



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

**Case Reference** : LON/00BK/OLR/2021/0831

**HMCTS** : V: CVPREMOTE

**Property** : 2 Evelyn Mansions, Carlisle Place, London,  
SW1P 1 NH

**Applicant** : Simon and Sarah Jane Kitching

**Representative** : Thomas Jefferies (Counsel)

**Respondent** : Cliftyville (PF) Limited

**Representative** : Nicola Muir (Counsel)

**Type of Application** : Enfranchisement

**Tribunal Members** : Judge Robert Latham  
Duncan Jagger MRICS

**Date and venue of  
Hearing** : 10 and 11 May 2022 at  
10 Alfred Place, London WC1E 7LR

**Date of Decision** : 26 May 2022

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**DECISION**

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The Tribunal determines that the premium payable by the Applicant in respect of the extension of their lease at 2 Evelyn Mansions, Carlisle Place, London, SW1P 1 NH is £366,870. The calculation is annexed to this decision.

**Covid-19 pandemic: description of hearing**

This has been a remote video hearing which has not been objected to by the parties. The form of remote hearing was V: CPVEREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The parties have provided a Bundle of Documents for the hearing.

## **Introduction**

1. This is an application made pursuant to Section 48 of the Leasehold Reform, Housing and Urban Development Act 1993 (“the Act”) for a determination of the premium to be paid and the terms for a new lease.

## **Background**

2. The background facts are as follows:
  - (i) The flat: 2 Evelyn Mansions, Carlisle Place, London, SW1P 1 NH
  - (ii) The subject flat currently comprises a reception room, dining room, kitchen, three bedrooms, two bathrooms and a guest WC.
  - (iii) Date of Tenant’s Notice: 11 May 2021;
  - (iv) Valuation Date: 11 May 2021;
  - (v) Date of Application to the Tribunal: 5 October 2021;
  - (vi) Tenant’s leasehold interest:
    - Date of Lease: 30 November 1977;
    - Term of Lease: 99 years less three days from 24 June 1965 with an unexpired term of 43.11 years;
    - Ground Rent: the current ground rent is £60 pa, rising to £90 pa on 25 March 2043.

## **The Hearing**

3. The hearing of this application took place on 10 and 11 May 2022. On 17 May, the Tribunal inspected the subject flat and the location and exterior of the comparables. All the properties are in the Westminster Cathedral Conservation Area.
4. The Applicant, tenant, was represented by Mr Thomas Jefferies (Counsel) instructed by Gunner Cooke LLP. He adduced evidence from Mr Justin Shingles FRICS. The Respondent, landlord, was represented by Ms Nicola Muir (Counsel) instructed by Wallace and Partners. She adduced evidence from Mr Robin Sharp, BSc, FRICS. Both Counsel provided Skeleton Arguments.
5. Both experts provided written reports and supplementary reports. Mr Sharp corrected a number of mis-calculations in his original report. Mr Shingles made a number of adjustments in his comparables spread sheet. Both experts gave evidence and were subject to detailed cross-examination, as a result of which the hearing took two full days.
6. There is an intermediate lease held by Metropolitan Properties Limited (“the intermediate landlord”), a company in the control of the landlord. The lease was granted for a term of 99 years from 24 June 1965.

7. The parties have now agreed the following:
- (i) Valuation Date: 11 May 2021;
  - (ii) Unexpired Term of the existing lease: 43.11 years (expiring 20 June 2064);
  - (iii) Unexpired Term of the intermediate lease: 43.22 years (expiring 23 June 2064);
  - (iv) Deferment Rate: 5%;
  - (v) Capital Value of the lost ground rent: £900.
  - (vi) There should be a 1% uplift to the long lease value to determine the VPFV;
  - (v) The GIA of the subject flat is 1,885 sq ft (175.12 sqm);
  - (vi) The terms of the new lease.
8. The following issues are in dispute:
- (i) The value of the existing lease in accordance with the Act. Mr Shingles contends for £985,500 (relativity of 69.16%); Mr Sharp for: £1.136m (64.88%);
  - (ii) The notional FVPV of the flat. Mr Shingles contends for £1.425m; Mr Sharp for: £1.752m;
  - (iii) whether Room 4 identified hatched red on the lease plan falls to be disregarded as a statutory improvement, but if so regarded, the value of the tenant's improvement;
  - (iv) The resultant premium. Mr Shingles contends for £290,200; Mr Sharp for £404,788.

