



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

Case Reference : CHI/29UG/OLR/2019/0060

Property : 34A Wrotham Road, Gravesend, Kent
DA11 0PW

Applicant : Michael Peter Robinson & Valerie Jeanette
Robinson

Representative : Cook Taylor Woodhouse

Respondent : Gurbachan Kaur (Missing)

Type of Application : Lease extension
Leasehold Reform Housing and Urban
Development Act 1993 (Missing Landlord)

Tribunal Member(s) : Mr D Banfield FRICS

Date of Decision : 23 May 2019

DECISION

Summary of Decision

- **The Tribunal has determined for the reasons set out below that the premium to be paid is £13,603**
- **The draft lease is approved subject to correction of a typographical error**

Background

1. The applicants are the lessees of 34A Wrotham Road and wish to extend their lease. The freeholder could not be traced and on 3 August 2018 an application was made to the Court pursuant to s. 50 of the Leasehold Reform Housing and Urban Development Act 1993.
2. By an Order dated 5 March 2019 District Judge Smith sitting at the County Court at Dartford ordered that a vesting order under Section 50(1) of the Leasehold Reform and Urban Development Act 1993 be granted and the matter to be transferred to the Leasehold Valuation Tribunal.
3. Directions were made on 25 March 2019 indicating that the application would be dealt with on the papers unless an objection was received.
4. No objection has been received and the matter is therefore determined on the bundle provided by the applicant and a report dated 18 April 2019 from Stewart Gray FRICS who values the premium to be paid as £13,603. The report contains the usual Experts declaration.
5. The Tribunal has not inspected the property.

Evidence

6. Mr Gray's report describes the property as "a converted maisonette on 2 main floors comprising the lower ground floor and the rear section only of the ground floor of an inner terrace building on 3 main floors in total "
7. The accommodation comprises 2 rooms on the lower ground floor and 1 room plus kitchen and bathroom/wc on the ground floor. The total area is approximately 53 sq.m.
8. The property is held on a lease for a term of 99 years from 25 December 1983 at a ground rent of £40 for 33 years, £80 for the next 33 years and £120 for the last 33 years.
9. The valuation date is 3 August 2018 being the date of the application to the court.
10. Mr Gray adopts the "Sportelli" deferment rate of 5%, a capitalisation rate for the term of 7%, a relativity of 86.63% and a long lease value of

£155,000. He makes an adjustment of 1% between long leasehold and freehold values.

11. In arriving at his long lease value Mr Gray provides details of the sales of 6 nearby properties with prices ranging from £114,000 to £176,000, sales dates between 13 August 2017 and 11 January 2019 and unexpired terms between 78 and 142 years.
12. Mr Gray adjust each comparable for each of the variable factors referred to above and weights them depending upon reliability.
13. Mr Gray takes as his best comparable the sale of 17a Brandon Street DA11 0PL for £157,000 on 13 August 2017. The property is similar in that it is on ground and lower ground floors with a garden. He does not adjust for time as the index was the same on both dates but does allow for the cost of extending the lease and that it is a more attractive building.
14. In adopting a relativity of 86.63% Mr Gray refers to the guidance given by Trustees of Sloane Stanley Estate v Munday 2016. He was unable to find direct evidence of short lease sales and therefore turned to relativity graphs.
15. Gerald Eve shows a relativity of 83.63% which in his opinion should be adjusted upwards by 3% to reflect the market influences outside PCL. Beckett and Kaye' graph shows 88.3% and the average of other outer London graphs is 88.91%.

Form of new lease

16. A draft of the new lease is in the bundle at pages 97 to 106.

Decision

- 17. Mr Gray's valuation report is detailed and thorough in all respects and the Tribunal accepts Mr Gray's valuation of the premium to be paid as £13,603.**
- 18. The draft is approved subject to correction of the typographical error at paragraph 1.1 on page 102.**

PERMISSION TO APPEAL

1. A person wishing to appeal the decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.