

Y Tribiwnlys Eiddo Preswyl

Leasehold Valuation Tribunal (Wales)

First Floor, West Wing, Southgate House, Wood Street, Cardiff. CF10 1EW.
Telephone 0300 025 2777. Fax 0300 0256146. E-mail: rpt@gov.wales

DECISION AND REASONS OF LEASEHOLD VALUATION TRIBUNAL (WALES) Leasehold Reform Act 1967 s.27

Premises: 3 Dewsland Park Road, Newport, NP204EF (“the property”)

LVT ref: LVT/0026/09/18

Determination: 19th December 2018

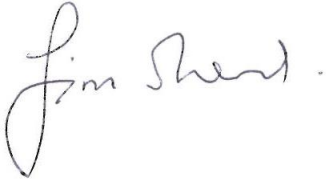
Applicant: Belal Uddin

Tribunal: Mr J Shepherd – Tribunal Judge
Mr R Baynham FRICS
Ms J Coupe FRICS

ORDER

1. The price to be paid into court by the Applicant for the freehold interest of the property is £110

Dated this 10th day of January 2019

A handwritten signature in cursive script, appearing to read "Jim Sheard".

Tribunal Judge

Background.

1. This case concerns the valuation of the appropriate price to be paid by the Applicant for the freehold reversion of the property.
2. The Applicant made an application via Part 8 of the Civil Procedure Rules to Newport (Gwent) Civil and Family Court on the 2nd August 2018, pursuant to s.27 of the Leasehold Reform Act 1967 (as amended) (“the Act”) for the purchase of the freehold reversion of the property.
3. The matter came before District Judge M. Porter- Bryant sitting in the Newport County Court on the 21st August 2018 when he ordered that the application be transferred to the Leasehold Valuation Tribunal to determine the sum to be paid for the freehold interest in the property.
4. The lease of the property was granted for a term of 999 years from the 25 December 1900. The lease states that the annual ground rent is five pounds, ten shillings per annum for the term. The sum that was last demanded on 1st September 1992 was £5.50 per annum. There were 881 years unexpired at the valuation date.
5. The Tribunal must determine the purchase price on the relevant day. The relevant day in this case is the date of application to court, namely the 2nd August 2018 (“the valuation date.”)
6. The Act enables tenants of long leases let at low rents to enfranchise their properties – in other words to acquire the freehold on terms as set out in the Act. s.27 of the Act which provides for an application to the court and sets out the procedure to be followed where the landlord cannot be found.
7. One part of this procedure requires a Leasehold Valuation Tribunal to determine the purchase price, in accordance with the appropriate valuation methodology as set out in the Act. The valuation methods are set out in s.9 of the Act, which has been amended several times and now provides for valuation upon a number of different bases, depending upon which category the property and the lease fall into.
8. In the case of a property with a low rateable value outside of London, that is less than £500 on the 31 March 1990, the valuation methodology is the s.9(1) valuation, which applies here.
9. 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.

10. 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.
11. In accordance with the Tribunal directions, the Applicant has filed a valuation report from William Graham FRICS.

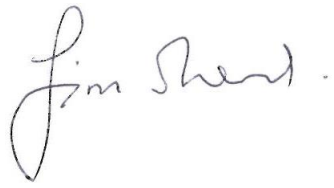
Inspection.

12. The Tribunal inspected the property on the 19th December 2018 and it comprises a relatively large semi detached house on a sloping site located in a popular area of Newport within easy reach of local shops and the city centre with all it's amenities is approximately 1 mile distant.
13. The property was constructed approximately 118 years ago and has brick exterior walls, which have been pebble dashed, and a slate roof. The majority of the windows have been replaced by double glazed UPVC units and the house has the benefit of full gas central heating.
14. The accommodation on the ground floor comprises an entrance hall, lounge, sitting room, dining room and kitchen with adequate base and wall units. There is a door leading from the dining room to a cloakroom with a wash hand basin and a w/c. On the first floor there is a landing, three double bedrooms, a large single bedroom and a bathroom consisting of a bath with shower over, wash hand basin and a w/c.
15. The front garden consists of a grassed area with a tarmacadam drive to the side whereas the rear garden comprises a paved area enclosed by brick walls and wooden fencing. There is no rear access.
16. Although the property has been improved over the years by the installation of double glazing, central heating and laminate flooring, the pebble dash to the exterior walls is in poor condition and there are signs of settlement to the side elevation and to the tarmacadam driveway. '

Determination.

17. The Tribunal was in complete agreement with the methodology and calculation used by Mr Graham (His report dated 18th October 2018 is annexed to this decision). He relied on the valuation of similar freehold reversions in Newport in which there had been a substantial unexpired lease at the valuation date in order to support his calculation. These seemed to the Tribunal to be reasonable comparables to use. Accordingly the Tribunal accepts the valuation proposed of £110.

Dated this 10th day of January 2019

A handwritten signature in cursive script that reads "Jim Short". The signature is written in black ink on a white background.

Tribunal Judge

GRAHAM & CO.

