

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
LEASEHOLD VALUATION TRIBUNAL

LEASEHOLD REFORM ACT 1967

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL

Case No:	CHI/24UN/OAF/2006/0003
Property:	99 Upton Crescent Southampton Hampshire SO16 8AA
Applicant:	Mr Quellam Green c/o Paris Smith & Randall LLP
Respondent:	Mrs Strachan (Address unknown)
Date of Application:	27 February 2006
Members of the Tribunal:	Mrs B Hindley (Chairman) Mr D L Edge FRICS Mr M R Horton FRICS
Date decision issued:	3 May 2006

1. On 24 April 2006 solicitors on behalf of the applicant obtained from Southampton County Court a vesting order (attached at Annex 1) having made an application under Section 27(1) of the Leasehold Reform Act 1967 in respect of 99 Upton Crescent, Nursling, Southampton, Hampshire.
2. On 26 April 2006 a Leasehold Valuation Tribunal hearing took place to determine the price to be paid into Court for the freehold interest in the subject property.
3. On the morning prior to the hearing the Tribunal inspected the subject property. They found it to be a detached bungalow, built circa 1930, of brick and rendered elevations under a replacement interlocking concrete tiled roof. The windows had been replaced with double glazed units and gas fired central heating had been installed. There was sufficient room at one side of the property for a car to be parked in the front garden. The rear garden backed onto the motorway but was shielded from it by a small wood.
4. The interior of the bungalow had been altered from its original configuration and comprised four rooms, one of which was a kitchen/diner, together with a bathroom/wc.
5. At the hearing Mr Rutland said that, in his opinion, the unimproved reversionary value of the property was £250,000 as shown in his valuation (attached at Annex 2). Asked by the Tribunal how he had come to this figure he said that he had made enquiries of local agents but, on further questioning, he was unable to provide details of any comparable properties.
6. Mr Rutland said that he had achieved his proposed price of £100. 25p by adopting a yield of 5%. Asked by the Tribunal for his justification for this figure, he said that he had considered the equivalent yield obtainable from an instant access building society account without the aggravation and costs attendant on the collection of the £5 per year ground rent which was payable in two equal instalments. He maintained that it was a very unattractive investment.
7. Asked by the Tribunal why he had originally proposed a price of £175, Mr Rutland said that it had been a negotiating figure based on a yield of 6%.
8. On the basis of their knowledge and experience the Tribunal considered that a reversionary value of £190,000 was more appropriate bearing in mind the size, construction and location of the property and assuming its unimproved condition. As to the yield, accepting Mr Rutland's view of the unattractiveness of the investment and having in mind the decision of the Lands Tribunal in *Arbib v. Cadogan*, the Tribunal determined a yield of 10%.
9. Accordingly, with 929 years remaining on the lease and adopting as the valuation date the date of the application – 10 October 2005, the Tribunal determined the price to be paid into Court for the freehold of the subject property to be £50 as shown in the valuation attached at Annex 3.
10. Mr Eminton handed in a schedule of unpaid ground rent from 29 September 1992 amounting to £70. He said that this had accrued since solicitors, acting on behalf of the missing landlord, had withdrawn from their task of collecting the rents.
11. The Tribunal considered that such arrears cannot be treated as due to a landlord who has failed to furnish an address for service of notices (see Section 48(2) of the Landlord and Tenant Act 1987).

Chairman *R. D. M. Trolley*

Date *3/5/06*

IN THE SOUTHAMPTON COUNTY COURT

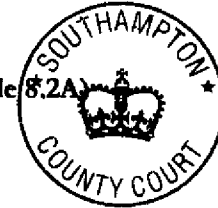
CASE No: 5SO06746

B E T W E E N:

QUELLAM GREEM

Claimant

(There is no Defendant to these proceedings which are governed by CPR Rule 8.2A)



ORDER

The Court being satisfied that all proper steps by way of advertisement and otherwise have been taken for the purpose of tracing the Landlord of the Claimants leasehold interest in 99 Upton Crescent, Nursling, Southampton it is hereby ordered that:

1. The Claimants are entitled pursuant to the provisions of s27 Leasehold Reform Act 1967 ("the 1967 Act") to have vested in them the freehold of the premises known as 99 Upton Crescent, Nursling, Southampton, Hampshire (being the premises in the Claimants leasehold interest registered at HM Land Registry under Title Number HP282373).
2. The appropriate sum to be paid into court by the Claimants pursuant to s27 (5) of the 1967 Act shall be determined by the Leasehold Valuation Tribunal and shall be so determined as if the Claimant had, on 10 October 2005 (the date of issue of these proceedings), duly given notice of his desire to have the freehold pursuant to s8 Leasehold Reform Act 1967.
- 3 Upon the Claimant paying into Court the appropriate sum assessed as required in paragraph 2 above David Eminton, a partner in Paris Smith and Randall Solicitors LLP, shall be entitled to execute a conveyance to vest the said freehold in the Claimant such conveyance to be in a form to be approved by the Court and is to include such rights as may be appropriate to include pursuant to the provisions of s10 Leasehold Reform Act 1967.

.....
 District Judge Ainsworth

.....
 Date

24/1/06

99 UPTON CRESCENT NURSING**Current Interest**

Current Ground Rent	5	
YP - 929 yrs 5 percent sing/dual	20	100
Revised Ground Rent		
YP - yrs percent sing/dual		
Value of Current Interest		100

Reversion to freehold value

Value of FH in possession	250000	
PV £1 929 in yrs @ 7%	0.000001	
Adopted Reversionary Value		0.25
Total of f/h value		100.25

**The Tribunals Valuation
of the Freehold interest in
99 Upton Crescent, Nursling, Southampton
in accordance with the provisions of the
Leasehold Reform Act 1967**

Ground Rent of property, per annum	£5.00	
Years purchase of unexpired term of lease @ 10% x 929 years	<u>10</u>	£50.00
Reversion on 25 th March 2935 to £190,000 (too long a deferment period to be of any value)		£00.00
<u>Marriage Value</u>	Not applicable	£00.00
<u>Compensation</u>	Not applicable	<u>£00.00</u>
<u>Total</u>		<u>£50.00</u>

Enfranchisement price - Fifty Pounds (£50.00)