

# LONDON RENT ASSESSMENT PANEL LEASEHOLD VALUATION TRIBUNAL

Case Reference: LO/LON/OOAJ/OLR/2007/0324

APPLICATION MADE UNDER SECTIONS 48 AND 60 OF THE LEASEHOLD REFORM, HOUSING AND URBAN DEVELOPMENT ACT 1993 ('The Act')

First Applicant: Mr J Stewart

Second Applicant: Ms D Adams

Respondent: Mr Sergio Sossi

Premises: First and Second Floor Flats at 9 Haven Green, Ealing, London W5

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**Date of Paper Determination: 14th November 2007** 

<u>Appearances:</u> As the request of the parties there was a determination on the papers without a hearing and there were therefore no appearances by the parties

The Leasehold Valuation Tribunal:

Professor James Driscoll LLM, LLB, Solicitor,

Mr Luis Jarero BSc FRICS,

Mr Alan Ring

Date of Tribunal's Decision: 12 February, 2008

## **SUMMARY OF THE DECISIONS**

By agreement of the parties the Tribunal determines that the premium payable by the First Applicant to the Respondent for the grant of a new lease in relation to Flat 1 in the subject premises in accordance with Section 56 of the Act is a total of £7,801.

Also by agreement of the parties the Tribunal determines that the premium payable by the Second Applicant to the Respondent in relation to the subject premises for the grant of a new lease in accordance with Section 56 of the Act is a total of £8, 058.

The Applicants to pay a total of £2,350 to the Respondent in relation to costs in accordance with Section 60 of the Act. These costs are to be paid within 28 days of the date of this decision

### **Background**

- 1. This is an application for a determination of the premium and costs payable under two lease extension claims made under Sections 48 and 60 of the Act.
- 2. The First Applicant is the leaseholder of the First Floor Flat in the subject premises and the Second Applicant is the leaseholder of the Second Floor Flat in the subject premises. The Respondent is the owner of the freeholder of the subject premises. There are three flats in the building. In each case there is an intermediate lease.
- 3. The Applicants are represented by Perry Hay & Co, solicitors. Soulsby Williamson, solicitors represent the Respondent. According to correspondence seen by the Tribunal the holder of the intermediate leases has instructed solicitors to advise them but no communications from that firm have been received by the Tribunal. There is no record that the intermediate leaseholders have sought to be separately represented (in accordance with Schedule 11, Part 2 of the Act).

#### The Lease Extension Claims

- 4. The Applicants each gave a notice of claim for an extended lease under Section 42 of the Act on the 31 July 2006. In reply the Respondent gave counter-notices admitting the claims but disputing the proposed premiums on the 10 October 2006.
- 5. The parties having failed to agree the premiums and other matters application was made in relation to both claims. A hearing was set for the 14<sup>th</sup> November. However, letters sent by fax to the Tribunal by the Applicants' solicitors on the 13<sup>th</sup> and the 14<sup>th</sup> November advised the Tribunal that the parties had agreed the terms of the new leases and the surrender of the head leases. This included copy correspondence from Mr N Ransley FRICS of Ransley Associates (chartered surveyors) and Mr M Lee, BSc MRICS of Shaw & Company (chartered surveyors).

## Agreement on the terms of the new leases and the surrender of the intermediate leases

- 6. In these letters the solicitors representing the parties stated that agreement had been reached on the terms of the new leases and the surrender of the intermediate leases as well as the total premiums to be paid. As requested the Tribunal summarised this agreement above.
- 7. However, the parties have not agreed figures for the costs payable by the Applicants under Section 60 of the Act. The solicitors for the parties asked that the Tribunal determine the costs payable. No such claim has been submitted by the intermediate landlord

#### Costs

- 8. A notice was given under Section 13 of the Act (the 'initial notice') on behalf of the Applicant on the 11<sup>th</sup> October 2006. The Respondent gave a counternotice under Section 21 of the Act on the 14<sup>th</sup> December 2006 and contended that the Applicant's initial notice was invalid as it had failed to propose a realistic premium. The Tribunal was surprised at the costs claimed by the Respondents solicitors (£4,088.60) in a matter which has proceeded and which has been concluded by negotiation and agreement. The Tribunal determines the costs payable at £750 (plus VAT) for each of the claims and a surveyors fee of £500 (plus VAT) as agreed by the parties' solicitors. Any costs in relation to the third party's surrender of the intermediate leases are not recoverable under Section 60. The Applicants to pay this sum within 28 days of the date of this decision.
- 9. As the intermediate landlord has not formally sought to be separately no other costs are payable by the Applicants.

Date: 12 February, 2008

Chairman James Drecus

James Driscoll, LLM, LLB, Solicitor