



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

Case Reference : LON/OOAQ/ORL/2015/0970

Property : Ground Floor Flat, 23 Blawith Road, Harrow,
Middlesex, HA1 1TL

Applicant : Mr Mohammed Saleem

Representative : Mills Chody LLP, Solicitors

Respondent : Mr R M Quereshi (missing landlord)

Representative : None

Type of Application : Enfranchisement

Tribunal Members: Judge Robert Latham
Miss Marina Krisko FRICS

**Date and venue of
Hearing** : Paper determination on 8 July 2015 at
Alfred Place, London WC1E 7LR

Date of Decision : 8 July 2015

DECISION

(i) The Tribunal determines that the premium payable by the Applicant in respect of the extension of his lease in respect of the Ground Floor Flat, 23 Blawith Road, Harrow, Middlesex, HA1 1TL is £23,256. We approve the calculation made by Mr Hennessy.

(ii) The Tribunal approves the terms Draft lease.

Background

1. On 7 May 2015, by order of Deputy District Judge Gilford, sitting at Willesden County Court, made a vesting order under Section 50(1) of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act"). This provided for the surrender of the tenant's existing lease and the grant of a new lease on terms to be decided by this Tribunal. The application relates to the Ground Floor Flat, 23 Blawith Road, Harrow, Middlesex HA1 1TL ("the premises") and has been made on grounds that the landlord could not be found. The matter has been transferred 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 John Hennessy MRICS dated 19 June 2015. He computes the premium to be £23,256. His calculation is at B.9 of his report. We are satisfied that this report is well researched and that Mr Hennessy is aware of his duties as an expert towards this Tribunal.
3. We have also been provided with a copy of the tenant's current lease, dated 22 April 1986 and the Draft lease. We are happy to approve the terms of the draft lease.

Lease details

4. The Applicant currently holds the premises under a lease for a term of 99 years from 29 September 1984. The Valuation Date is 17 February 2015 when the unexpired term was 68.61 years. The demised premises are a two bedroom ground floor flat of 548 square feet. It has the benefit of central heating and UPVC double glazed windows. The original front garden has been paved over to provide two parking spaces, of which the tenant has the benefit of one. The garden in the rear has been divided into two, half of which is for the benefit of each tenant. Ground rent under the lease is £100 for the first 33 years; £150 for the next 33 years; and £200 for the final years.

Extended Lease Value

5. Mr Hennessy proposes an extended lease value of £310,000. We are happy to approve this. He considers four comparables: (i) 16 High Mead - £265,000: although slightly larger (620 sq ft); its condition is basic, there is no allocated garden, and no off-street parking; (ii) 6A Hamilton Road - £325,000: marginally larger; (iii) 24 Longley Road - £300,000; and (iv) 22A Harrow View - £300,000: there is no garden or off street parking and its situation is in a much busier road. A valuation between those of 6A Hamilton Road and 24 Longley Road seems appropriate. We approve the extended lease value of £310,000.

Relativity

6. We approve the relativity rate of 89.35%. This is based on two tables. Although the use of a wider range of tables might justify a slightly higher figure, this would not benefit the landlord.

Capitalisation Rate

7. We approve the capitalisation figure of 6%.

Deferment Rate

8. We approve the "Spotelli" rate of 5% for deferment which Mr Hennessy has adopted. We agree that there is insufficient evidence to justify any departure from this.

Calculation of the Premium

9. We have noted one minor error in computing the diminution in value of the Freeholder's Interest. In computing the 33 year deferment for 2.61 years of the £150 rent for Term 2, a figure of 0.9166 has been taken, rather than 0.8597, reducing the figure of £1,956 to £1,835. This would have had the effect of reducing the premium payable from £23,256 to £23,196. We consider this error to be insignificant and note that the error is in the landlord's favour. We are therefore satisfied that it would not be appropriate to interfere with Mr Hennessy's computation of a premium of £23,256 and we approve it.

Robert Latham
Tribunal Judge

8 July 2015