

2789



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

Case Reference : **LON/OOAL/OLR/2013/1008**

Property : **First floor flat, 205 Burrage Road,
London SE18 7JZ**

Applicant : **Andrew Lakka**

Representative : **Cook Taylor Woodhouse, solicitors**

Respondents : **Christina Giacomelli, Aisha Sibai,
Frank Harry Vivien Gillett and
Valerie Aimee Gordon Laycock**

Representative : **None**

Type of application : **For the determination of the price
to be paid for a new lease where the
landlord cannot be found**

Tribunal members : **Angus Andrew
Alan Manson FRICS**

Date of determination : **7 February 2014**

DECISION

1. The applicant is the tenant of the first floor flat at 205 Burrage Road, London SE18 7JZ. He seeks the tribunal's determination of the terms upon which he should be granted a new lease of the property. The landlord or at least one of them is missing and on 10 July 2013 Deputy District Judge White sitting at Woolwich County Court ordered that a new lease should be granted to the applicant on terms to be determined by the tribunal in accordance with sections 51, 56 and 57 (1) of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act") "*as appropriate*".
2. It is apparent both from the tribunal file and from the document bundle produced to us that copies of the claim form and the application to this tribunal were sent to those landlords who are not missing. It is equally apparent that they chose not to contest the claim in the county court. They also chose not to respond to the application to this tribunal or to attend the hearing on 14 January 2014 of which due notice was given.
3. At the hearing the tenant was represented by Adam Robinson, Assoc. RICS and RICS Registered Valuer of J Lewis & Associates Ltd, chartered surveyors. Mr Robinson submitted a comprehensive valuation report to which he spoke. He had prepared his valuation on the basis of a valuation date of 10 July 2014 being the date of the court order. The correct valuation date is however the date of the application to the court, which was 14 February 2013 (see section 51(1) of the Act). Consequently at our request Mr Robinson has now submitted a revised valuation in which he puts the price to be paid for the new lease at £8,246.
4. Mr Robinson has inspected the property and has provided photographs and a description of the property and a list of comparable transactions. The property is in a residential area of Plumstead. It is a first floor flat in a three storey Victorian terraced house that was subsequently converted to form three flats. The flat has an inner hall, lounge, double bedroom, kitchen and bathroom/wc. The flat is held on a lease for a term of 99 years from 8 May 1981 at a ground rent of £30, fixed throughout the term. Thus at the valuation date of 14 February 2013 67.22 years of the term remained unexpired.
5. Mr Robinson has adopted an extended lease value of £130,000 based on five comparable transactions detailed in his report and to which we do not object. He then reduces that value by £5,000 to reflect tenant's improvements of gas fired central heating and modern UPVC double glazing. He thus arrives at an extended lease value of £125,000 which he has uplifted by 1% to arrive at a freehold value of £126,250. Having regard to the comparables relied on and the nature of the tenant's

improvements we are satisfied that the extended lease and freehold values are reasonable

6. We accept the relativity of 90% adopted by Mr Robinson, which is taken from a basket of common relativity graphs. Thus we agree with Mr Robinson's existing lease value of £113,625. He has deferred the reversion at a rate of 5% which is consistent with Sportelli and he has capitalised the ground rent at 7% which we also accept.
7. In summary we agree with Mr Robinson's valuation of £8,246 a copy of which is attached.
8. The draft transfer included in the original document bundle did not include the covenants for title and declarations required by the Act. At our request the tenant's solicitor has submitted a revised draft. It is consistent with the Act and we approve it. Again a copy is attached.

Name: Angus Andrew

Date: 7 February 2014

**Leasehold Reform, Housing and Urban Development Act 1993
Lease Extension Calculation**

Address: First Floor Flat 205 Burrage Road, Plumstead, SE18 7JZ

Details for Valuation

Valuation Date: 14th February 2013
 Lease Expiry Date: 7th May 2080
 Existing Lease: 67.22 years unexpired
 Capitalisation Rate: 7 %
 Deferment Rate: 5 %
 Relativity 90 %
 Value of (unimproved) extended lease £125,000

A) Diminution in Value of Freeholders interest

Value before extension of lease:

Capitalisation of Ground Rent income:

Current Ground Rent £ 30 p.a. for 67.22 years	£30 p.a.	
YP 67.22 years at 7 %	14.13445	£424

Reversion to Freehold Vacant Possession	£126,250	
PV of £1 in 67.22 years at 5 %	0.03764	£4,752
		<u>£5,176</u>

Value after extension of lease:

Landlords Future Interest

Reversion to VP	£126,250	
PV of £1 in 157.22 years at 5 %	0.000466	£59

£5,117

B) Marriage Value

Value of future interests:

