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RESIDENTIAL PROPERTY TRIBUNAL SERVICE

LEASEHOLD VALUATION TRIBUNAL

**LEASEHOLD REFORM, HOUSING & URBAN DEVELOPMENT ACT 1993:
SECTION 24**

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL

Case No: CHI/00MS/OAF/2006/0005

Property: 42 Shakespeare Avenue
Southampton
Hampshire
SO17 2GY

Applicant: David Davies, Ann Catherine Davies
Sarah Ann Davies-Akosa and
Duncan Richard Stuart Davies

c/o Nicholas Shillinglaw, Solicitor
Paris Smith & Randall LLP

Respondent: Nasreen Salma
(Address unknown)

Members of the Tribunal: Mrs B Hindley (Chairman)
Mr D L Edge FRICS
Mr M R Horton FRICS

Date decision issued: 3 May 2006

1. On 24 April 2006 solicitors on behalf of the applicants obtained from Southampton County Court a vesting order (attached at Annex 1) in respect of 42 Shakespeare Road, Southampton, Hampshire.
2. The solicitors made an application to the Court, on 30 September 2005, under Section 27(1) of the Leasehold Reform Act 1967, but by the time of their application for the vesting order they realized that, because the house had been converted into two flats, the application should have been made under Section 26(1) of the Leasehold Reform Housing and Urban Development Act 1993, and Mr Eminton made a statement to that effect.
3. On 26 April 2006, the vesting order having been granted by the Court in the terms shown at Annex 1, a Leasehold Valuation Tribunal hearing took place to determine the price to be paid into Court for the enfranchisement of the subject property.
4. On the morning prior to the hearing the Tribunal inspected the subject property. They found it to be a mid terrace property, originally a house, which had been converted to provide two flats. It was located in an area of similar properties many of which had been similarly converted with student letting in mind. The brickwork on the front elevation was painted, the rear elevation was part rendered and part brickwork and there was an interlocking concrete tiled roof. The windows were a mixture of replacement UPVC and aluminium double glazed units.
5. Inside and off a tiny hallway were the front doors of the two flats. Flat 1, on the ground floor, comprised three bedrooms and a shower/wc with a staircase leading directly to a rear basement living room, a kitchen and a passageway leading to a bathroom /wc and the rear garden.
6. Flat 2 on the first floor comprised a combined living room and kitchen at the front, two bedrooms at the rear and a small bathroom/wc Both flats enjoyed individual, gas fired, central heating and hot water systems.
7. At the hearing Mr Beamish said that, in his opinion, the unimproved reversionary value of the property was £240,000, made up of £125,000 for the ground floor flat and £115,000 for the first floor flat. He said that he had come to this conclusion having considered a number of comparable properties in the area.
8. Mr Beamish handed in his valuation (attached at Annex 2) showing his proposed purchase price to be £53 based on a yield of 11%.
9. Questioned by the Tribunal about his originally proposed price of £479 and his subsequent proposal of £204, he said that these figures had been calculated on yields of, respectively, 8% and 9%. He said that it was his habit to give clients a range of values. He added that he had never valued an investment 'as pathetic' as the subject since there was no ground rent or insurance commission to be obtained. Indeed he considered that not only were there no benefits to be had but there could be liabilities for the freeholder under the Occupiers Liability Act.
10. On the basis of their knowledge and experience the Tribunal was satisfied that the reversionary value ascribed by Mr Beamish was appropriate but they preferred to adopt a yield of 10%, having in mind the decision of the Lands Tribunal in *Arbib v. Cadogan*.
11. Accordingly, with 80.9 years remaining on the lease and adopting as the valuation date the date of the application to the Court– 30 September 2005, the

Tribunal determined the price to be paid into Court for enfranchisement of the subject property to be £110, as shown in the valuation attached at Annex 3.

12. Mr Eminton also handed in a copy of the proposed form of transfer, attached at Annex 4, which the Tribunal approved subject to the insertion at paragraph 10 of an X in the box 'limited title guarantee and the insertion of the purchase price of £110 at paragraph 9.

