

4402



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

Case Reference : CHI/00HN/OCE/2016/0051

Property : 13&13A Linwood Road, Bournemouth,
Dorset BH9 1DW

Applicant : Mr R & Ms B Squires

Representative : Harold G Walker Solicitors

Respondent : Missing Landlord

Representative :

Type of Application : Leasehold Reform, Housing and Urban
Development Act 1993 (Missing Landlord)

Tribunal Member : Mr D Banfield FRICS

Date of Directions : 19 January 2017

DECISION

Summary of Decision

- The Tribunal has determined for the reasons set out below that the price to be paid for the freehold interest is £1,500 subject to deduction of costs of £12,947.70.
- The extent of the freehold to be transferred is the whole of the property known as 13 & 13A Linwood Road
- The draft TR1 is approved subject to the correction of the plan

Background

1. By an Order of Deputy District Judge Alexandre sitting at the County Court at Bournemouth and dated 6 October 2016 the claimants were permitted to apply to the Tribunal for a determination of:
 - a. The terms of the transfer of the Property in accordance with section 27(1)(b) of the Act
 - b. The extent of the freehold interest to be transferred, in accordance with section 27(2) of the Act
 - c. The appropriate sum to be paid into court in respect of the transfer comprising (subject to the deduction of costs of the claim summarily assessed in the sum of £12,947.70):
 - The amount payable under section 27(5)(a) of the Act
 - The amount payable under section 27(5)(b)
2. On 1 December 2016 the Tribunal received an application from HGW Solicitors on behalf of the Applicants. Annexed to the application was a bundle of documents including a plan showing the extent of the property, a draft transfer TR1 and a valuation of the freehold interest in the property by Keith Chapman – Burnett MRICS dated 5 November 2016.
3. In a supplementary statement dated 4 January 2017 Mr Chapman-Burnett confirmed that he understood and had complied with the duty of an Expert.
4. The Applicants are the lessees of both flats 13 and 13A.
5. Flat 13 is on the ground floor and the leasehold title was first registered on 12 August 1981 under title number DT82540. Flat 13A is on the first floor and the leasehold interest was first registered on 23 December 1994 under title number DT222619. The title includes the ground floor entrance and first floor flat. The roof space is not referred to in either title.
6. The freehold title is unregistered.
7. The lease for Flat 13 is dated 20 February 1961 and is for a term of 999 years from 20 February 1961 at a rent of 10 shillings per annum. Flat 13A is held on similar terms save that the lease is dated 8 March 1961 and is from 25 December 1960. The rents are fixed for the full term without review.
8. The lease of Flat 13 includes *the right to keep and maintain the water tank in the roof of the said house.*
9. A copy of the lease of Flat 13 is appended but it is understood that the lease for 13A has not been found.
10. The Tribunal considered that in view of the information already supplied Directions were unnecessary and has therefore proceeded to

make its determination on the application and annexed documents already provided.

Evidence

11. In his report dated 5 November 2016 Mr Chapman-Burnett BSc MRICS says that in view of the minimal reversionary value he has not inspected the properties internally. He says that the capitalised rents and back dated ground rent are valued at £38.50.
12. In addition to this there may be minimal “hope value” in respect of the possibility of constructing an additional room in the roof space the ownership of which is unclear. In the absence of a copy of the lease of Flat 13A it cannot be determined whether the roof space is included in the demise. However in either case although the similar neighbouring property appears to have been so extended he considers that the cost of providing this additional space would exceed its uplift in value.
13. Mr Chapman-Burnett has also considered whether there is additional value in the freehold in addition to the long leases and considers it to be nominal. Taking all of the above he values the freehold interest in its entirety including the premises and appurtenances at £1,500.

Decision

14. The Tribunal accepts that a freehold subject to such long leases with no allowance for increasing the ground rent will have minimal value. Likewise the Tribunal accepts that the hope value in enabling an extension of the first floor flat into the roof space (if not already demised) is of minimal if any value and is content to accept Mr Chapman-Burnett’s assessment at £1,500.
15. The Tribunal therefore determines the sum to be paid pursuant to Sections 27(5) (a) and (b) is £1,500 subject to the deduction of £12,947.70 costs as contained in the Order.
16. The Tribunal further determines that the extent of the freehold to be transferred is the whole of the property known as 13 and 13A Linwood Road, Bournemouth BH9 1DW and as shown edged brown on the plan at Annex A attached to the Further Details of Claim dated 10 May 2016 and displayed at tab 2 of the bundle.
17. The draft TRI is approved subject to the correction of the plan referred to in box 2 which currently only shows that part of the property relating to Flat 13 i.e. excluding 13A.

PERMISSION TO APPEAL

1. A person wishing to appeal the 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.
2. 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.
3. 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.
4. 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.