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SOUTHERN RENT ASSESSMENT PANEL

LEASEHOLD REFORM ACT 1967
APPLICATION FOR DETERMINATION OF PRICE

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL

Case No: LR93/KT/347

Property: Mill House
Brenchley
Tonbridge
Kent

Applicants: Richard Graham Carter and Lesley Hilda Carter

Respondent: Person or persons unknown

Date of Hearing: 26th January 2005

Members of the Tribunal: Mr. I. Collins, FRICS IRRV (Chairman)
Mr. R. Athow FRICS MIRPM
Mr. P.B Langford MA LLB

RE: MILL HOUSE, BRENCHLEY, TONBRIDGE, KENT

Background

1. Mr Richard Carter and Mrs Lesley Carter ("the applicants") the lessees of Mill House, Brenchley, Tonbridge, Kent have made an application to the Tribunal under section 9 of the Leasehold Reform Act 1967 ("the Act") for the determination of the price payable. By an Order dated the 25th October 2004 of the Tunbridge Wells Court the applicants were required to make such an application to the Leasehold Valuation Tribunal pursuant to an application to the Court for the acquisition of the freehold of the property.
2. Mill House consists of a substantial detached family residence built about 25 years ago on a large plot. The applicants are represented by Bailey and Cogger, solicitors, Tonbridge, Kent.
3. The application which was originally dated the 25th March 2004 set out the background for the application that being: the applicant is the owner of a long leasehold interest of about 500 years expiring on the 24th March 2069. The Land Registry Certificate submitted states that; the original lease is no longer available, the rent is one primrose at Easter and the identity of the original parties is not known.

4. The applicants included with the application copies of: an Order by Deputy District Judge Hooper sitting at Tunbridge Wells County Court pursuant to section 27 of the Leasehold Reform Act 1967 (as amended), a number of letters commencing in March 2004 addressed to the Residential Property Tribunal by the applicants solicitors Bailey and Cogger, a formal valuation dated the 14th December 2004 by Bracketts Chartered Surveyors, a HM Land Registry Certificate and associated documents.

Inspection

1. The Chairman inspected the property on the 26th January 2005 in the presence of the applicants. The property comprises a substantial quality four bedroomed modern family home with separate double garage and is in excellent condition. The property which was built about 25 years ago is of conventional brick and block construction with part tiled elevations and tiled roof, standing in a large well landscaped plot of about 0.85 acres.
2. The property is located in the village of Brenchley in a sought after residential area lying to the east of Tonbridge and Paddock Wood both providing main line train services.

The Law

1. When determining the price to be paid the Tribunal, in accordance with the Leasehold Reform Act 1967, section 9, had regard to the provisions of section 9(1A) based on the rateable value being above £500. The price payable shall be the amount of the open market value assuming: the freehold value subject to the existing tenancy but with no statutory right to acquire the freehold or an extended lease, that at the end of the present tenancy the tenant has the right to remain in occupation under the provisions of Part 1 of the 1954 Landlord and Tenant Act but has no liability to undertake repairs, redecoration or maintenance, together with up to half of the marriage value. The marriage value being the combined value of the separate freehold and leasehold interests.

The Hearing

1. A hearing was held at the Angel Centre, Tonbridge on the 26th January 2005. The applicants attended and were represented by Counsel, Mr Ilyas, together with Mr J Moys of Bracketts Chartered Surveyors. The landlord, person unknown, was not represented.
2. Mr Ilyas explained the background to the application and introduced Mr Moys who had prepared the submitted valuation. Mr Moys referred to a typographical error and confirmed that the valuation had been prepared in accordance with Section 9(1A) of the Leasehold Reform Act 1967, was true and that he still held the opinions set out in the report. A brief description of the subject property was given to the Tribunal and a more detailed explanation of the details of the valuation.

3. The elements of the valuation proposed:

- a) Value of present rent – nil (the right to receive a primrose every year for 65 years)
- b) The value of the right to receive a reversionary rent under an assured tenancy - £2,700 (the right to receive an estimated £30,000 per annum in 65 years with a return at 8%)
- c) A proportion of the marriage value - £12,500 (being 50% of the estimated total marriage value of £25,000)

Total £15,200

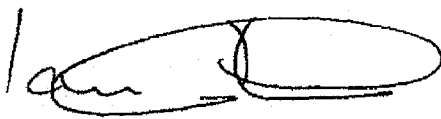
4. Mr Moys confirmed that he had no direct comparable evidence but the figures were based on his local experience and knowledge. The estimated open market value of the property is believed to be in the region of £900,000.
5. Mr Ilyas concluded by commenting that this was an unusual case, where there is no known landlord. The valuation prepared by Mr Moys shows a true figure in compliance with the Act.

Consideration

1. The tribunal considered the circumstances, the evidence and the valuation submitted by Mr Moys together with its own knowledge and experience and concluded that the price should be £15,200.

Decision

The price determined to be paid for the freehold interest of The Mill House, Brenchley, in accordance with Section 9 of the Leasehold Reform Act 1967 is £15,200



Chairman _____

Dated 26th February 2005