Chairman *R. D. Handley*

Date *3/5/06*.

**IN THE SOUTHAMPTON COUNTY COURT
IN THE MATTER OF 42 SHAKESPEARE AVENUE
SOUTHAMPTON AND SECTION 26 LEASEHOLD
REFORM, HOUSING AND URBAN DEVELOPMENT
ACT 1993**

ANNEX 1

CASE No: 5SO06576

B E T W E E N:

**DAVID DAVIES,
ANN KATHERINE DAVIES,
SARAH-ANN AKOSA DAVIES
AND
DUNCAN RICHARD STEWART DAVIES**



Claimant

(There is no Defendant to these proceedings which are governed by CPR Rule 8.2A)

ORDER

The Court being satisfied that all proper steps by way of advertisement and otherwise have been taken for the purpose of tracing the Landlord of the Claimants leasehold interests in 42 Shakespeare Avenue, Southampton it is hereby ordered that:

1. The Claimants are entitled pursuant to the provisions of s26 (1) Leasehold Reform, Housing and Urban Development Act 1993 ("the 1993 Act") to have vested in them the freehold of the premises known as 42 Shakespeare Road , Southampton, Hampshire (being the premises registered at HM Land Registry under Title Number HP180027).
2. The terms upon which the Claimants are entitled to have the said freehold vested in them shall be determined by the Leasehold Valuation Tribunal as if the applicants had, as at 30 September 2005 (the date of issue of these proceedings) given notice under section 13 of the 1993 Act including in particular the assessment of the appropriate sum pursuant to section 27(5) of the 1993 Act and the form of the conveyance which is to contain such matters as may be appropriate to include pursuant to the provisions of s34 and Schedule 7 of the 1993 Act .
- 3 Upon the Claimant paying into Court the appropriate sum assessed as required in paragraph 2 above David Einton, a partner in Paris Smith and Randall Solicitors LLP, shall be entitled to

execute a conveyance to vest the said freehold in the Claimant such conveyance to be in the form to be approved by the Leasehold Valuation Tribunal pursuant to paragraph 2 above.

.....
District Judge

J. Arnold
ALUSWORTH

.....
Date

29/1/03

42 SHAKESPEARE AVENUE		
Leasehold Reform Housing and Urban Development Act 1993, as amended		
CALCULATIONS		
A. FREEHOLD [Sch. 6, Part II 2 (1) (a)]		
Ground Rent of two flats	£0	
Reversion to capital value	£240,000	
PV £ in 80yrs and 9 months @ 11%	0.000219075	£52.58
Freeholders Interest		£52.58
B. MARRIAGE VALUE [Sch 6, Part II 2 (1) (b)]		
		£0.00
C. COMPENSATION [Sch 6, Part II, 2 (1) (c)]		
		£0.00
Total		£52.58
ENFRANCHISEMENT PRICE	say	£53

DMA Chartered Surveyors
 46 Leigh Road
 Eastleigh
 Hampshire
 SO50 9DT
 023 8062 9823
dma@dmachartersurveyors.co.uk

07-Apr-06

**The Tribunals Valuation
of the Freehold interest in
42 Shakespeare Road, Southampton
in accordance with the provisions of the
Leasehold Reform Housing and Urban Development Act 1993**

Ground Rent of two flats @ a peppercorn		£000.00
Reversion on 24 th June 2086 to	£240,000	
Present Value of £1 in 80.75 years @ 10%	0.0004549	£109.18
<u>Marriage Value</u>	Not applicable	£000.00
<u>Compensation</u>	Not applicable	£000.00
<u>Total</u>		<u>£109.18</u>

Enfranchisement price - One Hundred & Ten Pounds (£110.00)

Transfer of whole of registered title(s)

Land Registry

TR1

1. Stamp Duty

Place "X" in the appropriate box or boxes and complete the appropriate certificate.

