Closs



FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference

: LON/00AJ/OCE/2018/0021

Property

161 & 161A Murray Road, Ealing,

London W5 4DD

Applicants

Dr Patricia Ann Ealey

Mary Ann Agnes Hayley Treasure

Representative

Fairchild Greig

Respondent

Michael Murphy

Type of application

Section 26 of the Leasehold Reform, Housing and Urban

Development Act 1993

Turden Minel

Tribunal members

Judge Nicol

Mr L Jarero BSc FRICS

Date of decision

5th March 2018

DECISION

- 1) The appropriate premium payable for the freehold of the subject property is £75,676 in accordance with the calculation set out in the Appendix to this decision.
- 2) The conveyance shall be granted on the draft terms included in the papers before the Tribunal.

Background

1. By an order sealed on 19th December 2017, District Judge Atkin, sitting at the County Court at Brentford, transferred this matter to the Tribunal to determine the terms on which the Applicants could acquire the freehold of the subject property under the Leasehold Reform, Housing and Urban Development Act 1993.

- 2. The subject property comprises two flats. The Applicants are the lessees respectively of the ground floor and first floor flats. The leases are each for a term of 99 years from 13th May 1980 so that there were 60.94 years unexpired as at the valuation date of 20th October 2017.
- 3. The Applicants have taken a number of steps to try to find the Respondent but without success. The proceedings were therefore issued in the county court for a vesting order before coming to this Tribunal.
- 4. The Applicants' solicitors provided a bundle of documents for the Tribunal to determine the relevant issues on the papers. The bundle included a report from Mr Wilson Dunsin FRICS containing his calculation of the premium to be paid. The Tribunal had a number of concerns with the figures used in Mr Dunsin's calculation:
 - (a) The figure he took for relativity, 86.57%, seemed to be marginally on the low side.
 - (b) Both flats had been improved and Mr Dunsin, quite rightly, took out the value of the improvements. However, he used the same figure for each flat, £25,000, when it wasn't clear that the improvements in the ground floor flat were worth as much as those in the first floor flat.
 - (c) Mr Dunsin made a deduction of £10,000 on the basis that a comparable property's separate entrances for each flat constituted a superior arrangement to the subject property's communal entrance whereas the Tribunal was not clear that prospective buyers would regard a communal entrance as significantly inferior.
 - (d) Mr Dunsin calculated value on a rate per square foot which method would not normally be used in this area of London.
- 5. Having said that, the Tribunal is making its decision on the papers, without the opportunity to question Mr Dunsin. He has had the considerable advantage of being able to inspect the subject property. In the Tribunal's opinion, its concerns, if investigated further, would be unlikely to result in any significant difference to the premium payable. In the circumstances, the Tribunal has decided to accept Mr Dunsin's conclusion that the premium should be £75,676. Mr Dunsin set out his calculations in Appendix 17 of his report which is reproduced in the Appendix to this decision.
- 6. The Tribunal has reviewed the draft terms provided in the Tribunal's bundle for the conveyance to the Applicants of the Respondent's freehold interest and is satisfied that they are appropriate.

Name:

Judge Nicol

Date:

5th March 2018