

2734



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

**Case Reference** : MILON/00BJ/OCE/2013/0114

**Property** : 50 & 52 Southcroft Road, Tooting  
SW17 9TR

**Applicant** : Nicola Donithorn (No 50)  
Matthew Wright (No 52)

**Representative** : Collis & Co solicitors

**Respondent** : Norah Doyle Davis (missing  
landlord)

**Type of Application** : S.26 Leasehold Reform Housing  
and Urban Development Act 1993

**Tribunal Members** : D Banfield FRICS

**Date and venue of  
hearing** : 10 Alfred Place, London WC1E 7LR

**Date of Decision** : 3 September 2013

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**DECISION**

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## **DECISION**

- The proposed transfer is approved subject to the alterations and amendments listed in paragraph 12 below.
- The Price payable is £29,000.
- The matter should now be returned to the Central London County Court for completion.

## **Preliminary**

- 1) The applicants are the leaseholders of flats at 50 & 52 Southcroft Road Tooting. The freeholder, Norah Doyle Davis could not be traced and an application was therefore made to the Court for a Vesting Order pursuant to s. 26(1) and (2) of the Leasehold Reform Housing and Urban Development Act 1993.
- 2) By an order dated 13 May 2013 District Judge Hart sitting at the Central London County Court service of the Initial Notice was dispensed with and the determination of the premium and form of conveyance transferred to Leasehold Valuation Tribunal (as it then was).
- 3) It was determined that the matter would be decided on the papers unless a hearing was called for and in the absence of such a request the matter came before us for determination on the 3<sup>rd</sup> September 2013.
- 4) A bundle was submitted which includes the various pleadings; a valuation report from Ieuan Jones FRICS FCI.Arb dated 5 August 2012 which appeared to have been prepared for the purpose of the initial notice, Official Copies, the existing leases and the Draft Transfer. Following a request by the tribunal a revised valuation report was submitted dated 22 August 2012 (presumably 2013)

## **Submissions**

- 5) A draft Transfer has been submitted at pages 77-79 of the bundle.
- 6) In his report Mr Jones describes the property as a former mid-terrace house built in approximately 1920 and now converted to a ground floor flat and first floor maisonette. The ground floor flat is described as in reasonable condition whereas the first floor is described as in generally poor condition. The accommodation was summarized as;

### Ground floor (No 50)

Shared inset entrance lobby, inner hallway, two bedrooms, living room, kitchen with utility area and bathroom. To the front of the property is a communal forecourt; to the rear is a private enclosed garden.

### First floor (No 52)

Shared inset lobby, stairs to first floor landing area, three bedrooms, living room, kitchen and bathroom. Rear staircase leading to garden level with enclosed rear garden and communal front forecourt.

Each property has gas fired central heating. There are no parking facilities.

7) He refers to the existing leases;

Ground floor (No50) a term of 99 years from 23 June 2000 at a ground rent of £15 p.a. without review.

First floor (No52) a term of 99 years from 1 January 1975 at a ground rent of £15 p.a. without review.

8) Unfortunately no worked valuation was included with Mr Jones amended report however from the text it seems that he capitalizes the ground rent at 7% and adopts a deferment rate of 5% in accordance with the guidance provide by "Sportelli". He includes 50% of the marriage value in respect of No52, the unexpired term being less than 80 years. He makes no deduction for the lessee's disrepair in respect of No 52.

9) Evidence of the sales of comparable properties with extended leases was provided and ranged from £295,000 to £350,000.

10) He considers that the value of each flat in good condition and with a share of the freehold is £300,000. He refers to the unexpired terms as 86.11 and 60.64 years respectively and adjusts for relativity in accordance with "Relativity Tables" to arrive at values of £294,000 and £260,000.

11) Using the data from paras. 9 and 10 above he arrives at "sum to be paid" for the freehold of £29,000.

## **Decision**

### ***Terms of the transfer***

12) The following alterations should be made to the TR1;

Box 8 Delete existing cross and add "The sum of £29,000 (twenty nine thousand pounds) has been paid into Court pursuant to an Order made under section 26(1).

Box 9 There can only be limited title guarantee.

Box 11 Add; "This transfer is executed for the purposes of chapter 1 of part 1 of the Leasehold Reform Housing and Urban Development Act 1993"

Box 12 The execution clause of the Transferor should state;  
"Signed as a Deed by the officer of the Court nominated to

execute this deed on behalf of Norah Doyle Davis in accordance with the Order of the Court dated 13 May 2013.”

***The price payable***

- 13) We are satisfied that in the circumstances it is not necessary for us to inspect the property.
- 14) We have noted the revised expert valuation report and largely accept its contents. We were concerned that there was no worked valuation or explanation as to which of the various relativity graphs were relied on to arrive at the existing lease values. We were further concerned with the incorrect date on the report and its lack of a signature. However despite these reservations we do not disagree with the resulting valuation. The tribunal's own valuation is attached as Appendix B showing the premium payable as **£29,000**

D Banfield FRICS

3 September 2013

## PURCHASE PRICE PAYABLE BY NOMINEE PURCHASER

Valuation date 13 May 2013

Flats in existing condition including share of freehold

Ground floor	£300,000.00
First floor	<u>£300,000.00</u>
<b>Total</b>	<b>£600,000.00</b>

## Flats with existing unexpired terms

Ground floor	£294,000.00
First floor	<u>£260,000.00</u>
<b>Total</b>	<b>£554,000.00</b>

Value of freeholder's interestTERM**No 50**

Rent reserved				£15	
YP	86.11 yrs	7.00 %		<u>14.243577</u>	214
Reversion to					
			294000		
x PV	86.11 yrs	5.00 %	0.01497578		<u>4.403</u>
<u>Freehold existing interest</u>					4,617

**No 52**

Rent reserved				£15	
YP	60.64 yrs	7.00 %		<u>14.049629</u>	211
Reversion to					
			260,000		
x PV	60.64 yrs	5.00 %	0.051889669		<u>13.491</u>
<u>Freehold existing interest</u>					13,702

Marriage 52 only

Value of flat including share of fhold	£300,000
Value of current interests	
Leasehold	£260,000.00
Freehold	<u>£13,702</u>
	<u>£273,702</u>
Marriage value	£20,692
50% share	
	<u>10,346</u>
	<u>28,665</u>

Enfranchisement pricesay **£29,000**