

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CAM/22UH/0AF/2020/0001 P:Paperremote
Property	:	Elizabeth Cottage, 66 Tattlers Lane, Aston End, Stevenage SG2 7HN
Applicant	:	Ms Diana Patricia Smith
Representative	:	H R J Foreman Laws
Respondent	:	Persons unknown
Representative	:	None
Type of Application	:	Missing landlord S27 of the Leasehold Reform Act 1967
Tribunal Members	:	Evelyn Flint DMS FRICS
Remote	:	Determination without an oral hearing in accordance with the procedure in regulation 13 of the Leasehold Valuation Tribunals (Procedure) (England) Regulations 2003
Date of Decision	:	13 July 2020

DECISION

This has been a remote hearing on the papers which has not been objected to by the parties. The form of remote hearing was P:Paperremote. A face to face hearing was not held because no one requested the same and all the issues could be determined on the papers. The documents that I was referred to were in a bundle of 229 pages, the contents of which I have recorded. The order made is described below.

Decision

1. The premium payable for the freehold interest is $\pounds 17,560$ (seventeen thousand five hundred and sixty pounds).

Background

- 2. On 21 March 2019 the Applicants made an application to the County Court at Hertford under Section 26 of the Leasehold Reform Act 1967 ("the Act") seeking a vesting order under Section 27 of the Act providing for the transfer of the freehold interest in the property as the landlord cannot be found.
- 3. District Judge Gill sitting at Luton County Court on 1 May 2019 issued Directions under claim No. FooLU401 regarding further enquiries to be made to identify any person holding the freehold title and any other associated rights relevant to the property subject to these proceedings. District Judge Spinks sitting at Luton County Court issued further Directions on 17 July 2019. On 6 January 2020 District Judge Gill being satisfied that all reasonable enquiries have been made and that no owner of the superior interest has been identified ordered that the matter be adjourned to allow the Claimant to apply to the First-tier Tribunal to ascertain the consideration to be paid into court.
- 4. The Tribunal issued Directions on 21 May 2020 providing for the case to be determined based on the documents alone and without an oral hearing.
- 5. The house is held on a lease for 500 years from 20 October 1563 with no ground rent being due throughout the term.

Expert Evidence

- 6. The Tribunal considered an expert report dated 20 June 2020 prepared by Mr Stuart King BSc MRICS of Davies King Chartered Surveyors.
- 7. The property is situated in Aston approximately two and a half miles from Stevenage town centre. Access is via a private lane off Barham Road, a 1980's estate. Tattlers Lane itself comprises a variety of different styles of properties with the majority being over 100 years old.
- 8. The house is a timber framed traditionally built detached house thought to have been constructed in the mid 1700's with a loft

conversion dating from the mid 1970's. The accommodation comprises two rooms, kitchen and entrance hall on the ground floor, two bedrooms, shower room, separate wc on the first floor, the third bedroom being in the loft. The house is on a large plot surrounded by mature trees and hedges, there are a number of out buildings, a summer house and garages within the plot.

- 9. The schedule of comparable evidence referred to sales between December 2017 and May 2019 plus two properties under offer in February 2019 and June 2020. The comparables were all modern properties within approximately half a mile of the subject property, All were on smaller plots with modern layouts. The sale prices ranged from £270,000 for a two bedroomed semi-detached house to £527,000 for a 4 bedroomed detached property.
- 10. Using the comparable evidence Mr King valued the freehold interest in the subject property at £550,000.
 - 11. Mr King adopted 35% for the plot value and took 6% of that figure as the modern ground rent which he capitalised at 6% for 50 years. The deferment rate adopted for the reversion to the freehold with vacant possession was 4.75% in line with the decision of the Lands Tribunal in Earl Cadogan and Cadogan Estates Ltd and others v Sportelli.
 - 12. Mr King was of the opinion that no marriage value is payable as the valuation is subject to the provisions of section 9(1)(a) of the Act.
 - 13. A valuation was attached to the report indicating a value for the freehold of £17,560 as at 21 March 2019.

Decision

- 14. **Valuation date.** The valuation date is 21 March 2019, being the date of the application to the County Court. The unexpired term at the valuation date is 44 years and 7 months.
- 15. **Capitalisation and Deferment Rate.** The Tribunal agrees that 6% is the appropriate capitalisation rate for the modern ground rent and that there is no reason to depart from the generic deferment rate for houses of 4.75%.
- 16. **Marriage Value**. Marriage value is not applicable under the Section 9 (1) 9a) of the Act.
- 17. **Enfranchisement Price**. The Tribunal determines the premium at £17,560 in accordance with the report provided by Mr King.

Evelyn Flint Chairman

13 July 2020

ANNEX 1 - 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.