### **The Subject Flat**

9. On 30 November 1977, the intermediate landlord leased the subject flat to Ms Marjorie Stonehouse for a term of 99 years. On 22 May 2020, Ms Stonehouse died and the leasehold interest passed to her executors. The photographs suggested she executed little work to the flat. This was confirmed by our inspection.
10. The decorations looked extremely tired. It is apparent that Ms Stonehouse had not decorated the flat every seven years as required by the lease. We are satisfied that she had decided to spend her twilight years with minimal change.
11. The flat is extremely dated. There was some modest disrepair caused by water penetration from the flat above. Even had the flat been in a good state of repair and recently decorated, reflecting its condition in 1977, we are satisfied that any purchaser would have wished to refurbish the flat

with a modern kitchen and bathrooms. At least one bathroom would be ensuite. It is probable that the purchaser would have wanted to change the layout of the flat, which is currently far from satisfactory.

12. The flat benefits from two large “grand” living rooms at the front. One of these is currently used as a bedroom. The flat is on the ground floor at the north end of Carlisle Place. It is close to Victoria Street. There is a significant footfall along the pavement which invades the privacy of these rooms. Mr Sharp argued that it was a distinct advantage that there were no steps up to the flat. We disagree. Whilst this may have been a significant factor to a hypothetical purchaser with mobility problems, most purchasers would much prefer a raised ground floor flat which was slightly higher from the pavement level and afforded greater privacy.
13. There are no windows to the rear of the flat. Behind it are commercial premises which are accessed from Vauxhall Bridge Road. To the rear of the property on the right side, there is a small store room, a dining room and a kitchen. These look out an internal well. The kitchen is small and extremely dark. To the rear on the left-hand side, there are two bedrooms and two bathrooms. Both are very dated. There is a small toilet between the two bathrooms. The bedrooms look out onto an internal well and the air conditioning units serving the neighbouring property. These are clearly audible if the windows are open. The commercial premises in Vauxhall Bridge Road also have access to this stairwell. Both of these internal well areas are dark and unattractive. When we inspected, down water pipes were leaking into both wells.
14. A further disadvantage is that this block is not solely residential. Flat 4, on the first floor, is let to the Proback Clinic which treats patients in need of back care. There is a settee in the ground floor hallway. This has been taped off, to prevent clients who are visiting the clinic from using this and using their mobile telephones. A sign: “Please do not wait or talk on the phone in the communal areas of the building” has been put there for a purpose.
15. Evelyn Mansions is at the north end of Carlisle Place and is close to Victoria Street and Victoria Station It looks out onto the John Lewis Partnership House. There is a significant footfall along the pavement. We were told that there had been a recent stabbing incident outside the block. Mr Sharp suggested that this reflected London’s urban living.
16. In his supplementary report, Mr Shingles refers to the “wonderful work” provided by the Passage Resource Centre which forms part of the St Vincent Centre to the south of Evelyn Mansions. Support is provided to homeless people in Kings College Passage between 09.00-12.00 and 13.00-15.30. Mr Sharp attended the project at 08.30 on 6 May. He spoke to the staff. Clients can only attend by appointment. The Tribunal is satisfied that the project is well run. We saw no evidence of homelessness

or substance abuse when we visited the area at 17.00 on 17 May. It is of note that neither expert had recognised the impact of this project when they had prepared their original reports. However, we recognise that the existence of this project, together with its proximity to Victoria Station will have some impact on value. However, this is a Central London location which will be attractive to many purchasers.

17. We are satisfied that the three comparable that we are asked to consider are in better locations. They are quieter. Their outlooks are better. The flats at 46 and 182 are in the best locations, being the furthest away from Victoria Street and Vauxhall Bridge Road.

**Issue 1: Does any adjustment need to be made for Room 4 (the bathroom)**

18. On 30 November 1977, the intermediate landlord leased the subject flat to Ms Marjorie Stonehouse for a term of 99 years. There is no reference to a second bathroom on the lease plan. Equally, there is no evidence that Mrs Stonehouse sought consent for the installation of a bathroom. It is for the Applicant to satisfy the tribunal that they are entitled to the benefit of this improvement. It is of relevance that neither the landlord, intermediate landlord or the tenant are able to produce any paperwork indicating that Ms Stonehouse carried out the improvements or sought the requisite consent. For one of them to have lost the written consent would have been unfortunate. For all three to have done so, seems most unlikely.
19. We accept Mr Jefferies' argument that the Applicant would be entitled to the benefit of the improvements, even had Ms Stonehouse added the bathroom without consent (See *Sillvote Ltd v Liverpool CC* [2010] UKUT 192 (LC) per Peter Francis FRICS at [34] and [38]). However, the issue is not whether the improvement was carried out with or without consent, but rather whether it was carried out by Ms Stonehouse.
20. The bathroom is illustrated in the photograph at p.496. This "avocado bathroom" reflects the tastes of the 1950s or 1960s. We consider that it is unlikely that it would have reflected the tastes post 1977. It is surprising that the bathroom was not recorded on the lease plan. However, we accept the evidence of Mr Sharp that it is not unknown for such errors to arise. We are therefore satisfied, on the balance of probabilities, that the bathroom was installed prior to the lease in 1977.
21. However, even were we to be wrong on this, we are satisfied that the "avocado bathroom" would not have added value to the flat. It is extremely tired. Any purchaser at this upper end of the market would have wanted to upgrade it. This would have been a small element in a major refurbishment of the flat which would have included creating an ensuite bathroom.

