



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

Case Reference : **MAN/00CA/OAF/2015/0003**

Property : **419, Lord Street, Southport PR9 0AY**

Applicant : **Samsonite Security Limited**
Representative : **Willetts & Co, Solicitors**

Respondents : **John Bruce Brown**
David Edward Berkeley Walls
Hugh Richard Tyler

Type of Application : **Leasehold Reform Act 1967 – Section 21(1)(cza) for a determination as to the appropriate sum to be paid into Court under section 27(5) of the Act 1967**

Tribunal Members : **Mr J R Rimmer**
Mr W T M Roberts

Date of Decision : **27th April 2015**

DECISION

Order : The price payable for the freehold of the Property is £300.00

A. Application and background

- 1 The Applicant is the leasehold owner of the property situate at and known as 491, Lord Street, Southport Merseyside. The Respondents are the last know owners of the freehold interest in the property.
- 2 The Applicant purchased the property in 2013 and now seeks to aquire the freehold. Enquiries made by the solicitors for the Applicant have failed to trace the Respondents or any current owner of the freehold.
- 3 Application was duly made in the Liverpool County Court in proceedings numbered A30LV235 for an order that in the absence of any freeholder being found and sufficient enquiries having been made to asceetain their identity, that the freehold should vest in the Applicant.
- 4 An Order to that effect was made by District Judge Wright on 5th January 2015 and the matter referred to the First-Tier Property Tribunal for it to determine the appropriate amount payable for the freehold.
- 5 Directions as to the future conduct of the matter before this Tribunal were given by a Deputy Regional Judge on 23rd March 2015 and in the absence of a request by any party the matter should proceed to a determination without a hearing. No such application was made.
- 6 The Tribunal inspected 491, Lord Street on the morning of Monday 27th April 2015 to satisfy itself that the property was a dwelling house, given its address on a well-known, listed, shopping and retail boulevard. It is a two bedroomed, two storey, semi-detached property with a garden and renovated outbuilding accessed by pedestrian passageways leading from Lord Street and Stanley Street.
- 7 It is held under a lease dated 29th September 1913 and granted for a period of 999 years from 1st May 1913 between Francis Robert Anderton and John Ernle Money (1) and Samuel bell and Ernest Wood (2). The lease originally related to other properties in addition to number 491 and the apportionment of the rent on the assignment of 491, was £15.00 of the £250.00 originally reserved in respect of all the properties.
- 8 The purchase price payable is set out in section 9(1) Leasehold Reform Act 1967 as being the price payable on a conveyance of the house, subject to the existing lease, on the open market by a willing seller, subject to certain statutory assumptions contained within that section.

- 9 Section 27 of the Act provides for the situation where a landlord cannot be found and it falls to this Tribunal to determine the price payable which should then be paid into court, together with any arrears of rent that might be established.
- 10 The lease contains no provisions that might impact upon the market value (save and except there is a provision for the payment of a fee of five shillings (25p) to register any assignment of the lease with the landlord and which the Tribunal considered to have no value given the administrative cost would exceed the amount collected) and the price is therefore the amount that a purchaser would pay for a single ground rent of £15.00 per year, there being no prospect of entitlement to resume possession of the property itself until the expiration of the lease in 897 years' time.
- 11 The Tribunal is aware of current interest rates and the length of time that they have been at historically low levels. Equally there is a need to reflect the view that they are unlikely to remain at such levels indefinitely. In order to balance these factors the Tribunal takes the view that a long-term investment return of 5% to produce the equivalent of the £15.00 ground rent would suggest a value for the freehold of £300.00. This represents 20 years purchase and is an appropriate and reasonable amount to be paid into court in compliance with the county Court Order.
- 12 The Tribunal therefore determines that the price payable under Section 9(1) Leasehold Reform Act 1967 for the freehold interest in 491, Lord Street, Southport is £300.00. The Applicant is reminded that there will still be the additional conveyancing and land registration costs to be met