

Y TRIBIWNLYS EIDDO PRESWYL  
RESIDENTIAL PROPERTY TRIBUNAL  
LEASEHOLD VALUATION TRIBUNAL

Reference: LVT/0030/08/16 Derwen Close

In the Matter of 10 Derwen Close, Waunarlwydd, Swansea, SA5 4QQ

In the matter of an application under section 27 of the Leasehold Reform Act 1967 (as amended by the Commonhold & Leasehold Reform Act 2002), referred to the Leasehold Valuation Tribunal by order of District Judge Evans dated 27<sup>th</sup> July 2016.

TRIBUNAL	Mr S Povey Mr P Tompkinson
APPLICANTS	Mr Frederick Bennett & Mrs Phyllis Bennett
RESPONDENTS	Unknown

**DECISION**

The value of the freehold reversion of 10 Derwen Close, Waunarlwydd, Swansea SA5 4QQ is £6,000.

**REASONS FOR THE DECISION**

**The Application**

1. The Leasehold Valuation Tribunal ('the Tribunal') was convened on 4<sup>th</sup> November 2016 to determine the value of the freehold reversion of 10 Derwen Close, Waunarlwydd, Swansea SA5 4QQ ('the property').
2. The Applicants, as leaseholders of the property, wish to exercise their right under s.1 of the Leasehold Reform Act 1967 ('the Act') to buy the freehold. Unfortunately, they have been unable to locate or ascertain the identity of the current freeholder. As such, and pursuant to s.27 of the Act, the Applicants have been compelled to apply to Swansea County Court for an order transferring the freehold to them. The court issued that claim on 13<sup>th</sup> June 2016 (Claim Number C00SA241).
3. Where the freeholder cannot be located or identified, it is clearly impossible for the price payable for the freehold to be agreed between the leaseholder and freeholder. In those circumstances, it is open to the court to ask the Tribunal to determine that price (by virtue of s.27(5) of the Act).
4. By an order dated 27<sup>th</sup> July 2016, District Judge Evans referred the matter to the Tribunal to fix a price to be paid by the Applicants for the freehold reversion.

5. The date at which the freehold reversion is valued is the date on which the application to the court under s.27 of the Act was issued. For the purposes of this application, that date is 13<sup>th</sup> June 2016.

### **The Property**

6. The Tribunal visited the property on 4<sup>th</sup> November 2016. The Applicants were present and invited the members of the Tribunal into the property to carry out an inspection.
7. The property is a semi-detached two-bedroom bungalow originally constructed around 1960 set in a generous plot. The property is of conventional cavity wall construction and sits under a dual pitch concrete tiled roof. The Applicants have improved the property considerably with the construction of a new flat roof extension during the 1980s and providing replacement double glazed aluminium windows and front porch. The property has gas central heating and provides modern comfortable accommodation on a quiet cul-de-sac.

### **Evidence**

8. The Applicants indicated that they were satisfied for the Tribunal to determine the valuation of the freehold reversion without an oral hearing.
9. In reaching our decision, the Tribunal had regard to the following documents before us:
  - 9.1. The valuation report of Rees Richards & Partners, dated 13<sup>th</sup> June 2016;
  - 9.2. The original lease dated 1<sup>st</sup> August 1959;
  - 9.3. The application to, and orders of, Swansea County Court; and
  - 9.4. A number of comparable properties in the vicinity.

### **Our Determination**

10. Rees Richards & Partners were of the opinion that the value of the freehold reversion for the property was £5,971.02, which they rounded down to £5,900. Having considered the documents in this matter and applying our own knowledge and expertise, the Tribunal agreed with that valuation in its entirety. The report follows the correct methodology, relies upon well researched and appropriate comparables, contains no errors of calculation and complies with all the relevant legal requirements. The conclusions reached concurred with our own and we had no basis upon which to depart from it.
11. As such, the Tribunal adopts the calculations set out in the said report. However, before rounding the figure of £5,971.02, a further sum must be added.
12. By virtue of s.27(5) of the Act, the leaseholder is also required to pay "*the amount or estimated amount ...of any pecuniary rent payable for the house...which remains unpaid.*" The amount so payable can only be the amount for which the freeholder can enforce payment. If it were otherwise, the leaseholder of an untraced freeholder could be required to pay more than a leaseholder whose freeholder's identity is known. The maximum recoverable is therefore subject to the provisions of the Limitation Act 1980 and limited to a maximum period of six years, at a rate in this case of £6 per year (being the ground rent under the lease). That equates to a total figure of £36.

13. The capital reversion plus the s.27 ground rent comes to £6,007.02, say £6,000.

DATED this 14<sup>th</sup> day of November 2016

A handwritten signature in black ink, appearing to read 'S Povey', with a stylized flourish at the end.

S POVEY  
CHAIRMAN