- It is certified that this instrument falls within category in the Schedule to the Stamp Duty (Exempt Instruments) Regulations 1987
- It is certified that the transaction effected does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds the sum of £
- It is certified that this is an instrument on which stamp duty is not chargeable by virtue of the provisions of section 92 of the Finance Act 2001

2. Title Number(s) of the Property *Leave blank if not yet registered.*

HP180027

3. Property

42 Shakespeare Avenue, Portswood, Hampshire SO17 2GY

4. Date

5. Transferor *Give full name(s) and company's registered number, if any.*

David Edward Eminton (a partner in the firm of Paris Smith & Randall LLP, Number 1 London Road, Southampton SO15 2AE acting under the authority of a Court Order (as defined below)

6. Transferee for entry on the register *Give full name(s) and company's registered number, if any. For Scottish companies use an SC prefix and for limited liability partnerships use an OC prefix before the registered number, if any. For foreign companies give territory in which incorporated.*

David Davies, Ann Catherine Davies, Sarah Ann Davies-Akosa, and Duncan Richard Stuart Davies

Unless otherwise arranged with Land Registry headquarters, a certified copy of the Transferee's constitution (in English or Welsh) will be required if it is a body corporate but is not a company registered in England and Wales or Scotland under the Companies Acts.

7. Transferee's intended address(es) for service (including postcode) for entry on the register *You may give up to three addresses for service one of which must be a postal address but does not have to be within the UK. The other addresses can be any combination of a postal address, a box number at a UK document exchange or an electronic address.*

31 Lordswood Gardens, Bassett, Southampton SO16 6RY

8. The Transferor transfers the property to the Transferee

9. Consideration *Place "X" in the appropriate box. State clearly the currency unit if other than sterling. If none of the boxes applies, insert an appropriate memorandum in the additional provisions panel.*

- The Transferor has received from the Transferee for the Property the sum of *In words and figures.*
- Insert other receipt as appropriate.*
- The transfer is not for money or anything which has a monetary value

10. The Transferor transfers with *Place "X" in the appropriate box and add any modifications.*

- full title guarantee limited title guarantee

The Transferor gives no covenant for title

11. Declaration of trust *Where there is more than one Transferee, place "X" in the appropriate box.*

- The Transferees are to hold the Property on trust for themselves as joint tenants
 The Transferees are to hold the Property on trust for themselves as tenants in common in equal shares
 The Transferees are to hold the Property *Complete as necessary.*

12. Additional provisions *Insert here any required or permitted statements, certificates or applications and any agreed covenants, declarations, etc.*

- 12.1 In this Transfer "the Court Order" means an Order of Southampton County Court under claim number 5S006576 dated 24 April 2006
12.2 The Property is land and premises included in the aforementioned title number
12.3 The Transferee has paid into Court the sum of (£) being the appropriate sum pursuant to section 27(5) of the Leasehold Reform, Housing and Urban Development Act 1993
12.4 The Transferor being a partner in the firm of Paris Smith & Randall LLP and by the direction of the Court and in accordance with the terms of the Court Order transfers the Property to the Transferee
12.5 This Transfer is made subject to the Leases, details of which are set out in the office copy entries of title numbers HP379929 and HP331835

13. Execution *The Transferor must execute this transfer as a deed using the space below. If there is more than one Transferor, all must execute. Forms of execution are given in Schedule 9 to the Land Registration Rules 2003. If the transfer contains Transferee's covenants or declarations or contains an application by the Transferee (e.g. for a restriction), it must also be executed by the Transferee (all of them, if there is more than one).*

Signed as a deed by DAVID EDWARD
EMINTON in the presence of:

Sign here

Signature of witness
Name (in BLOCK CAPITALS)
Address

Signed as a deed by DAVID DAVIES in the
presence of:

Sign here

Signature of witness
Name (in BLOCK CAPITALS)
Address

Signed as a deed by ANN CATHERINE DAVIES
in the presence of:

Sign here

Signature of witness
Name (in BLOCK CAPITALS)
Address

Signed as a deed by SARAH ANN DAVIES-
AKOSA in the presence of:

Sign here

Signature of witness
Name (in BLOCK CAPITALS)
Address

Signed as a deed by DUNCAN RICHARD
STUART DAVIES in the presence of:

Sign here

Signature of witness
Name (in BLOCK CAPITALS)
Address