



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

Case Reference : **LON/OOBC/OLR/2021/0184**

Property : **21 Leicester Road Wanstead
London E11 2DW**

Applicant : **Sheila Perowne**

Representative : **Samuels & Co Solicitors**

Respondent : **Lilian Florence Holdgate**

Type of Application : **A new extended lease**

Tribunal Members : **Judge Prof Robert Abbey
Sarah Redmond MRICS**

**Date and venue of
determination** : **23 June 2021 at 10 Alfred Place,
London WC1E 7LR**

Date of Decision : **23 June 2021**

DECISION

Introduction

1. This is an application made by the Applicants under section 50 of the Leasehold Reform, Housing and Urban Development Act (as amended) (“the Act”) for a determination of the terms and price for the granting of an extended new lease of the property known as **21 Leicester Road Wanstead London E11 2DW**. (“the property”).

2. By an Order made by District Judge Troy in the Leeds County Court dated 13 February 2021, the new extended leasehold interest in the property was vested in the Claimant and the matter transferred to the Tribunal to determine the price to be paid for that interest. The order was made upon the Court being satisfied that the location of the Respondent, as the freeholder, could not be ascertained despite reasonable attempts by the Claimants to do so. Therefore, the Respondent did not participate in these proceedings.

3. The property comprises a two-bedroom ground floor flat in a Victorian two storey centre terrace building. The lease being extended is dated 13 June 1975 and is for a term of 99 years from 1 January 1975 at a commencing rent of £25 that is fixed at that sum throughout the term.

4. There has been submitted to the Tribunal a valuation report dated 30 March 2021 from Mr Andrew Cohen MRICS, RICS Registered Valuer of Talbots Surveying Services Limited, the Surveyor for the Applicant.

The Tribunal's decision

5. The Tribunal's determination took place on 23 June 2021. There was no oral hearing and the Tribunal's determination was based solely on the documentary evidence filed by the Applicant.

6. The valuation evidence relied upon by the Applicant was contained in the report prepared by Mr Andrew Cohen MRICS mentioned in paragraph 4 above. After considering the location and the local amenities he then considered the details of the property. With regard to the main parameters of the valuation Mr Cohen considered yield to be 8%, deferment rate 5%, the long leasehold flat value £470,000, the freehold value at £474,700 being an uplift of 1% from the long leasehold flat value, and finally the current lease value at 73.31% of the freehold value, £348,003. Thus, taking into account the diminution in value of the freeholders' interest and marriage value the valuation is set by him at £78,531.

7. We have carefully considered Mr Cohen's analysis in respect of each of these variable elements. In respect of the comparables, we note that lease lengths are not given, but he states that these are all with long leases or share of freehold and goes on to consider the effects of passage of time, condition and individual features and make appropriate adjustments. In respect of relativity, after concluding short lease relativity and stating that the freehold figure will be 1% more than the extended lease value, in his narrative at 3.48 he appears to make an additional adjustment which we would not agree, however, that is not carried through to the valuation.

8. Regarding the arithmetical accuracy of the valuation, the Tribunal noted that Mr Cohen had applied full multipliers for YP and PV in his calculations but entered them in the valuation only to 4 decimal points. He had rounded up the share of marriage value to the freeholder.

On careful consideration of the valuation prepared by Mr Cohen and submitted on behalf of the applicant the Tribunal is satisfied that this is an appropriate and proper valuation for this property.

Conclusion

9. Accordingly, the Tribunal took careful consideration of all of the evidence and determined that the purchase price for the new extended leasehold interest is **£78,531.00**. The valuation prepared by Mr Cohen is therefore adopted by the Tribunal as its valuation. The Tribunal also approves the terms of the new lease as drafted.

The annex to this decision sets out rights of appeal available to the parties

Prof Robert M. Abbey

Tribunal Judge

23 June 2021

Annex

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber)