

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

| Date of decision                            | : | 8 September 2021  |
|---|---|---|
| Venue                                       | : | 10 Alfred Place, London WC1E 7LR  |
| Tribunal members                            | : | Judge Tagliavini<br>Mr Nigel Robinson FRICS   |
| Type of application                         | : | Leasehold extension – missing landlord  |
| Representative                              | : | N/A   |
| Respondents                                 | : | Philip Francis Bernon and Patricia Ann<br>Bernon                                      |
| Representative                              | : | Ravisanker Pathmanathan   |
| Applicant                                   | : | Ravisanker Pathmanathan with a power<br>of attorney for Radhika Milasha<br>Dharmasiri |
| Property                                    | : | 29a Stanley Road, Harrow HA2 8AY  |
| HMCTS code<br>(paper)                       |   | P: PAPERREMOTE  |
| Case reference<br>County Court Claim<br>No: | : | LON/00AQ/OLR/021/0378<br>F01W199  |

# DECISION

# Covid-19 pandemic: description of hearing

This has been a remote hearing on the papers which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because it was not practicable and no-one requested the same, or it was not practicable, and all issues could be determined in a remote

on paper. The documents that the Tribunal were referred to are in a bundle of 156 pages, the contents of which have been noted.

### The tribunal's summary decisions

- (1) The premium payable for the grant of a new lease is  $\pounds 24,360.20$ .
- (2) The terms of the new lease in the form provided by the applicant in the hearing bundle are approved except for the premium to be paid. This requires amendment to the figure of £24,360.20.

### The application

- 1. This is an application by the tenant Radhika Milasha Dharmasiri, through the claimant/applicant acting as his Power of Attorney, seeking the grant of a new lease pursuant to provisions of the Leasehold Reform, Housing and Urban Development Act 1993 ('the 1993 Act').
- 2. By an order of Deputy District McCormack sitting at the County Court at Willesden dated 26 March 2021, the claimant/applicant was granted a vesting order to extend the tenant's lease of premises situate at 29a Stanley Road, Harrow HA2 8AY ('the premises') pursuant to section 50 of the 1993 Act (missing landlord). The claim was subsequently transferred to the First-tier tribunal for a determination of the premium payable for the grant of a new lease and the terms of that lease in accordance with that Order.

#### The applicant's case

- 3. The applicant relied upon a hearing bundle of 156 pages which included the valuation report of Mr Mike Stapleton FRICS of Mike Stapleton & Company, Chartered Surveyors, dated 20 August 2021. In this report Mr Stapleton provided a premium of £25,350 for the grant of a new 90 year lease.
- 4. The tribunal largely accepted the report of Mr Stapleton as having adopted a recognised and accepted approach to the valuation. However, the tribunal made some minor adjustments to this valuation and allowed a 1% increase to freehold, for which Mr Stapleton had made no provision, although it is common practice to do so.

- 5. The tribunal also calculated the valuation of the freeholder's existing interest based on the 25/25/24-year review pattern stated in the lease and not the 33 years as used by Mr Stapleton. The tribunal used a relativity of 82.55% instead of the 82.41% put forward by Mr Stapleton from the My Leasehold site as the tribunal preferred in this valuation, to use the average of the Gerald Eve 2016 and Savills unenfranchiseable graphs rather than the application of *Trustees of The Barry and Peggy High Foundation v Zucconi* [2019] UKUT 242 (LC), which Mr Stapleton had relied upon. However, these adjustments only slightly reduced the premium given by Mr Stapleton of £25,350.00.
- 6. Therefore, the tribunal determines the premium payable for the grant of a new lease is  $\pounds 24,360.20$ .
- 7. The tribunal also approves the terms of the grant of the new lease as provided by the applicant in its draft included in the hearing bundle except for the figure provided for the premium payable of £15,171.00 based on an earlier valuation report carried out before the issue of the county court claim and therefore, contained an incorrect valuation date. Therefore, the figure in the draft lease for the premium payable for the grant of a lease for a term of 189 years from 25 December 1986 should be corrected to read £24,360.20.
- 8. The tribunal attaches its valuation to this decision and remits the matter to the County Court sitting at Willesden for any final Orders that may be required.

Name: Judge Tagliavini

Dated: 8 September 2021

## **<u>Rights of appeal from the decision of the tribunal</u>**

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

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).