



The mysterious case of the missing landlord

Do you own a leasehold house but you are unsure who your landlord/freeholder is? Maybe you haven't received any demands for ground rent for a number of years, or in fact ever? This is the case with a significant number of leasehold houses across England & Wales often when the lease is old or where the ground rent is small.

Often a landlord can be identified and located if the freehold interest is registered at the Land Registry. However, many freehold interests remain unregistered and in some cases it can be particularly hard to find any historic information to help identify the freeholder.

This can make the process of acquiring the freehold interest of your house seem a non-starter as you are unsure who to contact and on whom to serve your statutory notice.

Thankfully the law provides for a process of acquiring the freehold where a landlord is missing or their identity is unknown. It's a little known area but thankfully our specialist team of leasehold enfranchisement practitioners have dealt with many such cases, starting with making the initial enquiries.

If you own a leasehold house and your freeholder is missing or unknown, please do not hesitate to get in touch with our team – 01543 442 100 and ask for **Daniel Farrelly**



Maddie Williams - A day in the life of a trainee

My name is Maddie and I am a trainee solicitor here at Adcocks.

I am nearly five months into my training contract, and it is going by so fast! Having worked at Adcocks for 3 years prior to the start of my training contract, the transition from paralegal to trainee solicitor was a challenge I was ready to take on.

I am currently working within the Private Client and Family Law Departments, and my goal is to eventually qualify as a solicitor specialising in Private Client work. Since the Covid-19 pandemic began, working life has changed significantly. I now work from home a majority of the time but am often in the office for client meetings or attending home visits for clients who may struggle to get into our offices. My workload is a mixture of my own files alongside files where I am assisting my supervisor, Kerry, and therefore on a day-to-day basis I prioritise my task-list to ensure that urgent work is always dealt with first. I often start the day out drafting a Will, as not only is it important that these are dealt with promptly, but this is also a part of the job that I really enjoy.

I then usually move onto a new task set by Kerry for something I have likely not done before to help expand my training. I might then have a client meeting to take instructions for a new Will or Lasting Powers of Attorney, or perhaps a phone call with a client to go through a document I have previously sent them. It is then usually time for a coffee, and, if I am working from home, time for a cuddle with my two Maine-Coon cats, Lonnie and Jojo.

For the rest of the day, I will continue to prioritise tasks and send work through to Kerry to approve before sending out to clients, I also make a note of all that I have done that day so that I can include it in my training diary for the week. Before I know it, it is 5.15pm and another day of my training contract is completed!

Madeline Williams

Editor's comment: Madeline is not only a great trainee but also a dancing star. She recently swept the floor in a street dancing contest!

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The Newsletter of Adcocks Solicitors

ISSUE 3

Pets corner

A new piece of legislation in Spain that focuses on animal welfare means pets are now regarded as members of the family.

Prior to this pets were considered objects but from now on will be viewed as 'sentient beings' in the courts - meaning they will be regarded as having the ability to experience feelings and emotions.

As a result of the new laws in separation or divorce, pets can no longer be seized, mortgaged, abandoned, mistreated or removed from one of their owners.

The legislation alters the Spanish Civil Code, Mortgage Law and Civil Procedure Law, and will impact broadly on all animals, whether they are domesticated or wild.

Now judges deciding cases will be obliged to consider the fate of an animal with the same importance as the fate of other family members.

Conversely, the English courts treat pets as property looking at who paid for the pet and do not currently allow a custody style battle like we see frequently in children matters. A recent Spanish case saw a court award a separating couple, joint custody of their pet dog. The dog spends a month with each of them and both are legally responsible.

The changes to the law mean that owners must "guarantee" the pet's well-being, and if either party has a history of cruelty to animals, they may be refused or lose custody of the pet.

A number of other European countries already recognised animals as sentient beings including France, Germany, Switzerland, Austria and Portugal.

Those animal lovers amongst us will be pleased to hear that in the UK, the Animal Welfare (Sentience) Bill is currently awaiting report stage in the House of Lords.

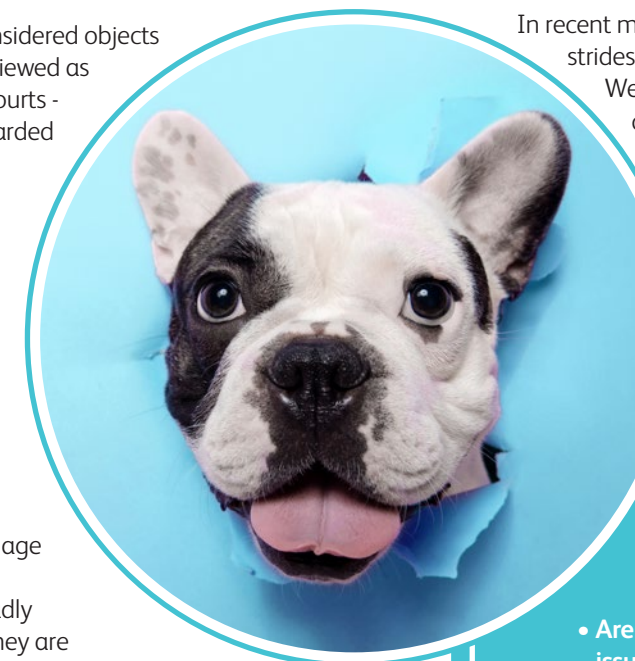
The legislation is designed to ensure the government considers how all its policies affect the welfare of sentient animals.

