

4199



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

Case reference : **TW/LON/OOAE/OCE/2016/0111**

Property : **Ground Floor and First Floor Flats
at 34 Rucklidge Avenue, London
NW10 4PS**

Applicants : **Hugh Francis Lennon**

Representative : **Tolhurst Fisher LLP**

Respondent : **David Baird**

Representative : **Not applicable (missing landlord)**

Type of application : **Application under sections 26 and
27 of the Leasehold Reform
Housing and Urban Development
Act 1993**

Tribunal members : **Ian B Holdsworth MSc FRICS**

Venue : **10 Alfred Place, London WC1E 7LR**

**Date of paper
determination** : **June 6th 2016**

DECISION

Decisions of the Tribunal

- (1) The Tribunal determines that the price to be paid by the applicant for the freehold interest is **£34,900**.
- (2) The terms of the draft transfer are provided for in **paragraph 11** below.

The Background

1. This application under section 26 of the Leasehold Reform Housing and Urban Development Act 1993 (“the 1993 Act”) pursuant to an order made by Deputy District Judge Mendel, sitting at the County Court at Willesden on 24th March 2016.
2. Section 26(1) of the 1993 Act concerns claims for collective enfranchisement where the relevant landlord cannot be found. It enables the court to make a vesting order in respect of any interests of the landlord which are liable to acquisition.
3. Under section 27 of the 1993 Act, the role of the Tribunal is to determine the appropriate sum to be paid into court in respect of the landlord’s interests and also to approve the form and terms of the proposed transfer.
4. The applicant in this matter is Hugh Francis Lennon. He is the qualifying tenant of two flats, namely, Ground Floor and First Floor at 34 Rucklidge Avenue, London NW10 4PS (“the Property”). The respondent freeholder is David Baird.
5. On 29th December 2015, the applicant issued a Part 8 Claim at the County Court at Willesden for an order pursuant to section 26(1) of the 1993 Act vesting the freehold interest in the Property in the applicant. The applicant has been unable to ascertain the whereabouts of the respondent and was therefore unable to serve a notice on him pursuant to section 13 of the 1993 Act.
6. The applicant has provided the Tribunal with a valuation report prepared by Mike Stapleton FRICS dated 29th April 2016. This provides a valuation as at 29th December 2015.
7. Mr Stapleton is of the view that the premium to be paid for the freehold interest is £33,300.
8. The Tribunal reviewed the enfranchisement valuation provided by Mr Stapleton together with the supporting evidence.

The Determination

9. The Tribunal accepts the opinions expressed by Mr Stapleton in his valuation report dated 29 the April 2016 save that:
- (i) In respect of the ground floor flat 34 Rucklidge Avenue, having regard to those comparables provided; to the condition of the property; the inclusion of a garden at the rear within the property and to the fact that the landlord is absent, the Tribunal determines that the value of the long leasehold value is £280,000.
 - (ii) For the First floor flat 34 Rucklidge Avenue, again having regard to the transaction evidence provided; to the condition of the property and to the fact that the landlord is absent, the Tribunal determines that the value of the long leasehold value is £265,000.
 - (iii) The total reversionary lease value on statutory terms is £545,000.
 - (iv) Current leasehold vacant possession value of both flats is £501,400.
 - (v) It is the opinion of the Tribunal based on their experience and knowledge that the appurtenant property has a value of £500.
10. Accordingly, the Tribunal determines that the premium to be paid in respect of the collective enfranchisement of 34 Rucklidge Avenue, London NW10 4PS is £34,900. The valuation prepared by the Tribunal is appended to this determination.

11. The Tribunal also approves the draft transfer which has been submitted by the applicant, subject to the inclusion in box 8 (the premium of £34,900) has been paid into court.
12. This matter should now be returned to the County Court sitting at Willesden under Claim Number B03W1474 in order for the final procedures to take place.

I. B. Holdsworth
— . *

Valuer Chairman Ian B Holdsworth

6th June 2016

Property: 34(GF) and 34(FF) Rucklidge Road London N10 5PS			
Lease and Valuation Data			
Lease Term:	25/12/1985		
Lease Expiry date:	24/12/2084		
Unexpired term as at valuation date:	68.99	years	
Date of Valuation	29/12/2015		
Rent receivable by landlord:			
Payable from valuation date for 2.99 years	£	200	
Payable from review date for 33 years	£	400	
Payable from review date for 33 years	£	600	
Values			
Ground Floor Flat on long lease	£	280,000	
First Floor Flat on long lease	£	265,000	
Total reversionary lease value on statutory terms	£	545,000	
Notional Freehold	£	545,000	
LHVP	£	501,400	Relativity 92.00%
Capitalisation rate (%)	6.00		
Deferment rate (%)	5.00		
Value of Freeholders present interest			
Term 1			
Ground rent payable	£	200	
YP @ 2.99 years @ 6%		2.66486	£ 533
Term 2			
Ground rent payable	£	400	
YP @ 33 years @ 6%		14.23023	
Deferred for 2.99 years @ 6%		0.8401	£ 4,782
Term 3			
Ground rent payable	£	600	
YP @ 33 years @ 6%		14.23023	
Deferred for 35.99 years @ 6%		0.1228	£ 1,049
Reversion			
Freehold value of flat	£	545,000	
PV of £1 in 68.99 years at 5%		0.03453	£ 18,817
Freeholders interest value			
			£ 25,180
Calculation of Marriage Value			
Value of flat with long lease on statutory terms	£	545,000	
Landlords proposed interest	Nil	£	545,000
Less			
Value of Leaseholders existing interest	£	501,400	
Value of Freeholders current interest	£	25,180	£ 526,580
Marriage value	Total		£ 18,420
Division of Marriage Value equally between			
Freeholder			£ 9,210
Leaseholder			£ 9,210
Price payable to Freeholder			
Value of freeholders current interest			£ 25,180
Plus share of marriage value			£ 9,210
Other compensation for loss incurred by freeholder			£ 500
Appurtenant property			
		Total	£ 34,890
		Say	£ 34,900