



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

Case Reference : **CAM/26UK/OCE/2019/0020**

Property : **48 Leggatts Wood Avenue Watford WD24 6RP**

Applicant : **Nicola Christine Matthews and Paul James Duffy**

Representative : **Comptons Solicitors LLP**

Respondent : **David Charles Clarke (Missing Landlord)**

Representative : **Not applicable**

Type of Application : **Application under sections 26 and 27 of the Leasehold Reform Housing and Urban Development Act 1993**

Tribunal Members : **Mrs M Hardman FRICS IRRV (Hons)**

Date of Decision : **18 September 2019**

DECISION

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DECISION

1. The Tribunal determines that the premium payable by the applicants for the freehold interest is **£28, 137**.

Background

1. This is an application pursuant to a vesting order made by District Judge Sethi at the County Court at Watford on 23 June 2019 under section 26 of the Leasehold Reform Housing and Urban Development Act 1993 (“the 1993 Act”).
2. The applicants in this matter were the qualifying tenants of two flats, namely the ground floor flat, 48 Leggatts Wood Avenue, Watford and the first floor flat, 48a Leggatts Wood Avenue. These two flats together constitute 48 Leggatts Wood Avenue Watford WD24 6RP (“the Property”).
3. On 19 June 2018, the applicants issued a Part 8 Claim at the County Court sitting at Watford for an order pursuant to section 26(1) of the 1993 Act vesting the freehold interest in the Property in the applicants. The applicants have been unable to ascertain the whereabouts of the respondent and they were therefore unable to serve a notice on him pursuant to section 13 of the 1993 Act.
4. District Judge Sethi ordered that the case be transferred to the First-tier Property (Residential) Tribunal in order to determine the terms of acquisition to include endorsing the form of Transfer Deed.

The Lease

5. The applicant, Nicola Christine Matthews acquired the lease of 48 Leggatts Wood Avenue (Ground Floor Flat) on 31 May 2007. The lease was for 99 years from 3 November 1986 and the applicant Paul James Duffy acquired the lease of 48a Leggatts Wood Avenue (First floor flat) on 6 May 2001. The lease was for 99 years from 17 October 1986.
6. The lease of 48 Leggatts Wood Avenue (Ground Floor Flat) was registered at the Land Registry under title number HD220733 and 48a Leggatts Wood Avenue (First floor flat) was registered under title number HD220254.
7. The ground rent under both leases was originally £40 rising to £80 after 33 years and £120 after a further 33 years. Comptons Solicitors acting for both parties inform the Tribunal that no ground rent has ever been demanded.

The Law

8. Section 26(1) of the 1993 Act concerns claims for collective enfranchisement where the relevant landlord cannot be found. It enables the court to make a vesting order in respect of any interests of the landlord which are liable to acquisition.
9. Under section 27 of the 1993 Act, the role of the Tribunal is to determine the appropriate sum to be paid into court in respect of the landlord’s interests.

10. The method of calculation of the price payable is by reference to Schedule 6 Part 2 of the Leasehold Reform Housing and Urban Development Act 1993.

The Property

11. A valuation report provided by Katy d'Souza of Brasier Freeth, Chartered Surveyors describes the property as comprising a semi-detached house which has been converted into two flats. The building is of traditional construction with masonry walls with a render finish beneath a pitched, hipped and tiled roof and a flat felt roof to the single storey extension.
12. The ground floor flat, 48 Leggatts Wood Avenue comprises kitchen, bathroom (accessed from the kitchen) living room and one bedroom. The property has central heating and double-glazed windows. It has private access from the side. The property has a private rear garden accessed via a shared alleyway and a parking space to the front.
13. The first floor flat, 48a Leggatts Wood Avenue similarly comprises kitchen, bathroom, living room and one bedroom. It has private access from the front, a private rear garden accessed via a shared alleyway and a parking space to the front.
14. The general standard of condition, maintenance and repair of the property is reported to be below average.

