

2882



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

Case Reference : **LON/OOAH/OLR/2014/0204**

Property : **277A Holmesdale Road, London
SE25 6PR(the Property)**

Applicant : **Karen Aileen James**

Representative : **Gregsons solicitors and Mr S M
Harding MRICS of Kinleigh
Folkard & Hayward chartered
surveyors**

Respondent : **Peter William Matthey**

Representative : **None (missing Landlord)**

Type of Application : **S48 Leasehold Reform Housing
and Urban Development Act 1993
(the Act)**

Tribunal Members : **Tribunal Judge Dutton
Mr N Martindale FRICS**

**Date and venue of
Hearing** : **25th March 2014 at 10 Alfred Place,
London WC1E 7LR**

Date of Decision : **25th March 2014**

DECISION

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DECISION

The tribunal determines that the premium payable for the lease extension in respect of the ground floor flat at 277A Holmesdale Road, London SE25 6PR is £10,467 as set out on the valuation attached to the report of Mr Harding dated 19th February 2014 (“the Report”)

The terms of the proposed new lease as included in the papers before us are approved.

REASONS

BACKGROUND

1. By an order dated 22nd January 2014, amended on 4th February 2014 in the Croydon County Court in claim number 3CR01626 (“the Order”) between the parties named on the front page of this decision the matter was remitted to this Tribunal for the price and terms of the acquisition to be determined pursuant to sections 50 and 51 of the Leasehold Reform, Housing and Urban Development Act 1993 (“the Act”).
2. We met on 25th March 2014 for the purposes of implementing the requirements of the Order.
3. We had before us a bundle prepared by the Applicant’s solicitors which contained the Court papers, including the Order, a witness statement of Mr E A Middlehurst, copies of the freehold and leasehold registers of title and the existing lease. In addition we were provided with a copy of the Report of Mr Harding and the proposed draft lease.
4. We have considered the papers before us and in particular the report of Mr Harding. This report is dated 19th February 2014 and records that it was created following a site inspection on 21st December 2012. After setting the scene as to details of the property and the building, its location and tenure Mr Harding dealt with valuation matters.
5. He stated that the valuation date is 17th June 2013, being the date of the tenant’s application to the Court. In fact the proceedings were commenced on 27th June 2013, which should be the valuation date, but nothing turns on this.
6. The report argues for a capitalisation rate of 7%, a deferment rate of 5% and that there are no improvements to be taken into consideration.
7. As to comparable evidence Mr Harding relies on four properties, two in Holmesdale Road and others in Dunstons Road and Upper Grove. He has conducted a thorough review of these comparables, all of which sit in close proximity to the subject flat. At appendix three he has made adjustments for the market changes, whether the flats had their own private entrance, condition, garden and weighting. This led him to the conclusion that the correct freehold, unimproved value at the valuation date should be £185,000.
8. To reach the existing lease value he relied upon the graphs published under the 2009 RICS report, a copy of which was included in the Report. This led him to the conclusion that the relativity to be applied should be

91.5%. This gave a short lease value of £169,275. Utilising these valuation elements he derived a premium payable for the new lease of £10,467, the details of which appeared on the valuation attached to the Report.

FINDINGS.

9. We must say that it was a pleasure to receive from Mr Harding such a well prepared report. There were colour photographs of the exterior and interior of the subject flat and the comparables, in the form of estate agents particulars. He provided the full data which led him to his adjustments and appendix three, containing his review of those adjustments was very helpful to us.
10. There really is nothing with which we can find fault. The elements of the valuation are, we find, correct and the calculations as to the capitalised ground rent accurate. We accept in this case a 1% differential between the long lease and freehold value given that there are three flats and a missing landlord. We find that the premium payable for the extended lease should be £10,467. This sum should be paid into Court. We approve the terms of the draft lease included within the bundle.

Andrew Dutton

25th March 2014

Andrew Dutton - Tribunal Judge