		IN THE COUNTY COURT SITTING AT WILLESDEN AND IN THE FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)
Reference Claim No:	:	LON/00AE/OCE/2022/0068 HooWI442
Property	:	29 & 29A Talbot Road, Wembley, Middlesex HA0 4TH
Applicants	:	 (1) Shailesh Ratilal Vora (2)Urvash Vora (3)Rhisha Vora (4)Nikita Punater (5)Jagtar Singh (6)Jagtar Singh Dhillon
Representative	:	Urnisha Lakhani of R.R. Sanghvi & Co.
Respondent	:	Thomas Francis Fennell
Representative	:	N/A
Type of application	:	Section 24 of the Leasehold Reform, Housing and Urban Development Act 1993
Tribunal members	:	Judge Tagliavini Mr Mark Taylor MRICS
Date of determination and venue (Paper remote)	:	13 July 2022 at 10 Alfred Place, London WC1E 7LR
Date of decision	:	13 July 2022

DECISION

Summary of the tribunal's decision

(1) The appropriate premium payable for the collective enfranchisement is **£136,900.**

(2) The tribunal approves the terms of the conveyance set out in the draft TR1.

Background

- 1. This is an application made by the applicant qualifying tenants pursuant to section 24 of the Leasehold Reform, Housing and Urban Development Act 1993 ("the 1993 Act") for a determination of the premium to be paid for the collective enfranchisement of 29 & 29A Talbot Road, Wembley, Middlesex HAO 4UG ('the Property').
- 2. On 24 May 2021, the claimants issued a claim in the county court sitting at Willesden seeking a vesting order in respect of the freehold of the Property pursuant to section 26(1) of the Leasehold Reform, Housing and Urban Development Act 1993.
- 3. The claimants were unable to serve a notice of claim under section 13 of the 1993 Act due to being unable to locate the respondent/defendant landlord.
- 4. By an order of District Judge Kumrai dated 25 November 2021 a vesting order was granted to the third, fourth, fifth and sixth claimants and the matter transferred to the First-tier Tribunal for a determination of the appropriate premium payable for the freehold of the Property and the terms of the conveyance.
- 5. By an order of Deputy District Judge Orger dated 21 May 2022 the matter was transferred to the First-tier Property Tribunal.

The Property

6. The Property comprises a two/three storey semi-detached house converted into two self-contained flats. The ground floor flat has since been further converted to form two smaller studio flats at ground floor level. In 2008 the fifth and sixth claimants/applicants became the registered lessees of Flat 29A under a lease dated 1 August 1973 for a term of 99 years with effect from 24 June 1972. In 2006 the first, second, third and fourth claimants/applicants acquired the interest of Flat 29 held under a lease dated 9 February 1979 granting a term of 99 years with effect from 24 June 1972.

<u>The issues</u>

- 6. The tribunal were required to determine only the following issues:
 - (i) The premium payable by the third fourth, fifth and sixth claimants/applicants.

(ii) The terms of the conveyance.

<u>The applicant's case</u>

- 7. The applicants relied upon the expert valuation report of Andrew Cohen MRICS of Talbots Surveyors and Valuers Limited dated 30 May 2021. In this report, Mr Cohen specified the valuation date as 24 May 2021 being the date of the application made to the county court. Mr Cohen also stated that he had ignored the creation of two studio flats from flat 29A as a tenant's improvement in carrying out his valuation.
- 8. Mr Cohen stated that the appropriate capitalisation rate is 8% as the ground rent for both flats in the property is fixed throughout the term at \pounds 10 per annum per flat and therefore does not present an attractive income to the hypothetical investor.
- 9. Mr Cohen adopted a deferment rate of 5% having regard to the court of Appeal decision in *Cadogan v Sportelli* [2007] EWCA Civ 1042.
- 10. In reaching an opinion on the unimproved value of each flat on a share of freehold basis, Mr Cohen had regard to sales of similar sized flats within 0.5 miles of the subject in the period January 2021 to August 2021. Having made adjustments to reflect the differences between the flats in the subject Property and the comparable sales, Mr Cohen concluded that the unimproved freehold value of the flats as:

29a (Ground floor flat) : £350,000

29 (First floor flat) : £370,000

- 11. In reaching a figure for relativity Mr Cohen relied upon the average of the Savills Unenfranchiseable graph (2015)and the Gerald Eve graph (2016) which produced an average figure of 70.76% for a lease term of 50.09 years remaining.
- 12. Mr Cohen made an allowance for marriage value as a result of the purchase of the freehold and attributed a division of 50% in accordance with the 1993 Act.
- 13. Mr Cohen concluded that the appropriate premium to be paid for the purchase of the freehold is \pounds 136,653.
- 14. A draft transfer TR1 was provided by the applicants/claimants setting out the proposed terms of transfer.

The tribunal's determination

15. The tribunal determines that the price payable for the purchase of the freehold is \pounds 136,900. The tribunal approves the terms of the draft

transfer TR1 provided to the tribunal in the applicants/claimants hearing bundle.

- 16. The tribunal agrees with the approach adopted by Mr Cohen but has noted that his assumption in respect of the amount of ground rent is not accurate, as the lease for number 29 should be currently \pounds 50.00 with provision to rise to \pounds 60.00 per annum. This adjustment has resulted in the marginal increase in the premium to be paid.
- 17. The matter is to be remitted to the county court at Willesden for any further/final orders that may be required.

Name:Judge TagliaviniDate:13 July 2022

Rights of appeal

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 Firsttier 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).