

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	LON/00AJ/OCE/020/0003
Property	:	97 Churchfield Road, London W3 6AH
Applicant	:	(1) Margo Rose Heathcote (2) Daniel Anthony Fitzsimmons (3) Frances Anne Elizabeth Johnston
Representative	:	Prince Evans Solicitors LLP
Respondent	:	Patrick John Hudson
Representative	:	N/A
Type of Application	:	Enfranchisement – missing landlord
Tribunal Members	:	Judge Tagliavini Miss M Krisko FRICS
Date and venue of hearing (paper)	:	10 Alfred Place, London WC1E 7LR 18 February 2020
Date of Decision	:	18 February 2020

DECISION

THE TRIBUNALS'S SUMMARY DECISION

- I. The premium payable for the purchase of the freehold of the property situate at 97 Churchfield Road, London W3 6AH is £12,200.
- 2. The tribunal approves the terms of the conveyance in the form of the TR1 provided subject to the insertion of the premium payable.

The application

1. This matter has been transferred to the tribunal from the county court sitting at Brentford by an order of DJ Aitkin dated 22 October 2019 for the determination of the premium payable for the freehold of the subject property and the approval of the terms of transfer under the provisions of the Leasehold Reform Housing and Urban Development Act 1993.

The premises

- 2. The premises comprise two flats on the ground and first floors of a converted Victorian terraced house. The first and the second applicants acquired an interest on 29 May 2015 in the ground floor flat under a lease dated 11 February 1983 granting a term of 125 years from 29 September 1982 at a ground rent of £50 per annum and thereafter £100 per annum for the second period of 50 years and £150 per annum for the remainder of the term. The third applicant acquired an interest in the first floor flat on 31 July 1986 under a lease dated 23 December 1982 granting a term of 125 years from 29 September 1982 at a ground rent of £50 per annum for the second period of 50 years and £150 per annum for the first floor flat on 31 July 1986 under a lease dated 23 December 1982 granting a term of 125 years from 29 September 1982 at a ground rent of £50 per annum rising to £100 for the second fifty year period and £150 per annum for the remainder of the term.
- 3. Therefore, both leases have 88.37 years remaining as at the valuation date of 15 May 2019.
- 4. On 22 October 2019 an order was made by DJ Aitkin vesting the right to purchase the freehold of the subject premises in the applicants subject to the determination of the terms of the conveyance and the premium to be determined by this tribunal.

The applicant's evidence

5. In support of this application the applicants relied upon the valuation report of Simon B Hanton FRICS dated 4 February 2020. The tribunal

considered that Mr. Hanton's approach to the valuation of the freehold was appropriate in respect of the ground rent, the years used are correct in accordance with the lease and the yield used of 7% is within the usual parameters of a ground rent of this level payable half yearly in advance. As both leases had over 80 years remaining there was no marriage value payable.

- 6. The two flats were similar in size although the ground floor flat has the benefit of the sole use of the rear (patio) garden.
- 7. Mr. Hanton referred in his valuation to a number of appropriately located comparable properties in the vicinity of the subject property and provided a plan showing the location of these comparables to the subject property. Mr. Hanton relied upon the key comparable at 99 Churchfield Road which sold for £350,000 on 9 November 2018. Mr. Hanton used the Land Registry House Price Index for flats and maisonettes in the London Brough of Ealing to obtain a time adjustment. The other comparables relied upon showed a similar trend in values.
- 8. Using these comparable properties Mr. Hanton arrived at the unimproved values of the ground and first floor flats in the subject property at £330,000 and £324,000 respectively. Thereafter, by applying a reversionary yield of 5% in accordance with *Sportelli* he arrived at £5,400 and £5,300 for the ground and first floor flats respectively as the premiums payable. Mr. Hanton made an addition of nominal sum of £1,500 in respect of the potential storage space in the roof.
- 9. In conclusion, Mr. Hanton calculated that the premium payable for the freehold of the subject property is £12,200.
- 10. The tribunal approves the terms of the conveyance in the form of the TR1 provided subject to the insertion of the premium payable.

Name: Judge Tagliavini Dated: 18 February 2020

<u>Rights of Appeal</u>

By rule 36(2) of The Tribunal Procedure (First-tier Tribunal((Property Chamber) Rules 2013, the tribunal is required to notify he parties about any right of appeal they might have.

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 Tribunal at the regional office which has been dealing with the case.

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.

If the application is not made within the 28 day time, such application must include a request for an extension of time and the reasons 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 these time limits.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. 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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).