



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

Case reference	:	LON/00AP/OCE/2015/0131
Property	:	76 Sylvan Avenue, London N22 5HY
Applicant	:	(1) Subhash Maganlal Raithatha and Husumati Subhash Raithatha & (2) Shinish Limited
Representative	:	Drysdales solicitors LLP
Respondent	:	Hank Kruyt and Claudette Pilon
Representative	:	None
Type of application	:	Sections 26 & 27 of the Leasehold Reform, Housing and Urban Development Act 1993
Tribunal members	:	Judge Timothy Powell Duncan Jagger MRICS
Date of determination and venue	:	16 June 2015 at 10 Alfred Place, London WC1E 7LR
Date of decision	:	16 June 2015

DECISION

Background

1. The applicants are respectively the long leaseholders of 76a and 76b Sylvan Avenue, Wood Green, London N22 5HY, being the ground floor and first floor flats of the converted house at 76 Sylvan Avenue ("the premises"). The applicants wish to acquire the freehold of the premises under the Leasehold Reform, Housing and Urban Development Act 1993, but it appears that the freeholders cannot be found.

2. By an order dated 16 December 2014, Deputy District Judge Ackland, sitting at the County Court at Edmonton, made an order pursuant to section 26(1) of the 1993 Act that the freehold interest in the premises shall be transferred to the applicants, on such terms as may be determined by the Property Chamber, First-tier Tribunal to be appropriate. The county court order provides that once the applicants have paid into court all appropriate sums for the new lease "as determined by the Property Chamber" a person designated by the court will execute a transfer of the premises in their favour, in the form approved by the Property Chamber.
3. The premises comprise a former semi-detached house that has been converted into two self-contained flats. The house was probably built about a 100 years ago and it is assumed that the conversion was undertaken in 1999/2, shortly before the leases were created. There is a communal entrance lobby with doors to each flat. The premises appear to be typical of its age and of this road, and the surrounding roads all comprise similar properties.
4. Both leaseholders hold leases dated 2 June 1992, for 125 years from 25 March 1992 at an initial ground rent for the first 25 years of £100 per annum, rising to £125 per annum for the next 25 years, £200 per annum for the next 25 years, and increasing by £50 per annum for each 25 years for the remainder of the term (£250 and £300).
5. The applicants' solicitors have provided a bundle of relevant documents for the Tribunal to determine the relevant issues on the papers, without a hearing. The Tribunal has seen the terms of the proposed TR1 and determines that they are satisfactory, subject to the insertion of the premium determined by the Tribunal.
6. In relation to the premium to be paid, the applicants rely upon the expert opinion of Mr R V Hilton MRICS of Sorrell Chartered Surveyors. His report is dated 10 December 2014 and concludes that the premium payable should be £9,550 as at the valuation date (which is the 16 December 2014, being the date of issue of the county court proceedings).
7. The Tribunal accepts Mr Hilton's assessment. His report contains five comparable properties, two of which are in the same road and three of which are in nearby, adjoining roads. Their sale values range from £340,000 to £395,000. The two comparables in Sylvan Avenue are particularly pertinent. The sale of 45 Sylvan Avenue, a converted ground floor flat in a semi-detached house, completed in September 2014 at £380,000. The sale of 57 Sylvan Avenue, a converted ground floor flat in a mid-terraced house completed on 27 November 2014 at £395,000, though that property was in a much better condition than the subject premises, having been fully modernised, with modern double-glazing, kitchen and bathroom fittings.

8. Mr Hilton adopts a capitalisation rate of 7% and relativity of 5%, both of which are standard, and there is no marriage value payable.
9. The Tribunal accepts the valuation parameters submitted by Mr Hilton in his expert valuation and approves his valuation calculation, which is attached to this decision. In the circumstances, the Tribunal determines the amount of the premium is **£9,950**.



Name: Judge Timothy Powell **Date:** 16 June 2015

Attached: Approved valuation

FREEHOLD ENFRANCHISEMENT OF
76A & 76B SYLVAN AVENUE, WOOD GREEN, N22 5HY

No 76B – Converted first floor flat with own ground floor entrance. 3 Bedrooms,
Lounge, Kitchen, Bathroom and Separate WC,
No garden. Value at £ 380,000

No 76A – Converted ground floor flat with 2 bedrooms, Lounge, Kitchen
and Bathroom/WC. Own garden area at rear. Value at £380,000

Both Leases - 125 years from 25/3/1992 – 102.33 years unexpired

Ground Rent £100pa for 1st 25yrs (to 24/3/2015)
£150pa for 2nd 25 yrs (25/3/2015 to 24/3/2042)
£200pa for 3rd 25 years (25/3/2042 to 24/3/2067)
£250pa for 4th 25 years (25/3/2067 to 24/3/2092)
£300pa for final 25 years (25/3/2092 to 25/3/2117)

Ground Rent	£ 200 pa	
YP 2.33 years @ 7%	<u>2.08</u>	
		£ 416

Ground Rent	£300 pa	
YP 25 yrs @7%	11.65	
PV £1 def 2.33yrs @ 7%	0.854 <u>9.95</u>	
		£2,985

Ground Rent	£400pa	
YP 25 yrs @ 7%	11.65	
PV £1 def 27.33yrs @7%	0.157 <u>1.829</u>	
		£ 732

Ground Rent	£500pa	
YP 25 yrs @ 7%	11.65	
PV £1 def 52.33yrs @7%	0.029 <u>0.338</u>	
		£ 169

Ground Rent	£600pa	
YP 25 yrs @ 7%	11.65	
PV £1 def 77.33yrs @7%	0.0053 <u>0.06</u>	
		£ 36

Freehold Reversion	£760,000	
PV £1 def 102.33yrs @5%	<u>0.00685</u>	
		<u>£5,206</u>

		<u>£9,544</u>
<u>Total premium payable</u>	say	<u>£9,550</u>