In recent months we have seen the Government making strides forward with their Action Plan for Animal Welfare and to improve standards and eradicate cruel practices for animals.

Welfare standards across Europe vary enormously and some have seen Brexit as an opportunity for the UK continue to lead the way on animal welfare and drive for the highest standards of animal welfare anywhere in the world.

Have you considered:

- What will happen to your pets when you pass away?
- Do you want to remember an animal or an animal charity in your will?
- Are you separating and need help to agree issues regarding the welfare and care of your pets?
- Do you want to include instructions for your pets in your lasting power of attorney?



We can help.

Call Kerry Davies or Maddie Williams today on 01543 442100 or email kd@adcocks.com or mw@adcocks.com

The importance of protecting your important documents:

Imagine you need to have quick access to your important documents but are unsure of what to do with them. How do you ensure they are kept secure and that your legal needs can be quickly taken care of when they arise?

Adcocks improved secure Deeds and Documents storage service enables you to sleep soundly at night for we have extensive experience keeping important client documents safe for well over a century. Whilst in our possession, your documents are insured against accidental damage and all this peace of mind costs only £19.99 per year!

This is a flat fee for all your documents ranging from Title documents and Trust deeds to Wills and Share Certificates, and more. Our rates are extremely competitive compared with banks, who sometimes charge their customers upwards of £350 per annum for storage.

However, unlike other secure storage services, we can offer you legal advice in relation to your legal documents and other legal issues that arise. For a full list, please see our website. As a result, our service is usually far more convenient than our competitors' services not only because we can help you with your legal issues but because you have access to your documents at any time, usually with two days prior notice – or even sooner if you need.

Keeping your documents safe and in good condition is incredibly important and, at Adcocks, we pride ourselves on ensuring that your documents are kept secure at competitive costs for your convenience. Just visit our website or call **Angus Smith** on 01543 442115 to find out more details.



So, you have purchased your brand new electric car, proudly driven it home, window down, sunglasses on, entering the gates into the communal area leading to your leasehold home glancing around – look at me and my car... then carefully manoeuvre into your allocated parking space... Jump out “plug in hand”... “OK where’s the socket?” we hear the cry!!!

Almost daily now we hear the cry of leaseholders, landlords and managing agents/companies alike – Can we install chargers in the carpark? Why can't I put a charging unit on my parking space? What do you mean I don't own my parking space? Can we install chargers in the communal areas? How do we calculate the electricity charges? Do we need a legal right? What happens if the guy next to me has installed a charger on his parking space and is using communal electricity? ... And so on and so on...

New regulations are to be imposed on developers to install electric charge units in new homes but what about existing leasehold properties? If you are a landlord or a leaseholder and would like to know where you stand, contact Adcocks Solicitors Enfranchise Team – and ask for **Linda Ball** Senior Associate on LB@adcocks.com



Where's the electricity?

A Marriage (un)made in Westminster

So... lots of grandiose talk about the Government scrapping Marriage Value (MV) which has been, since 1993, a central tenet of the Lease Enfranchisement valuation process – well certainly if your lease has less than 80 years unexpired.

Nothing wrong with that we say – can only be a good thing for tenants in England and Wales as MV typically constitutes 40 to 50% of all Lease Extension premium values. Gotta happen hasn't it? Especially as the Government have announced their commitment...

Hmmm... not so fast! It now seems that the large private and institutional landlords are massing to attack long established Capitalisation Rates (CR) and Deferment Rates (DR), with a view to driving these down and thus increasing tenant premiums, even in many cases **above** the amounts achieved where MV was included.

The CR is the investment rate used to value the Ground Rent, traditionally between 6% and 7%. The DR is the discount rate used to establish the value of the Reversion, or the Present Value of the landlord's right to possession of the property at the lease end, traditionally 5% to 5.5%. If either of these rates are lowered the multiplier correspondingly increases and the premium increases – dramatically!

In the recent Upper Tribunal case relating to **Llangewydd Court Ground Rent Estate v Ralph and Anor [2021] UKUT 251 (LC)**

The Tribunal opened the door to a re-examination of the historical CR and DR rates **even though they dismissed the appeal**. The final paragraph of Judge Elizabeth Cooke and Ms Diane Martin's decision is worth reproducing here –

“As we observed at the start of our decision, that is not to say that the appellant's point was not arguable. The appeal failed because it became clear on examination of what had been placed before the LVT that it could have reached no other conclusion. Whether the appeal could have succeeded had it been supported by compelling expert evidence may be a question for another day. Whether any landlord would think it worthwhile in future to mount such an argument at a time when reform of the whole basis of the premium payable on enfranchisement is on the cards we do not know”

We are in no doubt that we can expect an increased number of challenges to current CR and DRs, where a phalanx of specialist economic and fiscal expert witnesses, will be lining up to present **“compelling expert evidence”** on the subject.

We can see this happening already, especially in the Midlands, where tenants have enjoyed beneficial CR and DR rates for a good many years past – but for how much longer?

If you own a leasehold house or flat and you are minded to buy the freehold or extend the lease, you should really treat this as **a priority** before the case law changes to your disadvantage

If you wish to seek further and more detailed advice on these matters please contact us. Ask for a member of our leasehold team. We will be delighted to hear from you – and the sooner the better!

GR Bates BA FRICS

