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

Case Reference : LON/00BJ/OLR/2013/1694

Property : 43 Aslett Street, London SW18 2BE

Applicant : Laura Nancy Moore

Representative : Morrisons Solicitors LLP

Respondent : Vincent McGovern (missing landlord)

Type of Application : S.50 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 : 4 February 2014

DECISION

DECISION

- **We determine the premium to be paid in the sum of £16,740.**
- **The draft lease is approved.**

Preliminary

- 1) The applicant is the lessee of the ground floor flat at 43 Aslett Street London SW18 2BE. The freeholder, Vincent McGovern could not be traced and a claim dated 16 July 2013 was therefore made to the Wandsworth County Court stating that the applicant was a qualifying tenant, wished to exercise her right to acquire a new lease and that the freeholder could not be located.
- 2) By an order dated 15/11/2013 a Deputy District Judge sitting at Wandsworth County Court determined that upon surrendering her lease dated 2 October 1986 a new lease of the property be granted for a term of 189 years from 2 October 1986 on such terms as may be determined by the property Chamber of the First Tier Tribunal.
- 3) A valuation report Stewart m White BSc MRICS dated 22 January 2014 (page 63 of the bundle) calculated the appropriate premium to extend the lease at £16,740.
- 4) A draft lease has been provided at page 94 of the bundle.
- 5) 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 4 February 2014.

Submissions

- 6) In his report Mr White describes the property as “a one bedroomed ground floor conversion flat within a two storey mid terraced property constructed around the beginning of the last century. The flat has a living room, a bedroom, a kitchen and a bathroom/WC. It also has access to a private section of garden to the rear.” The gross area was calculated as 493 sq ft (45.8 sq m).
- 7) The valuation date was taken as 16 July 2013 and the lease described as “dated 2nd October 1986 and made between V McGovern as landlord and P A Sheikh as tenant. The lease is made for a term of 99 years from 2nd October 1986 and therefore expires 2 October 2085, a residue of approximately 72.21 years at the valuation date.” The ground rent is fixed at £50 per annum.
- 8) Mr White provided details of 7 sales of similar but larger flats in the area at sale prices between £395,000 and £322,500 which produced rates per square foot between £517 and £630. He adopted £600 as the appropriate rate which in turn produced a long leasehold value of £295,000.

- 9) He adjusted this to freehold by adding 1% and took relativity at 91% giving an existing lease value of £271,134. He applied a capitalisation rate of 7% to the ground rent and a deferment rate of 5% in accordance with Sportelli. His calculation of the premium came to £16,740.

Decision

The Premium

- 10) We are satisfied that in the circumstances it is not necessary for us to inspect the property.
- 11) We have noted the expert valuation report and accept its contents. We also note that the purchase price paid for the existing lease on 12/10/2010 was £247,000 which supports Mr White's valuation for a similar interest at £271,134 some three years later. **We therefore determine the premium to be paid in the sum of £16,740.**

The Lease

- 12) The draft lease is approved.

D Banfield FRICS

4 February 2014