The Evidence

15. The Applicants rely on a report dated 5 September 2019 from Katy d'Souza of Brasier Freeth, Chartered Surveyors based in Watford. She is a Member of the Royal Institution of Chartered Surveyors and a Registered Valuer.
16. Ms D'Souza provides a comprehensive report in which she describes the property, outlines the tenure and provides a valuation. She also provides details of a range of comparables together with location plans and photographs.
17. She also provided an explanation as to why she has adopted the various return rates in her calculation in arriving at the Enfranchisement price of £25,675

The Determination

18. The tribunal accepts the opinions expressed by Ms. D'Souza in her valuation report dated 5 September 2019 save that:
 - i) The Tribunal calculated the unexpired term for 48 Leggatts Wood Avenue as 67.32 years and 48a Leggatts Wood Avenue as 67.37 years
 - ii) The Tribunal has reviewed the comprehensive set of comparables provided by Ms d'Souza and largely agrees with her judgment as to how the subject properties compare with the sales evidence. However, it has adopted

- £218,000 as the leasehold value and made the customary 1% adjustment to arrive at a (rounded) freehold value of £220,000 for each flat.
- iii) The Tribunal accepts that there is no evidence of sales of similar flats on short leases and that it is necessary to resort to relativity graphs. The tribunal is of the opinion that it is more appropriate to adopt the average of the Greater London and England Graphs and has therefore adopted relativities of 90.83 for 48 Leggatts Wood Avenue and 90.86 for 48a Leggatts Wood Avenue.
19. Taking these matters into account the Tribunal has assessed the price payable in respect of the collective enfranchisement of 48 Leggatts Wood Avenue Watford WD24 6RP at £28,137. The Valuation is at Annex A.
20. As no ground rents or service charges have been lawfully demanded for at least six years no further sums, other than the premium are payable by the applicants
21. District Judge Sethi's Order of 23 June 2019 required also that the tribunal endorses the form of the Transfer Deed. The tribunal has been provided with a draft of the deed of transfer in the bundle and is satisfied that the proposed terms comply with the requirements of the Act.
22. The matter is now referred back to the County Court.

Mary Hardman FRICS IRRV(Hons)
Deputy Regional Valuer

18 September 2019

Annex A

Lease and valuation data

	48 Leggatts Wood Ave	48a Leggatts Wood Ave
Lease commence date	17/10/1986	03/11/1986
Lease term	99 years	99 years
Unexpired term	67.32	67.37
Date of valuation	19/06/2018	

Value of Landlord's present interest

48 Leggatts Wood Avenue (ground floor)

Term 1

Ground rent	£40	
Years Purchase 1.32 years @ 7%	1.2205	£48.82

Term 2

Ground rent	£80	
YP 33 years @ 7%	12.7538	
Deferred 1.32 years @ 7%	0.9146	£933.17

Term 3

Ground rent	£120	
YP 33 years @ 7%	12.7538	
Deferred 34.32 years @ 7%	0.0981	£150.14

£1,132.13

Reversion

Freehold value	£220,000	
Deferred 67.32 years @ 5.25%	0.0319	£7,024.44

Value of Landlord's present interest

48a Leggatts Wood Avenue (first floor)

Term 1

Ground rent	£40	
Years Purchase 1.37 years @ 7%	1.2647	£50.59

Term 2

Ground rent	£80	
YP 33 years @ 7%	12.7538	
Deferred 1.37 years @ 7%	0.9115	£930.01

Term 3		
Ground rent	£120	
YP 33 years @ 7%	12.7538	
Deferred 34.37 years @ 7%	0.0977	£149.53
		£1,130.13
Reversion		
Freehold value	£220,000	
Deferred 67.37 years @5.25%	0.0318	£7,002.42
Value of Landlords existing interest		£16,289.12
Value of landlord's proposed interest		
Marriage value calculation		
48 and 48a Leggatts Wood Ave		
Value of Landlord's proposed interest		£0
Value of Tenant's proposed interest - 48		£218,000
Value of Tenant's proposed interest - 48A		£218,000
Sub-total		£436,000
Value of landlords existing interest		£16,289.12
Value of Tenant's present interest - 48		£198,009
Value of Tenant's present interest - 48A		£198,006
sub-total		£412,304.12
Marriage gain		£23,695.88
Landlords 50% share		£11,847.94
Price payable		£28,137.06
	say	£28,137.00

RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-Tier at the Regional Office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional Office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28-day time limit, such application must include a request to an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then look at such reason(s) and decide whether

to allow the application for permission to appeal to proceed despite not being within the time limit.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (ie give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

