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

Case Reference : **LON/00AF/OAF/2013/0024**

Property : **45 Maberley Road London SE19
2JE**

Applicant : **Johnette Maureen Barrett-Waite**

Representative : **n/a**

Respondent : **Persons Unknown**

Representative : **n/a**

Type of Application : **Section 27 Leasehold Reform Act
1967**

Tribunal Members : **Mrs F J Silverman LLM
Mrs S Redmond MRICS**

**Date and venue of
Hearing** : **16 July 2013 (paper consideration)
10 Alfred Place, London WC1E 7LR**

Date of Decision : **16 July 2013**

DECISION

**The price payable for the acquisition of the freehold of the property
shall be £ 1,125.00**

Introduction

1 This decision and summary reasons are issued to inform the parties of the Tribunal's decision in this case as quickly as possible. Either party may apply to the Tribunal for a full statement of reasons for any part of the decision. Any such request must be made to the Tribunal in writing within 21 days of receipt of this document, and the Tribunal will endeavour to issue the full reasons within 6 weeks of its receipt of the request.

Background

2 The Applicant tenant is the owner of the leasehold and the sub-leasehold interests in the property known as **45 Maberley Road London SE19 2JE** (the property) which is held under a lease for 180 years commencing on 3 February 1938.

3 By order of Bromley County Court dated 4 December 2012 the Applicant was held to be a qualifying tenant for the purposes of making a claim for enfranchisement under the Leasehold Reform Act 1967. The Court further ordered that the matter be transferred to the Leasehold valuation Tribunal to determine the price to be paid by the Applicant for the freehold.

4 The matter was considered by a Tribunal on 16 July 2013 as a paper determination. The Applicant did not attend the hearing and the landlord's identity is unknown .

5 The Tribunal did not consider it necessary to inspect the property.

6 The Tribunal considered the bundle of papers put before it by the Applicant , including the valuation prepared by Mr P Gosden MRICS and , having done so determines that the price payable for the freehold reversionary interest in accordance with s9(1) Leasehold Reform Act 1967 shall be £ 1,125.00 .

7 The following factors were taken into consideration by the Tribunal in reaching their decision on the price to be paid.

7.1 The Applicant's valuer presented two valuations, one based on a two stage approach, the other on a three stage approach. He contended for the two stage approach as he maintained that there was little likelihood of the property still being standing in 155 years' time.

7.2 The Tribunal disagreed with this approach and preferred to adopt the valuer's three stage valuation which includes the reversion.

- 7.3 Although the 'Tribunal considered that the valuer's figure of 5% for market rents was a little on the low side it decided not to interfere with this figure as any adjustment would have negligible impact on the net result of the calculation.
- 7.4 On the whole the Tribunal considered that the valuer's valuations were well argued , contained adequate relevant detail and included a wide range of suitable comparables.

8 The Law

8.1 Section 9(1) of the Leasehold Reform Act 1967 (The Act) provides that the price to be paid by the tenant on a conveyance under section 8 shall be the amount which at the valuation date the house and premises might be expected to realise if sold in the open market by a willing seller (with the tenant and members of his family who reside in the house not buying or seeking to buy) on the assumption that the tenant has no right to acquire the freehold under the Act, and, if the tenancy has not been extended under the Act, on the assumption that it will be so extended.

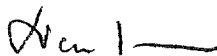
8.2 Section 9(1C) provides that the tenant's share of any value arising by virtue of the marriage of the freehold and leasehold interests shall not exceed 50%, and for the payment of additional compensation under section 9A.

8.3 Sections 9(1D) and 9(1E) apply where the tenant's notice under section 8 was served after 26 July 2002, and provide that the tenant shall receive one half of the marriage value, and that no marriage value is payable where the unexpired term of the lease exceeds eighty years at the relevant date.

8.4 The Tribunal also had regard to the decision in Earl Cadogan & Cadogan Estates Ltd v Sportelli & Sportelli (2006) LRA /50/2005

9 The Tribunal approves the draft Transfer as drawn.

10 A copy of the Applicant's valuation as adopted by the Tribunal is attached as Appendix 1.



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Judge F J Silverman as Chairman

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Date 16 July 2013

Section 9(1) site value basis - three stage valuation

48 Naberwyrd SE19 2JE				
valuation assuming capitalisation yield				7.00%
SLS depreciation rate				5.00%
final depreciation rate				4.75%
Proposed lease value				£485,000
Valuation date	05 Oct	2012	83	
Property description				
3 bed detached house				
		03-Feb	1938.100	
	years	rent (pa)	rev'n	
term	180.4	£0.00	1971.100	
unexpired term			2118.500	105.67 yrs
DIMINUTION IN VALUE OF LANDLORDS INTEREST				
term				
rent receivable			£0.00	
YP	7.00%			
	105.67		14.274	
				£0
Capitalised loss of income				£0
Reversion				
50 year extension				
3 bed detached house				
			£485,000	
site value	33.00%		£160,050	
mod gnd rent		5.00%	£8,003	
YP	5.00%			
	50		18.25593	
PV	5.00%			
	105.67	0.005767	0.1053	£842
				£842
house value			£485,000	
VP less 20% for assured			£388,000	
PV £1	4.75%			
years	155.67		0.00073	
			£283	£283
Total payable				£1,126