

LVT 9

Our Ref: M/EH 2251c

LEASEHOLD VALUATION TRIBUNAL OF THE MIDLAND RENT ASSESSMENT PANEL

Leasehold Reform Act 1967

Housing Act 1980

DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER S21 OF THE LEASEHOLD REFORM ACT 1967

Applicant: Mrs B H M Walker

Respondent: Marsu Properties Ltd

<u>Re</u>: 40 Bracken Close, Burntwood, Staffordshire, WS7 9BD

Date of Tenants Notice: 26 March 2001

<u>RV as at 1.4.73</u>: £235.00

Application dated: 28 May 2001

Heard at: Panel Office

On: Tuesday 17 December 2001

<u>APPEARANCES</u>: For the Tenant:

J Moore – Midland Valuations

For the Landlord: Not represented

Members of the Leasehold Valuation Tribunal:

Mr J R Bettinson LLD (Chairman) Mr D J Satchwell Mrs N Jukes

Date of Tribunals decision: 24 JAN 2002

LVT 96/5

LEASEHOLD VALUATION TRIBUNAL OF THE MIDLAND RENT ASSESSMENT PANEL

Our Ref: M/LRC 275

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DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER SECTION 21(1) (ba) OF THE LEASEHOLD REFORM ACT 1967

Applicant: Mrs B H M Walker

Respondent: Marsu Properties Ltd

Re: 40 Bracken Close, Burntwood, Staffordshire, WS7 9BD

Date of Tenants Notice: 26 March 2001

Application to Tribunal dated: 28 May 2001

Heard at: Panel Office

On: Tuesday 17 December 2001

<u>APPEARANCES</u>: For the Applicant:

Mr J Moore – Midland Valuations

For the Respondent: Not Represented

Members of the Leasehold Valuation Tribunal:

Mr J R Bettinson LLBD (Chairman) Mr D J Satchwell Mrs N Jukes

Date of Tribunals decision: 24 JAN 2002

REASONS FOR THE LEASEHOLD VALUATION TRIBUNAL DECISION IN RESPECT OF:

40 Bracken Close, Burntwood, Staffordshire, WS7 9BD

APPLICATION:

This is a reference to determine the price to be paid by the Tenant Mrs Walker for the Freehold interest in the property known as 40 Bracken Close, Burntwood, Staffordshire in accordance with the provisions of the Leasehold Reform Act 1967 as amended. The Tenant holds the property under a Lease dated 1st March 1965 for the unexpired residue of a term of 99 years from 29th September 1964 at a yearly ground rent of £20.

The Tenant's Notice of Claim to acquire the Freehold interest was dated 26^{th} March 2001 when some $62\frac{1}{2}$ years of the term remained unexpired. The Parties accept that the qualifying conditions for enfranchisement under the Act have been met.

INSPECTION

Prior to the Hearing, the Tribunal called to see the property which they found on inspection to be a semi detached dormer bungalow constructed of brick and tile situated in a quiet road of similar properties close to the centre of Burntwood and its facilities. The accommodation comprises on the ground floor a living room (with conservatory off) cloak room, kitchen, dining room and second living room (or bed room) and on the upper floor the principal bedroom and a combined bathroom and wc. There are gardens at the front and rear with a detached garage in the latter approached by a side driveway.

The site of the subject property has a road frontage of 8.84 metres and an area of some 324 square metres.

THE HEARING

This was attended by Mr J Moore of Midland Valuations on behalf of the Tenant. The Landlord was not present or represented. Mr Moore tabled a written submission incorporating his valuation as follows: -

Term:

Ground Rent YP 62½ years @ 7%	£20.00	14.077	£281.54
Reversion:			
Entirety Value Site Value @ 33.3% Section 15 Rent @ 7% YP deferred 62½ years	£80,000 £26,640 £1,864.80		
@ 7%		0.208	£ <u>387.88</u> £669.42

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In support of his Entirety Value he instanced two properties in Burntwood and another at Hammerwich. All were freehold and slightly, if not considerably, larger and were currently for sale at prices ranging between £80,000 and £111,995. He agreed that prices generally had risen since the Notice date and in view of the lesser accommodation afforded by the subject property, £80,000 was a fair value. He relied upon past decisions of the Tribunal in support of his site proportion and yield rates. There was no alternative available evidence of building plot values in the area. He was not aware of any property, with this level of accommodation, being offered for sale at a price of £120,000 in this area at the date of the Notice.

The Tribunal received and noted the letter from Messrs Kingston and Partners Chartered Surveyors dated 12th December and their accompanying valuation as follows:-

Lease	99 years from 29 September 1964 at rent of £20 pa					
Estimated market value		£120,000				
Estimated site value (40% of £120,000)		£48,000				
Valuation						
Term						
Present rent			£20 pa			
Y P for 62 year	s at 6%		<u>£16.22</u>	£324		
<u>Reversion</u>					· · · · ·	
Site value £48,0	000					
Modern rent at	6%	say	£2,900			
Y P in perpetiut 62 years at 6%	y deffered		0.45	£1305		
02 years at 070			0.15			
				£1629		
					say <u>£1650</u>	

DECISION

In the absence of any evidence to support Messrs Kington's standing house valuation of $\pounds 120,000$ we prefer that of Midland Valuations and we also accept their overall valuation of the freehold reversion. The plot is not unusually large and the lease has many years still to run.

Accordingly, we determine the price to be paid by the Tenants for the freehold interest in the subject property at £670 plus the Landlords reasonable costs calculated in accordance with Section 9(4) Leasehold Reform Act 1967 and Schedule 22 Rule 1 (5) Housing Act 1980.

COSTS

We are also asked to determine the Landlords costs. There is no evidence that the Freeholder's Agents prepared a valuation other than that submitted for the purposes of the present hearing, for which the Tenants are not responsible. So far as legal costs are concerned Mr Moore suggests £200 but it is not clear whether the freehold title is registered. If it is then we award £225, if it is not then we award £275 in both instances plus disbursements and VAT (if applicable).

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J. R. BETTINSON

Chairman

Date: 24 JAN 2002