



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

Case Reference : **LON/00AQ/OCE/2020/0126**

HMCTS Code : **P:PAPERREMOTE**

Property : **10 Gloucester Road, Harrow,
HA1 4PW**

Applicant : **10 Gloucester Road Freehold
Associates Limited**

Representative : **Ringley Law LLP**

Respondent : **Patrick Joseph Hennigan**

Type of Application : **Leasehold Reform, Housing & Urban
Development Act 1993 –
Section 26**

**Date of Application
To County Court** : **1 June 2019**

Tribunal Member : **Mrs A J Rawlence MRICS**

Date of Decision : **3 March 2021**

DECISION

© CROWN COPYRIGHT 2021

1. The Tribunal determines that the premium to be paid for the freehold interest of the property known as **10 Gloucester Road, Harrow, HA1 4PW** (“the Property”) under the terms of the Leasehold Reform, Housing and Urban Development Act 1993 is **£87,966 to the Landlord excluding costs.**
2. The Tribunal amends the form of the transfer document TRI for Title Number MX240217 to include an additional provision.

Reasons for Decision

Introduction

3. This application concerns a collective enfranchisement claim for the Property, which comprises a semi-detached house and grounds. The house has been converted into two flats; both of which are let on long leases.
4. The respondent is the freeholder of the Property.
5. The leaseholders of Flats 10A and 10B wish to acquire the freehold interest in the Property. The person to be served with a Tenant's notice claiming the right to acquire the freehold cannot be found.
6. By the order (the ‘**Order**’) of District Judge Mauger in the County Court at Central London 14 March 2020 it was ordered that:

The Claimant, having taken reasonable steps to locate the Defendant freeholder and being unable to give initial notice to exercise its right to collective enfranchisement under Section 13 of the Leasehold Reform, Housing and Urban Development Act 1983 (“the Act”) because of the Defendant's absence, the Court hereby orders:

1. The Requirement to serve an initial claim notice under section 213 of the Act is dispensed with.
2. The case is referred to the First-Tier Tribunal (property Chamber) for the premium and other terms of acquisition to be determined.
3. Order that the costs incurred due to the absence of the freeholder are to be deducted from the premium.

The Property

7. The property is a semi-detached two storey 1930s house which has been converted into two flats, one each of the ground and first floors. They are each held on a long lease.
8. The ground floor flat (10b) is accessed via the original front door and comprises hallway, reception, two bedrooms, a family bathroom and separate WC. The first floor flat (10a) is accessed via a doorway in the left hand flank elevation which leads to a small hallway and stairs to the

first floor. The flat comprises landing, two bedrooms, reception with kitchen off, family bathroom and separate WC.

9. To the front of the property is a driveway with space for two cars. To the rear a garden extends from the building which is split with each flat having a portion.
10. The property is of traditional solid brick construction below a timber framed pitched tiled roof with double height bay to the front elevation. There is a modern extension to the rear which is of cavity brick construction.
11. Internally the property has suspended timber floors and the walls are plastered and mainly finished in paint. There are areas of tiling in the kitchens and bathroom.
12. The windows are modern uPVC sealed double glazed units.
13. Both flats are held by 99 years leases from 29 September 1981 with an initial ground rent £35, rising to £70 after 33 years and £105 for the remainder of the term.

Applicant's Submissions

14. Following the Court Order, the Tribunal is making a determination of the appropriate premium for the freehold interest under Title No MX240217 and the form of transfer document.
15. The Applicant provided a bundle to the Tribunal which included a valuation report prepared by Mr Alistair McGill of The Ringley Group dated 14 December 2020 with a valuation date of 18th June 2019, being the date of the application to the County Court.

Tribunal's Deliberations

16. The Tribunal considered the valuation of the Property and the assumptions and calculations made by Mr McGill.
17. The Tribunal noted an error with regard to the ground rent of both properties. This was not £70 per property per annum for the remainder of the term but would increase to £105 in 2047. The corrected valuation is shown at Appendix 1 and the premium payable is **£87,966**.
18. The Tribunal accepted the element of hope value for Flat 10a, as detailed in the valuation report.
19. **TR1 Transfer Document**

The Tribunal determines an additional provision, namely:
11.3 The Transferee hereby covenants with the transferor by

way of indemnity only to observe and perform the covenants contained in

1 A Conveyance of the freehold estate in the land in this title and other land dated 18 September 1924 made between (1) The Imperial Property Investment Company Limited and (2) Albert Benjamin Cutler

2 A Conveyance of the freehold estate in the land in this title and other land dated 12 December 1924 made between (1) Albert Benjamin Cutler (Vendor) and (2) Charles Vivian Wolff (Purchaser)

and to be liable for any future breach or non-observance thereof.

Right of Appeal

20. 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.
21. 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.
22. If the application is not made within the 28 day time limit, such application must include a request for 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.
23. 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.

**A J Rawlence MRICS
Chair**

3 March 2021

Appendix 1 Valuations

Valuation of 10A Gloucester Road, London					
Freeholder's Present Interest					
Term					
Initial ground rent		£70			
YP 28.14 years @6%		13.425	£940		
Increased ground rent		£105			
YP 33.14 years @6%	18.183				
PV £1 in 28.14 years @6%	0.197	3.582051	£376		
Reversion					
Freehold VP	£345,000				
PV £1 in 61.28 years 5.5%		0.038	£13,110	£14425.75	
Landlord's Loss				£14,425	
Marriage Value					
current interest lessee	£273,000				
current interest freehold	£14,425				
Total		£287,425			
less					
Future interest		£345,000			
Marriage Value				£57,575	
50%				£28,787.50	
Summary					-
Loss of current value	£14,425				
share of marriage value	£28,787.50				
hope value for development	£2,730		£45,943		

Valuation of 10B Gloucester Road, London					
Freeholder's Present Interest					
Term					
Initial ground rent		£70			
YP 28.14 years @6%		13.425	£940		
Increased ground rent		£105			
YP 33.14 years @6%	18.183				
PV £1 in 28.14 years @6%	0.197	3.582051	£376		
Reversion					
Freehold VP	£335,000				
PV £1 in 61.28 years 5.5%		0.038	£12,730	£14045.75	
Landlord's Loss				£14,045	
Marriage Value					
current interest lessee	£265,000				
current interest freehold	£14,045				
Total		£279,045			
less					
Future interest		£335,000			
Marriage Value				£55,955	
50%				£27,977.50	
Summary					
Loss of current value	£14,045				-
share of marriage value	£27,977.50				
			£42,023		