Leasehold interest after extension of Lease	£125,000	
Freehold interest after extension of lease	£59	£125,059

Less

Value of current interests:

Leasehold interest prior to extension of lease	£113,625	
Freehold interest prior to extension of lease	£5,176	£118,801
Total Marriage Value		<u>£6,258</u>

£3,129

Freeholders Share at 50%

Total Premium to Freeholder

£8,246

DEED OF SURRENDER AND LEASE

Administration Area:	London Borough of Greenwich
Title Number:	SGL370222 Freehold SGL318988 Leasehold
Property:	First Floor Flat, 205 Burrage Road Plumstead, London, SE18 7JZ

THIS DEED OF SURRENDER AND LEASE is made the day of
2014 BETWEEN AISHA SIBAI of 5 Mary Ann Gardens, London, SE8 3DP
FRANK HARRY VIVIEN GILLETT care of Town Hill, Lingfield, RH7 6AG and
VALERIE AIMEE GORDON LAYCOCK of 5 Rue Neuville, 4260, Belgium ("the
Lessors") of the one part and ANDREW LAKKA of 45 Hare Street, Woolwich,
London, SE18 6NE ("the Lessee") of the other part.

WHEREAS the Lessors are registered together with CHRISTINA GIACOMELLI as
proprietors with Freehold Title Absolute at the Land Registry of the property known
as 205 Burrage Road, Plumstead, London, SE18 7JZ (consisting of a Garden Flat,
First Floor Flat and Second Floor Flat) ("the Property") under Title Number
SGL370222 and WHEREAS a Vesting Order was granted by the Woolwich County
Court on the 10th July 2013 in respect of the interest in the said freehold estate of
CHRISTINA GIACOMELLI and WHEREAS the grant of this Lease was authorised
by an Order of the Property Chamber of the London Residential First-Tier Tribunal

dated the 14th day of January 2014 in relation to the interest of CHRISTINA GIACOMELLI in the said freehold property and WHEREAS the Lessee is registered as Leasehold Proprietor of the First Floor Flat at 205 Burrage Road aforesaid registered under HM Land Registry under Title Number SGL318988 ("the Demised Premises") for a term of 99 years from the 8th May 1981 at a rent of £.30.00per annum plus insurance rent ("the Original Lease") and WHEREAS the Lessors and the Lessee have agreed for the surrender of the Original Lease and the grant of a new Lease of the Demised Premises upon the terms hereinafter appearing.

NOW THIS DEED WITNESSETH that the Lessee surrenders to the Lessors the term granted by the Original Lease and in consideration of the said surrender (which the Lessors hereby accept) and in further consideration of POUNDS (£) paid by the Lessee to the Lessors the receipt whereof is hereby acknowledged the Lessors hereby demise to the Lessee of the Demised Premises for a term commencing on the date hereof and expiring 90 years from the date of expiration of the Original Lease that is to say the 8th May 2170.

IT IS HEREBY AGREED AND DECLARED

- (a) All the terms and conditions of the Original Lease and the respective liabilities and rights of the Lessors and the Lessee thereunder shall be imported into this Lease.
- (b) This lease is granted with limited title guarantee.
- (c) This lease is granted under section 56 of the Leasehold Reform, Housing and Urban Development Act 1993.
- (d) The landlords may, (a) at any time not earlier than 12 months before the term date, and (b) at any time during the period of 5 years ending on the term date of the

new lease apply to the court under section 61 of the Act for an order for possession of the property on the ground that for the purpose of redevelopment they intend to demolish or reconstruct or to carry out substantial works of construction on the whole or a substantial part of the building, and that they could not reasonably do so without obtaining possession of the property and the provisions of that section and of Schedule 14 of the Act shall apply accordingly.

SIGNED as a DEED by the Officer of the)
Court nominated to execute this Deed in)
In the name of CHRISTINA GIACOMELLI)
In accordance with the Court Order dated)
10th July 2013 in the presence of :)

Signature of witness.....

Name of witness (PRINT)

Address of witness

Occupation of witness

SIGNED as a DEED by AISHA SIBAI)
In the presence of :)

Signature of witness.....

Name of witness (PRINT)

Address of witness

Occupation of witness

SIGNED as a DEED by FRANK HARRY)
VIVIEN GILLET In the presence of:)

Signature of witness.....

Name of witness (PRINT)

Address of witness

Occupation of witness

SIGNED as a DEED by VALERIE AIMEE)
GORDON LAYCOCK In the presence of :)

Signature of witness.....

Name of witness (PRINT)

Address of witness

Occupation of witness

SIGNED as a DEED by ANDREW LAKKA)
In the presence of:)

Signature of witness.....

Name of witness (PRINT)

Address of witness

Occupation of witness