 7% for 933.88 years (although the unexpired term is c. 935) to which he attributed and added a nil value to the deferred freehold reversionary interest. Mr Murphy does not provide any corroboratory evidence to support this opinion evidence. Mr Murphy's valuation report contains a number of incidental errors such as no uplift between the freehold and leasehold vacant possession values and a miscalculation of the unexpired term. However, given the values and the length of the unexpired term these errors make no material difference with the ground rent in effect being capitalised in perpetuity.

10. The Tribunal agrees that there is no value to the reversionary interest and agrees that 7% is an appropriate capitalisation rate reflecting that the ground rent is low and fixed for the entirety of the term. The Tribunal accepts Mr Murphy's valuation of £300 as a fair reflection of the price and determines that the price to be paid for the Freehold interest is £300.00
11. 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 because the ground rent demanded up to 2017 was paid and no rent has been demanded since, and rent cannot fall due until it is demanded.

N Walsh FRICS

2 August 2023