

**Y TRIBIWNLYS EIDDO PRESWYL**  
**RESIDENTIAL PROPERTY TRIBUNAL (WALES)**  
**LEASEHOLD VALUATION TRIBUNAL**

**Reference:** LVT/0050/03/23

**Applicant:** Mr Jeffrey Peter Lewis and Mrs Ann Elizabeth Lewis

**Respondent:** Persons Unknown (Missing Landlord)

**Property:** 2 Cromwell Houses, Portland Street, Abertillery, NP13 1QH

**Tribunal:** Siân Westby (Tribunal Judge)  
Johanne Coupe FRICS (Surveyor Member)

**Reasons and Decision of the Residential Property Tribunal**

1. The Tribunal determined that the appropriate sum to be paid into Court pursuant to section 27(5) of the Leasehold Reform Act 1967 (“the Act”) is £39.00 (Thirty-Nine Pounds); £30.00 (Thirty Pounds) being the price payable in accordance with section 9 of the Act and £9.00 (Nine Pounds) being the pecuniary rent payable pursuant to section 27(5)(b) of the Act.

**Background**

2. The Applicants occupy 2 Cromwell Houses, Portland Street, Abertillery, NP13 1QH (“the Property”) by virtue of a long lease dated 30 December 1899 made between (1) James Emlyn Rhys and (2) Isaac Jones (“the Lease”) which relates to the Property as well as other adjoining land. The Lease is for a term of 999 years commencing on 1 May 1891 (not 1 May 1899 as stated in the Applicants’ witness statement dated 25 May 2022).
3. The Applicants purchased the leasehold title of the Property in June 1971 by way of an assignment dated 28 June 1971 made between (1) James Gordon and Elizabeth Thomas and (2) the Applicants, under which a ground rent of £1.50 per annum is payable.
4. The freehold of the Property is unregistered.
5. On 17 May 2022, the Applicants applied to the County Court at Blackwood seeking a vesting order in respect of the freehold interest in the Property, pursuant to section 27 of the Act, as the freeholder landlord is unknown.
6. On 15 September 2022, District Judge Andrews sitting in the County Court at Blackwood ordered that the freehold interest in the Property be acquired by the

Applicants, pursuant to section 27(1) of the Act, subject to the Applicants paying into Court the appropriate sum in accordance with section 27(5) of the Act.

7. As part of that same Order, District Judge Andrews also transferred for determination by the Tribunal the appropriate consideration to be paid by the Applicants for the acquisition of the freehold title of the Property.

### **Applicants' Statement of Case**

8. Part of the Applicants' statement of case is a valuation report dated 4 April 2022 undertaken by NP Linnells Property Consultants in which the author states that '*In view of the lengthy term, with well over 800 years still left on the lease, there is no reversionary value to consider and consequently it is just necessary to capitalise the passing ground rent. I have researched recent decisions of Leasehold Valuation Tribunal Wales and in particular the decisions in relatively recent cases*'.

9. The author's calculation of the valuation of the freehold reversion is as follows:

*Rent:* *£1.50 per annum*

*Y.P. in perpetuity at 5%* *20*

*£30.00*

10. The author of the report then confirms '*it is my opinion that the value of the Freehold Reversion of this property is fairly represented by the sum of £30.00*'.

### **Inspection**

11. The Property was inspected on 16 May 2023 by the Surveyor Member. The Property is a two-storey detached house, believed to be constructed in the early 1900s. The Property consists of 3 bedrooms, a kitchen/ diner, a living room, utility room and a bathroom. The Property also has gardens to the front and left-hand side with a pedestrian gate at the rear. The Property appears to have been well maintained.

12. The Applicants have the benefit of a garage situated adjacent to the Property. The garage is held by the Applicants under a separate title and, accordingly, it does not form part of this acquisition nor the Tribunal's decision on the price to be paid for the Property pursuant to section 27(5) of the Act.

13. The Property is situated in the suburbs of Abertillery, in a well-established area that features predominantly terraced housing. Access to the Property is via a narrow unmade track with a sharp left-hand turn onto a further narrow street. This access is shared with multiple other properties and garages, as well as providing rear access to properties off Cromwell Street.

### **Determination of Purchase Price**

14. The Act allows a tenant of a long lease to purchase the freehold. The Tribunal has to determine the purchase price on the relevant day, being the date on which the claim in the County Court was issued, 31 May 2022.
15. The purchase price, according to section 27(5) of the Act is: (a) such amount as may be determined by the appropriate tribunal to be the price payable in accordance with section 9 of the Act; and (b) the amount of any pecuniary rent payable for the house and premises up to the date of the conveyance.
16. The valuation method for determining this price is set out in section 9 of the Act, which provides two different methods of valuation depending upon which category the Property and Lease fall into.
17. In the case of a property with a low rateable value outside London, that is less than £500 on 31 March 1990, the valuation methodology is the s.9(1) valuation. This is the valuation methodology that is applicable to the Property.
18. Under section 9(1) of the Act, the price payable is the amount which, on the valuation date, the Property might, if sold on the open market by a willing seller, be expected to realise on certain assumptions. Pursuant to section 9(1), the tribunal has to determine, as at the valuation date, the present value of the ground rent due for the remainder of the Lease and thereafter determine the value of the reversion.
19. The Tribunal accepts and adopts the valuation of £30.00 from NP Linnells Property Consultants in respect of the price payable under section 9(1) of the Act. There would be no value to the reversion of a lease with over 850 years remaining.
20. In accordance with the Applicants' witness statement dated 25 May 2022, no ground rent has been paid by the Applicants since around 1982. Pursuant to section 27(5)(b) of the Act, ground rent is to be added to the appropriate sum. Section 19 of the Limitation Act 1980 limits the recovery of ground rent to six years.
21. Accordingly, the purchase price is £39.00. £30.00 being the price payable in accordance with section 9 of the Act and £9.00 being the pecuniary rent payable pursuant to section 27(5)(b) of the Act (6 years x £1.50).

Dated this 24<sup>th</sup> day of May 2023.

Siân Westby  
Tribunal Judge