

4632



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

Case Reference : **LON/00BE/OLR/2018/0204**

Property : **204A, Hollydale Road, London
SE15 2TQ**

Applicant : **David John Rea**

Representative : **Curtis Whiteford Crocker,
Solicitors**

Respondents : **Kuldip Singh
Mootameh Padjy Mauremootoo**

Representative : **None**

Type of Application : **S51 Leasehold Reform, Housing
and Urban Development Act 1993 –
determination of the appropriate
sum and settlement of terms of the
new lease**

Tribunal Member : **Judge John Hewitt
Mr Luis Jarero BSc FRICS**

**Date and venue of
Determination** : **20 March 2018
10 Alfred Place, London WC1E 7LR**

Date of Decision : **20 March 2018**

DECISION

Decisions of the tribunal

1. The tribunal determines that:
 - 1.1 The appropriate sum for the purposes of s51 of the Act is £50,916.00, calculated in accordance with the valuation appended to this decision; and
 - 1.2 The new lease shall be in the form of the draft appended to this decision.
2. The reasons for our decisions are set out below.

NB Later reference in this Decision to a number in square brackets ([]) is a reference to the page number of the hearing file provided to us for use at the hearing.

Procedural background

3. On 17 August 2000, the respondents were registered at HM Land Registry as the proprietors of the freehold land known as 204 Hollydale Road London SE15 2LY, registered with title number TGL85086 [67].
4. The Charges Register records that the title is subject to two number of long leases. One of them is the lease of 204A Hollydale Road which is registered with title number SGL197573. That lease is dated 6 March 1975 and granted a term of 99 years from 25 March 1974.
5. On 9 July 2003, the applicant was registered at HM Land Registry as the proprietor of the lease of 204A Hollydale Road [72].
6. On 2 October 2017, the applicant made an application to the County Court at Wandsworth in which he sought a vesting order pursuant to s50(1) of the Act. Evidently whilst the first respondent is missing, the second respondent is not.
7. By an order made 26 January (and drawn 2 February 2018 [65] District Judge Shelton made a vesting order and by paragraph 2 ordered that a determination be made by this tribunal of the appropriate sum payable for the new lease and that it determine the form of the new lease to be granted.
8. Pursuant to directions we have been provided with a hearing file by the applicant's solicitors.

The appropriate sum

9. Section 51(5) of the Act sets out provisions to for the determination of the appropriate sum.
10. At [140] there is a valuation report prepared by Mr David Robson MA (Oxon) MSc MRICS dated 6 March 2018.

We are satisfied on the evidence provided that Mr Robson is suitably qualified to make the report and that he understands his professional duty to the tribunal.

We have gone through the report carefully. We are satisfied that Mr Robson has identified the key issues he is to address and that he has gone through a methodical approach to arrive at his valuation, applying appropriate professional standards. We find his report falls within an acceptable valuation tolerance. Accordingly, we accept Mr Robson's evidence and determine the appropriate sum to be £50,916 made up as shown on his valuation at [182].

12. In the absence of any valid demands for payment of ground rent or any other sums payable under the terms of the lease we are satisfied that there are no arrears or other sums payable on completion.

The terms of the new lease

13. At [126] there is a draft of the new lease sought by the applicant. We have gone through the draft carefully and are satisfied it is in an acceptable form. We determine that the new lease to be granted shall be granted in the form of that draft. For ease of reference a copy of that approved draft is attached to this decision.

Judge John Hewitt
20 March 2018

(81)

Calculation for Premium

GROUND FLOOR FLAT, 204A HOLLYDALE ROAD, LONDON, SE15 2TQ

Assessment of premium for a new lease (an additional 90 year term at a peppercorn ground rent) in accordance with Schedule 13 of the Leasehold Reform, Housing and Urban Development Act, 1993, as amended by the Housing Act, 1996 and the Commonhold and Leasehold Reform Act, 2002.

INPUT SUMMARY

Original Term Lease Length:	99.00		
From Date:	25/03/1974		
Date of Valuation:	05/10/2017		
Capitalisation Rate:	7.00%		
Deferment Rate:	5.00%		
Uplift for Freehold %:	1.00%		
Relativity:	81.78%		
First Period (years):	22.47	£50.00	rent
Second Period (years):	<u>33.00</u>	£75.00	rent
Total (years):	<u>55.47</u>		

Allowable Improvements:	£5,000.00
Long Lease Value:	£420,000.00

A. DIMINUTION IN VALUE OF LANDLORD'S INTEREST

A1 Ground Rents Receivable:

22.47 years @ £50	£50	
YP 22.47yrs @ 7%	11.1622	
		£558
33 years @ £75	£75	
YP 33yrs @ 7%	12.7538	
PV of £1 in 22.47years	0.2186	2.7886
		£209

A2 Reversion to freehold in possession:

Virtual Freehold	£424,200	
PV of £1 in 55.47 yrs @ 5%	0.06678	
		£28,327

Freeholder's Present Interest: £29,094

A3 Landlord's interest after grant of new

145.47 year lease:

Virtual Freehold	£424,200	
PV of £1 in 145.47 yrs @ 5%	0.00083	
		£351

Diminution thus (rounded): £28,743

182

B. CALCULATION OF MARRIAGE VALUE

Value of proposed interest after grant of new
145.47 year lease:

Landlord's:	£351	
Tenant's: <i>P</i>	£420,000	£420,351

LESS

Value of existing interests:

Freehold:	£29,094	
Leasehold (81.78% X 424200):	£346,911	£376,005
Marriage Value thus:		£44,346
50% attributable to Landlord:		£22,173

TOTAL £50,916