



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

Case Reference : CHI/45UF/OAF/2017/0002

Property : 13 Charlton Street, Steyning, West Sussex
BN44 3LE

Applicant : Mark Sundius-Smith

Representative : Comptons Solicitors LLP

Respondent : Unknown

Representative :

Type of Application : Leasehold Reform Act 1967 (Missing
Landlord)

Tribunal Member : Mr D Banfield FRICS

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Date of Decision : 2 May 2017

DECISION

Summary of Decision

The Tribunal has determined for the reasons set out below that the price payable by the Applicant for the freehold reversion of the property is to be the sum of **£1** and the amount of unpaid pecuniary rent payable for the property up to the date of the proposed conveyance is nil.

Background

1. Following an application of Mr Mark Sundius-Smith District Judge Brown sitting at the County Court at Brighton made an order dated 23 January 2017 transferring the matter to the First-tier Tribunal (Property Chamber) to assess the appropriate sum in accordance with S.9 of the Leasehold Reform Act 1967.(The Act)
2. The Tribunal made Directions on 20 March 2017 in accordance with which a determination bundle has been received including a valuation report prepared by Mr James Hayes MRICS of Cooper Hayes Chartered Surveyors 10 April 2017. The report contains the required Expert's Declaration.
3. An inspection of the property has not been made.

The Lease

4. The site is identified on the HM Land Registry plan edged red under title number WSX144198 and is held by way of a lease for a term of 10,000 years from 30 March 1796 and made between Richard Thornton and Joseph Curtis. The lease is subject to a yearly rent of 1d.

The Law

5. 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.*
6. 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; 30 December 2016.
7. There are various bases set out in Section 9 of the Act and the Tribunal determines that the appropriate basis is in Subsection 9(1) being that on 31 March 1990 the Rateable value of the house and premises was not above £500.
8. The Tribunal has been referred to and takes account of the following decisions: *Arbib v Cadogan* (2005), *Cadogan Estates Limited v Sportelli* (2006) and *Clarice Properties Limited Appeal* (2012).

The Premises

9. The property comprises a small terraced cottage constructed in the late 1700s.
10. The accommodation is described by Mr Hayes as comprising a small living room and kitchen on the ground floor with a double bedroom, boxroom and bathroom on the first floor. Outside there is a long garden to the rear.

Evidence and Decision

11. In his valuation report dated 10 April 2017 Mr Hayes determined that the value as at 30 December 2016 is a nominal £1.
12. Mr Hayes' valuation is made in accordance with Section 9(1) and uses a capitalization rate of 10% and a deferment rate of 4.75%. His freehold vacant possession value is in the range £240,000 to £340,000 based on the sale prices of comparable properties. In view of the length of the reversion the precise value is immaterial.
13. Mr Hayes provides worked valuations in accordance with Section 9(1) and in the alternative Section 9 (1) (A). Both produce a Nil value.
- 14. The Tribunal accepts that with the length of the reversion in this case the constituent parts of the valuation have limited bearing on the outcome and therefore adopt Mr Hayes valuation of £1.**
15. The Tribunal determines that the amount of unpaid pecuniary rent payable for the property up to the date of the proposed conveyance is nil.

D Banfield FRICS

2 May 2017

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office, which has been dealing with the case. 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.
2. 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.
3. 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.