

Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL
LEASEHOLD VALUATION TRIBUNAL

Reference: LVT/0038/09/24

In the Matter of: Premises at 95 Caemawr Road, Swansea, SA6 7EB

In the matter of: An Application under the Leasehold Reform Act 1967

APPLICANTS: Mr Ronald Cobley and Mrs Susan Jane Cobley

RESPONDENTS: Persons Unknown (missing landlord)

TRIBUNAL: Tribunal Judge Kelly Byrne
Mr Andrew Lewis, Surveyor Member

VENUE: Determined on the papers

DECISION

1. On 26th November 2024, 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 £52.00 being the price payable in accordance with section 9 of the Act and being the pecuniary rent payable pursuant to section 27(5) (b) of the Act being limited to a maximum period of six years, at a rate in this case of £2.00 per year.

Background

2. The matter before the Tribunal is the determination of the valuation of the appropriate price to be paid by the Applicant for the freehold reversion of 95 Caemawr Road, Swansea, SA6 7EB (“the property”).
3. On 1st August 2024, the Applicant made an application via Part 8 of the Civil Procedure Rules to Swansea County Court, pursuant to s.1 and s.27 of the Leasehold Reform Act 1967 (as amended) (“the Act”) for the purchase of the freehold reversion of the property. The case was transferred from Swansea County Court to the Leasehold Valuation Tribunal to determine the value of the freehold reversion.
4. The Applicants purchased the leasehold title to the property on 22nd February 2007 for £100,000.00. The lease is dated 5th December 1912 with a term of 1000 years running from 29th September 1912. The rent reserved of £2 per annum payable by half yearly payments on 25th March and 29th September each year.

Inspection

5. The property was inspected externally by Mr Lewis, Surveyor Member on 26th November 2024. The property fronts onto Caemawr Road, a residential street within the western area of the Murryston urban district. The local centre of Murryston lies within a mile to the east and is home to a wide range of amenities and services to include independent stores, eateries, and national retailers. Swansea city centre lies 3 miles to the south of the property with access to Swansea Train Station, and direct train links to London Paddington. The M4 at Junction 46 lies 1.5 miles to the north-west providing access along the M4 corridor

The Law

6. Under the Act, the Tribunal must determine the purchase price on the relevant day. The relevant day in this case is the date of application to the County Court, namely the 17th July August 2024 (“the valuation date.”) It is noted that District Judge Bennett, determined the application on 10th September 2024.
7. 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.
8. 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.
9. 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.
10. Under s.9(1) the price payable is the amount which on the valuation date, the site, if sold in the open market by a willing seller (with the tenant and members of his family not seeking to buy, thereby excluding what is called “marriage value”) might be expected to realise on certain assumptions, including the assumption that the tenant has complied with his covenants and disregarding any tenants’ improvements. It is further assumed that the tenant would exercise his right to claim an extended lease under section 14 of the Act. If the lease is extended under s.14 it gives rise to a further statutory term of the lease with the ground rent (known as the modern ground rent) being set by section 15 of the Act. The statutory term is for 50 years, with a review at 25 years.
11. Under s.9(1) the task of the Tribunal is to determine, as at the valuation date, the present capital values of the rent due for the remainder of the term of the lease and thereafter the value of the reversion.

Applicants’ case

12. In response to the Tribunal’s Directions Order, the Applicants served on the Tribunal an Expert Report prepared by Mr Dylan Williams BSc MRICS of Rees Richards & Partners Chartered Surveyors, Land & Estate Agents, dated 2nd October 2024.

13. It is noted that within the surveyor report, Mr Williams has used the date of the County Court decision, 10th September 2024, as being the relevant date for the valuation. This is incorrect, the correct date is the date of the application to the County Court, which was on 17th July 2024. Given the two dates are not that far apart and the nominal value of the freehold in this case, the Tribunal has used its expert knowledge to determine that the capital value would not be different from 17th July to 10th September 2024.
14. The author of the Report, Mr Dylan Williams, concludes that in his opinion due to the length of the unexpired term, the freehold has no value aside from the ground rent, there being 888 years left on the lease. That the market value of the freehold reversion of the property in its present condition and in accordance with his report and the information supplied to him, that with the benefit of vacant possession, on 10th September 2024 is £40.00
15. Mr Williams provides a copy of his valuation calculations as an appendix to his Report, which is summarised below:

Term

Ground Rent £2.00 per annum
YP inperp @ 5% 20

£40.00

Determination

16. With an unexpired term of the Lease at the valuation date of 888 years there is no value to the reversion, and the ground rent is a fixed secure income. Accordingly, the Tribunal having considered the report of Mr Williams and his calculations in relation to the value of the freehold, agree with the figures that he has set out within his report.

ENFRANCHISEMENT PRICE

17. As well as the value of the freehold an addition is required in relation to the ground rent that has not been collected by the freeholder, which totals £12.00. The Tribunal therefore determines the price to be paid is **£52.00**

Dated this 2nd day of January 2025



Tribunal Judge K Byrne