



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

Case Reference : **LON/OOAJ/OCE/2013/0101**

Property : **105 and 105a, Seaford Road, Ealing,
Middlesex W13 9HS (the Property)**

Applicant : **Mr Mashoodur Rahman**

Representative : **Bana Vaid & Associates Solicitors**

Respondent : **John Brendan Murphy (missing
landlord)**

Representative : **none**

Type of Application : **S27 Leasehold Reform, Housing
and Urban Development Act 1993
(the Act)**

Tribunal Members : **Mr A Dutton - Tribunal Judge
Mr N Maloney FRICS**

**Date and venue of
Determination** : **30th July 2013 at 10 Alfred Place,
London WC1E 7LR**

Date of Decision : **30th July 2013**

DECISION

The tribunal determines that the price payable for the freehold interest in the Property is £43,985 as set out on the valuation prepared by Mr N S Ransley FRICS dated 12th July 2103.

The terms of the transfer are approved as drafted save only for the inclusion of the price payable

REASONS

BACKGROUND

1. On 16th April 2013 the Brentford County Court issued proceedings under number 3BF00652 in respect of the applicant's claim for a Vesting order under section 26(1) of the Act. On 17th April 2103, subsequently amended on 14th June 2103, the Court required the Applicant to apply to us *"to determine the price payable for the Transfer and for approval of the terms of the transfer"*.
2. The matter came before us for a paper determination on 30th July 2013. We had before us a bundle prepared by the Applicant's solicitors which contained the issued claim form, the application notice to the Court, Mr Rahman's witness statement with a number of exhibits, the Court's orders, Mr Ransley's valuation report and copies of the freehold and leasehold registers of title and the leases. In addition we were provided with a copy of the proposed draft transfer.
3. We have considered the papers before us and in particular the report of Mr Ransley. The report provided information on Mr Ransley's qualifications, the Property, the lease terms and conditions and improvements. He suggests that the valuation date is 18th June 2013 being the date of the Vesting order.
4. In respect of the valuations elements his opinion is that the yield rate for the ground rent should be 8% for flat 105 and 7% for flat 105a, which has a rising ground rent. The reversionary rate is set at 5% following Sportelli. He lists a number of comparable properties which leads him to conclude, after allowing a somewhat arbitrary reduction of 7.5% for improvement but adding 1% for the freehold tenure, that the extended lease value should be £297,950 for both flats. He then applied a relativity, based on the average of the "less extreme graphs", of 90% for flat 105 and 89% for flat 105a, given the slightly different existing lease lengths. Somewhat unusually he adds a sum of £100 for appurtenant land, being, it would appear, the common parts. This leads him to the conclusion that the price payable for the freehold of the Property should be £43,985.

FINDINGS

5. We have found the report of Mr Ransley helpful. We would say that the valuation date should be the date of the issue of the proceedings, namely 16th April 2013, not the date of the Vesting Order, which is, in any event 14th June 2013. However, relying upon our knowledge and experience of the market in Ealing we do not consider that the two month difference will have had any impact on the price put forward.

6. In so far as the other valuation elements are concerned we are satisfied that the yield rates of 8% and 7% are reasonable for flats of this nature with the respective ground rents reserved. The reversionary rate follows the Sportelli findings and as there is no evidence before us to depart from the established 5% we are content with that element also. As to the extended lease values of the flats we have considered the information provided in the report. Ideally we would have wished to see some estate agents particulars to support the figures. However, three are to be found in the road and taking the values put forward by Mr Ransley and following the reduction for improvements and the addition for the freehold we are satisfied that the value of £297,950 sits within the range of values for comparable properties. To this he had added a sum of £100 for the common parts, which whilst we are not wholly convinced this necessary it is not to the Landlord's prejudice and we agree this additional amount. His views on the appropriate relativity rates are acceptable to us.
7. Accordingly, in this case we accept the valuation evidence of Mr Ransley and find that the sum payable for the freehold, as determined by us under s27 of the Act is £43,985. This sum should be paid into Court to enable the matter to proceed. We find that the terms of the draft transfer are acceptable, subject to the inclusion of the premium.



Andrew Dutton - Tribunal Judge

30th July 2013