

2019



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

Case Reference : LON/00AY/OCE/2013/0244

Property : 184 Lyham Road, London SW2 5QD

Applicant : 184 Lyham Road Freehold
Company Ltd

Representative : Ringley Legal

Respondent : John Simmonds & Richard Philip
Jackson (missing landlords)

Type of Application : S.26 Leasehold Reform Housing
and Urban Development Act 1993

Tribunal Members : D Banfield FRICS

**Date and venue of
hearing** : 10 Alfred Place, London WC1E 7LR

Date of Decision : 7 January 2014

DECISION

DECISION

- The proposed transfer is approved subject to the alterations and amendments listed in paragraph 12 below.
- The Price payable is £27,259.
- The matter should now be returned to the Wandsworth County Court for completion.

Preliminary

- 1) The applicant is a nominee company incorporated for the purpose of acquiring the freehold interest in 184 Lyham Road London SW2 5QD on behalf of the existing lessees. The freeholders, John Simmonds & Richard Philip Jackson could not be traced and an application was therefore made on 25 April 2013 to the Court for a Vesting Order pursuant to s. 26(1) and (2) of the Leasehold Reform Housing and Urban Development Act 1993.
- 2) By an order dated 25 September 2013 District Judge Hugman sitting at Wandsworth County Court service of the Initial Notice was dispensed with and the determination of the premium and form of conveyance transferred to the First Tier Tribunal (Property Chamber).
- 3) It was determined that the matter would be decided on the papers unless a hearing was called for and in the absence of such a request the matter came before us for determination on 7 January 2014.
- 4) A bundle was submitted which includes a valuation report from John Boret BSc, MRICS of JRM Boret Surveyors Ltd dated 16 October 2012 which appeared to have been prepared for the purpose of the initial notice and application to the Court, Official Copies, witness statements from the applicants, the existing leases and the Draft Transfer. Following a request by the tribunal a revised valuation report was submitted also dated 16 October 2012 but with confirmation that the figures contained therein still applied.

Submissions

- 5) In his report Mr Boret describes the property as two flats located in a mid-terraced building believed to be formed from the conversion of a Victorian house. The accommodation in each flat comprises; Entrance hall, reception room, kitchen, bathroom and two bedrooms. No information was provided as to the current condition of the properties including whether they benefited from central heating or whether any lessee's improvements had been made.
- 6) He refers to the existing leases;

Ground floor (No184) a term of 99 years from 20 May 1980 at a ground rent of £30 p.a. without review.

First floor (No184A) a term of 99 years from 12 October 1982 at a ground rent of £30 p.a. without review. This is incorrect as the ground rent is subject to review at 33 year intervals at amounts of £50/£75/£100 per annum.

- 7) Mr Boret adopts a deferment rate of 5%, a capitalization rate of 8% and a relativity of 93%.
- 8) Evidence of the sales of properties in nearby Kingswood Road dating from 2012, all with leases of unknown length and ranging from £248,750 to £322,000.
- 9) He considers that the value of each flat with a share of the freehold is £250,000. Adjusting for relativity at 93% he produces existing lease values of £232,500 for each flat.
- 10) Using the data from the above and taking a 50% share of the marriage value he arrives at "sum to be paid" for the freehold of £27,259.
- 11) A draft TR1 is included at page 101-103 of the bundle.

Decision

Terms of the transfer

- 12) The following alterations should be made to the TR1;

Box 8	Delete existing paragraph and add "The sum of £27,259 (twenty seven two hundred and fifty nine pounds) has been paid into Court pursuant to an Order made under section 26(1).
Box 12	The execution clause of the Transferor should state;"Signed as a Deed by the officer of the Court nominated to execute this deed on behalf of John Simmonds & Richard Philip Jackson in accordance with the Order of the Court dated 25 September 2013."

The price payable

- 13) We are satisfied that in the circumstances it is not necessary for us to inspect the property.
- 14) We have noted the revised expert valuation report and largely accept its contents. We were concerned that the comparables date from 2012 but accept the valuer's assurance that values have not changed significantly. We also noted the error regarding the ground rent payable for 184A and the now outdated unexpired terms. However, none of these matters significantly affect the resultant enfranchisement price and we therefore accept Mr Boret's figure of **£27,259.**