



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

Case Reference	:	LON/OOAF/OLR/2018/0667
Property	:	Flat A, 12 Queen Anne Avenue, Bromley, Kent, BR2 0SB
Applicant	:	Mr Stephen Michael Salter
Representative	:	Philip Ross, Solicitors
Respondent	:	Mr Shrikant Khandelwal (missing landlord)
Representative	:	None
Type of Application	:	Enfranchisement
Tribunal Members:		Judge Robert Latham Mrs Helen Gyselynck BSc MRICS
Date and venue of Hearing	:	Paper determination on 9 July 2018 at Alfred Place, London WC1E 7LR
Date of Decision	:	12 July 2018

DECISION

(i) The Tribunal determines that the premium payable by the Applicant for an extension of his lease of Flat A, 12 Queen Anne Avenue, Bromley, Kent, BR2 0SB to be £31,470.

(ii) The Tribunal approves proposed draft of the deed of surrender and re-grant.

Background

1. The Applicant is claiming the right to acquire a new lease of his flat, namely Flat A, 12 Queen Anne Avenue, Bromley, Kent, BR2 0SB (“the flat”) pursuant to the provisions of the Leasehold Reform, Housing and Urban Development Act 1993 (“the Act”). On 23 March 2018, District Judge Lightman, sitting at the Central London County Court, upon being satisfied that the landlord could not be found, made a vesting order under section 50(1) of the Act. He transferred the matter to this Tribunal to determine the terms of the new lease and the premium payable.

Evidence

2. We have been provided with a valuation report by Stephen Jones MRICS, dated 4 April 2018. He computes the premium to be £31,740. He inspected the property on 18 July 2016.
3. We have also been provided with a draft deed of surrender and re-grant.

Lease details

4. The Applicant currently holds the flat under a lease, dated 26 August 1982, for a term of 99 years from 1 January 1982. The Valuation Date is 21 July 2017 when the unexpired term was 63.45 years. The flat consists of two bedrooms, a living room, a kitchen and a shower room, on the ground floor of a converted three-storey semi-detached house. There is a private rear garden. There are no relevant tenant’s improvements.

Long Lease Value

5. Mr Jones has regard to three comparables: (i) 11 Winchester Road; (ii) Ground Floor Flat, 8 Westmoreland Road; and (iii) First Floor flat, 3 Gwdyr Road. We are satisfied with the adjustments which he has made to the comparables. We approve his assessment of the existing lease value of £386,100 and the 1% uplift to determine a freehold value of £390,000.

Relativity

6. Mr Jones has taken a figure of 87.4%, namely the average of the five RICS’s graphs for Greater London and the rest of England. In the absence of any evidence of local transactions, we are satisfied that this approach is justified. Other valuer’s might suggest that other graphs should be considered. However, we are content to determine relativity on the evidence before us.

Capitalisation Rate

7. Mr Jones takes a figure of 6.5%. We approve this.

Deferment Rate

8. We approve the “Sportelli” rate of 5% for deferment which Mr Henson has adopted.

Calculation of the Premium

9. We have checked Mr Jones’ calculation and approve his assessment of the premium in the sum of £31,740. Mr Jones’ valuation is at p.43 of the Bundle.

Judge Robert Latham
12 July 2018

RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.