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**LONDON RENT ASSESSMENT PANEL**

**Residential  
Property  
TRIBUNAL SERVICE**

**DETERMINATION UNDER THE LEASEHOLD REFORM, HOUSING AND  
URBAN DEVELOPMENT ACT 1993**

**Case Reference:** LON/00AC/OCE/2013/0048

**Premises:** 34 Lichfield Grove, Finchley, London N3 2JP

**Applicants:** Ms N Patel  
Ms M Sachedina  
Ms C Smith

**Representative:** OGR Stock Denton LLP

**Respondent:** Mr KD Hamedani

**Leasehold Valuation  
Tribunal:** Mr NK Nicol  
Mrs E Flint FRICS

**Date of decision:** 9<sup>th</sup> April 2013

1. By an order dated 18<sup>th</sup> February 2013, Deputy District Judge Shaw, sitting at Barnet County Court, provided for the Tribunal to determine the premium for the collective enfranchisement of the freehold of the subject property under the Leasehold Reform, Housing and Urban Development Act 1993. The Respondent landlord is absent and cannot be found.
2. The subject property is a three-storey semi-detached period building with a flat on each floor. Each Applicant holds a lease for 99 years from 25<sup>th</sup> March 1974 so that there are 60.34 years unexpired as at the date of valuation, 22<sup>nd</sup> November 2012, being the date of the Applicants' Initial Notice.
3. In accordance with the Tribunal's directions, the Applicants' solicitors provided a bundle of relevant documents for the Tribunal to determine the relevant issues on the papers.

4. Schedule 6 to the Act provides that the price to be paid by the nominee purchaser for the freehold interest shall be the aggregate of the value of the freeholder's interest, the freeholder's share of the marriage value, and compensation for any other loss.
5. The value of the freehold interest is the amount which at the valuation date that interest might be expected to realise if sold in the open market subject to the leases by a willing seller (with the nominee purchaser, or a tenant of premises within the specified premises or an owner of an interest in the premises, not buying or seeking to buy) on the assumption that the lessees have no rights under the Act either to acquire the freehold interest or to acquire a new lease.
6. Paragraph 4 of the Schedule, as amended, provides that the freeholder's share of the marriage value is to be 50%, and that any marriage value is to be ignored where the unexpired term of the lease exceeds eighty years at the valuation date. Paragraph 5 of the Schedule provides for the payment of compensation for other loss resulting from the enfranchisement.
7. The Applicants rely on the expert opinion of Mr JD Miller DipSurvPrac. He provided an initial valuation report for the Applicants on 25<sup>th</sup> August 2011. This needed to be updated following the service of the Initial Notice and the county court order and he provided a further report on 19<sup>th</sup> March 2013. In the light of the material provided, the Tribunal accepts his assessment. His calculation is attached as the Appendix to this decision.
8. The Tribunal therefore determines that the amount of the premium is £71,684 in accordance with the calculation set out in the Appendix to this decision.

Name:

*N.K. Neal*

Date:

9<sup>th</sup> April 2013

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<b>Paragraph 2(a): the value of the landlord(s)' current interest</b>				
<b>INCOME</b>				
current ground rent capitalised at	7.00% for	27.34 yrs:	£200 12.0386024	£2,408
			£2,408	
rising to capitalised at	7.00% for	33.00 yrs:	£300 12.75371907	£602
deferred at	7.00% for	27.34 yrs:	0.157297832	
			£602	£3,010
				£3,010
<b>REVERSION</b>				
calculated by reference to the aggregate freehold value:			£660,000	£34,758
deferred at	5.00% for	60.34 yrs:	0.052663102	
			£34,758	
<b>Paragraph 2(b): the freeholder's share of marriage value</b>				
aggregate freehold values			£660,000	£33,916
Less value of existing lease at: 84.00% of freehold value			-£554,400	
Less value of landlords current interests			-£37,767	
Marriage Value:			£67,833	£33,916
50% of Marriage Value:			£33,916	
<b>Paragraph 2(c): other compensation payable to the landlord</b>				£0
<b>TOTAL PAYABLE:</b>				<b>£71,684</b>

1st rent increase 25/03/2040  
 Lease Expiry Date: 25/03/2073  
 current grd rent payable for 27.34 yrs  
 1st review rent payable for 33.00 yrs  
 Lease Expiry: 60.34 yrs

	l/g flat	r/g flat	1st floor	TOTAL
current ground rent	£100	£50	£50	£200
Rising to:	£150	£75	£75	£300
freehold value	£225,000	£215,000	£220,000	£660,000
existing lease value	84.00%			
Capitalisation Rate:	7.00%			
deferment rate	5.00%			
Date of Valuation:	22/11/2012			