

**SOUTHERN RENT ASSESSMENT PANEL**  
**LEASEHOLD REFORM ACT 1967 SECTION 9**  
**ENFRANCHISEMENT OF LEASE**

**DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ("LVT")**

<b>Case No.</b>	<b>CHI/00HC/OAF/2005/0010</b>
<b>Property</b>	<b>25 Kelston Gardens Worle Weston-Super-Mare North Somerset BS22 7FP</b>
<b>Applicant</b>	<b>Mrs D.E.Slade</b>
<b>Date of Inspection</b>	<b>18 May 2005</b>
<b>Tribunal Members</b>	<b>Mr D.R.Hebblethwaite (Chairman) Mr P.Smith FRICS</b>

**Background**

1. Retirement Care Limited holds part of Kelston Gardens on the basis of a leasehold title held for the residue of a term of 500 years created by a lease dated 1 September 1557 at a rent of £1.6s.9d. Hundreds of titles in Worle derive from this lease which is lost and the identity of the freeholder is unknown. The term is due to expire on 31 August 2057. Then Kelston Gardens Residents Company Limited hold part of Kelston Gardens freehold. The Property is partly on each of these titles. The Applicant owns the Property by way of underleases each for a term of 70 years from 1 January 1987 at a rent of a peppercorn. Strictly speaking this application only relates to the part of the Property held under the underlease to the missing headlease. This underlease is registered under title no. AV165423.
2. By an Order of Weston-Super-Mare County Court dated 16 March 2005 it was ordered that pursuant to Section 27(5) of the Leasehold Reform Act 1967 the Applicant pay into court such sum as is directed by the LVT as the price payable for the Property and the amount of rent estimated by the LVT as unpaid at the date of the Order.
3. On 1 April 2005 the Applicant referred the court order to the LVT for these valuations to be carried out under Section 9. The Applicant's Notice of Claim was not copied with the Tribunal's papers but the Tribunal assumes it was shortly before the court order and takes that as the date at which the valuations must be fixed.

### Inspection

4. The Tribunal inspected the Property in the presence of Mrs Slade and found it to be as described in the valuation of M.T.Ripley FRICS dated 27 April 2005 and submitted on behalf of the Applicant.
5. The Applicant did not request a hearing.

### Evidence

6. The Applicant relied on the "standing house" valuation of Mr Ripley. (In the court order which was clearly drawn by the Applicant's solicitor reference to the "original valuation" basis was made, but in relation to the unpaid rent so this did not make much sense. It is understood that "standing house" and "original valuation" are the same in practice.) Mr Ripley referred to a sale of a comparable property in April 2004 and three of the LVT's values between November 2003 and June 2004 and concluded an entirety valuation for the Property of £115,000.00. He applied a percentage of 27.5 to calculate a site value of £31,625.00. He proposed a modern ground rent @ 7% = £2,213.75 per annum. He proposed an enfranchisement price, based on a deferment of 52.5 years, the unexpired term of the head lease, of £907.08 and in respect of the underlease, based on a deferment of 51.75 year, £954.24. This would lead to considerations of £907.08 for the head lease and ££47.16 for the underlease but Mr Ripley proposed these be reduced to one quarter of those figures to reflect the interaction of the Property with (a) the common parts of the Kelston Gardens over which rights are needed, the estate being for persons over 60 and with warden access and emergency facilities, and (b) the interaction of the different tiles referred to in paragraph 1 of this Decision, relying on *Stokes v. Cambridge Corporation 1960*.
7. Mr Ripley considered that there should be no contribution to the existing ground rent on the basis that the proportion attributable to the site was infinitesimal.

### Decision

8. The Tribunal considered the valuation evidence in the light of its expert knowledge and determined the open market entirety value of the Property at £115,000.00
9. Applying the guidance in earlier case law the Tribunal adopted the "standing house" valuation approach. The Tribunal felt that 27.5% was the appropriate percentage for the site value, to give a figure of £31625 The Tribunal agreed that a modern ground rent should be calculated at 7% to give £2213.75 per annum. With 52.5 years of the head lease and 51.75 years of the underlease to run from the date of the Applicant's Notice the years' purchase multipliers of