Established 1830

CHARTERED SURVEYORS

William Graham FRICS
Registered RICS Valuer

114 COMMERCIAL STREET
NEWPORT
SOUTH WALES
NP20 1LW

Telephone: (01633) 254825

Fax: (01633) 254826

email: surveys@grahamandcosurveyors.co.uk

website: www.homebuyers.wales

VAT: 282 6207 58

Y TRIBIWNLYS EIDDO PRESWYL

RESIDENTIAL PROPERTY TRIBUNAL

LEASEHOLD VALUATION TRIBUNAL

Reference: LVT/0026/09/18

In the Matter of 3, Dewsland Park Road, Newport. NP20 4EF

In the matter of a transfer from the Newport Gwent County Court, Missing landlord and under the Leasehold Reform Act '967 Section 27 (5)(a)

APPLICANT Belal Uddin

RESPONDENT Unknown missing landlord

VALUER'S REPORT

This report and valuation was carried out by Mr A W Graham, FRICCS who qualified as a Chartered Surveyor in 1974 and became a Fellow of the Royal Institution of Chartered Surveyor in 1979. He is experienced in valuation matters of this particular kind and has carried out valuations of similar reversions.

- (a) Graham and Co Chartered Surveyors have acted as managing agents for a number of freehold estates in the city and have disposed of a large number of freehold reversions of recent years.
- (b) The property comprises a semi-detached, double front two storey dwelling house traditionally constructed of brickwork under a slated roof covering and occupying an elevated reasonable sized building plot in an established residential district of mixed house types within walking distance of the city centre.



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Dewsland Park Road is a steep circuitous road.

Accommodation

At the time of our inspection the following accommodation was afforded:

GROUND FLOOR

Entrance hall, living room, dining room, morning room, kitchen with sink unit, cloakroom with wc and wash hand basin.

FIRST FLOOR

Landing, four bedrooms, bathroom with bath, wc and wash hand basin.

OUTSIDE

Gardens to front and rear, garage space.

SERVICES

All mains services.

CENTRAL HEATING

Full gas-fired central heating.

GENERAL REMARKS

The property comprises a semi-detached, four bedroomed dwelling house having replacement UPVC coated double glazed windows and doors situated in a popular residential district and reasonable well maintained both internally and externally.

The enclosed photograph was taken at the time of our inspection.

- (c) Please find enclosed a copy of the Land Registry Title Plan under Title Number CYM513994.
- (d) My valuation is as at the date of my inspection which was the 10th October 2018.
- (e) In support of our valuation I set out below details of similar freehold reversions in Newport which have been sold to the existing lessees within the last six months.

3 Wednesbury Street	999 years from 1900 @ £4.00	Sold 1.10.18
33 Dudley Street	999 years from 1928 @ £2.37	Sold 21.8.28
41 Feering Street	999 years from 1902 @ £1.75	Sold 17.7.18
12 Dudley Street	999 year from 1893 @ £2.37	Sold 27.6.18
6 Walsall Street	999 years from 1893 @ £2.25	Sold 24.5.18
7 Feering Street	999 years from 1901 @ £1.75	Sold 24.5.18
35 Dudley Street	999 years from 1928 @ £2.90	Sold 30.4.18
50 Dudley Street	999 years from 1907 @ £2.37	Sold 10.5.18
8 Lilleshall Street	999 years from 1905 @ £1.87	Sold 9.5.18
41 Walsall Street	999 years sfrom 1893 @ £3.25	Sold 8.5.18

All the above freehold reversion were sold for £100 plus payments of the vendor's costs.



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The properties are smaller, in a less attractive part of the city and lower ground rents but for similar 999 original leases.

- (f) Having regard to the long unexpired term I have used a rate percent of 5% which reflects the well secured ground rent.

A deferment rate is unnecessary having regard to the long unexpired term.

- (g) I am not aware of any significant, relevant improvements carried out to the property. All alterations have been internal of recent years.

- (h) Lease term: 999 years from 20th December 1900 at £5.50 per annum.

Years purchased for perpetuity at 5% = 20 x
£110.00

In our opinion the present day open market value of the freehold reversion of 3 Dewsland Park Road, Newport. NP20 4EF is in the sum of £110.00 (one hundred and ten pounds).

I understand my duty to the Court and have complied with that duty. I confirm that in so far as the facts stated in my report or within my knowledge I have made clear which they are and I believe them to be true and the opinions I have expressed represent my true and complete professional opinion.

As given under my hand this 18th day of October 2018.



William Graham FRICS
Registered RICS Valuer



HM Land Registry
Official copy of
title plan

Title number **CYM513994**
Ordnance Survey map reference **ST3087NE**
Scale **1:1250**
Administrative area **Newport / Casnewydd**

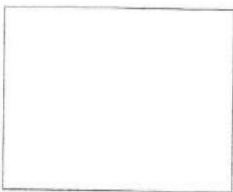


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Dudley Street



OS MasterMap 1250/2500/10000 scale
Thursday, October 18, 2018, ID: BLJT-00750000
www.planningapplicationmaps.co.uk
1:2500 scale print at A4, Centre: 332423 E, 187815 N
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