## **Issue 2: The Short Leasehold Value of the Subject Flat**

22. On 1 June 2021, the Applicant purchased the subject flat for £1,095m. We are satisfied that this was a market sale.
23. The first issue which we need to consider is the adjustments that need to be made for the condition of the flat. We must have regard to the condition of the flat had the leaseholder maintained it in the state of repair consistent with the condition of the flat when the lease was granted in 1977.
24. Mr Shingles argued that an adjustment should be made of 2% of the value of the flat, namely £21,900. Mr Sharp argued for a figure of £100 per sq ft, namely £188,500. He pointed out that this figure included both VAT and any associated costs.
25. We are satisfied that the flat could be redecorated at a cost of £50,000 including VAT and any fees. This would include making good the damage to decorations caused by the recent water penetration and repairing the damaged tiling and flooring. The adjusted short lease value of the flat is therefore £1,145,000.
26. The second issue is what adjusted should be made for “Act Rights”. Mr Shingles argued that we should have regard to recent decisions of the Upper Tribunal and suggested a figure of 10%. Mr Sharp rather argued for a figure of 11.33%. This is based on the difference between the Savills 2016 Table for the Enfranchisable (73.29%) and Unfranchiseable (64.99%) for a lease with an unexpired term of 43.11 years) (see p.473). It should be noted that there is only a modest difference between the parties.
27. In *Sinclair Gardens Investments (Kensington) Ltd* [2017] UKUT 494 (LC), Peter McCrea FRICS considered what adjustments should be made. He stated:

[50] I also accept that there should be a deduction for “Act rights”. The requirement to make such an adjustment was discussed earlier this year in *Elmbirch*:

“29. The valuation exercise must be carried out on the basis of an artificial assumption. Chapter II of the Act provides that qualifying tenants may claim the right to a new lease, but paragraph 3(2)(b) of Schedule 13 requires that in determining the diminution in value of the landlord’s interest as a result of the exercise of that right it must be assumed that no such right exists. Moreover, the right conferred on tenants of flats collectively by Chapter I of the Act to acquire the freehold of the building must also be disregarded. Traditionally these

assumption were referred to as the “no Act world”, but since the assumption applies only to the subject property (the flat itself in the case of the tenant’s right to a new lease, and the building in which it is contained in the case of collective enfranchisement), and not to the rest of the market (ie it is not assumed that the legislation was never enacted), it has more recently been termed the “no Act building” (see, for example, *Crown Estate Commissioners v Whitehall Court London Ltd* [2017] UKUT 0242 (LC) at [21] to [57]).

30. The benefits of the Act to a qualifying tenant are significant. They have been outlined in many of the Tribunal’s decisions. In *Nailrile Ltd v Earl Cadogan* [2009] RVR 95 they were said to include: the legal right to enfranchise or extend the lease at a time of the leaseholder’s choosing; a price fixed by an independent tribunal in the absence of agreement; the exclusion of the tenant’s overbid whilst guaranteeing the tenant 50% of the marriage value; a fixed valuation date and delayed payment of the purchase price. The Tribunal contrasted these benefits with the position of a tenant assumed to be without the benefit of the Act who has no certainty of being granted a new lease and whose landlord is in an overwhelmingly strong negotiating position.

“60. That is the principle, but what level of discount should be applied? In order to put Mr Holden’s opinion into context, it is useful to consider a shorthand (but not necessarily exhaustive) table of discounts accepted or made by the Tribunal for unexpired terms of 40 years or more, as follows:

<b>Unexpired term</b>	<b>Adjustment for “Act Rights”</b>	<b>Decision</b>	<b>Reference</b>
41.32	10%	Mundy	[2016] UKUT 0223 (LC)
45	7.5%	Nailrile	[2009] RVR 95
57.68	5.50%	Orchidbase	[2016] UKUT 0468 (LC)
67.49	3.50%	Contactreal	[2017] UKUT 1078 (LC)

68.62/68.67	3.50%	Elmbirch	[2017] UKUT 314 (LC)
77.7	2.50%	Sarum Props	[2009] UKUT 188 (LC)

26. The parties referred us to two further Upper Tribunal decisions:
- (i) *Walmsley Ash Road and Lomas Drive* [2017] UKUT 463 (LC), in which Andrew Trott FRICS assessed adjustments for “Act Rights” at 10% for a term of 46.19 years (Walmsey Ash Drive) and 7% for terms of 57.31-57.42 years (the flats in Lomas Drive); and
- (ii) *Denholm v Stobbs* [2016] UKUT 288 (LC) where Judge Huskinson and Peter McCrea FRICS were said to have “effectively determined 12% discount for rights for the unexpired lease of 43.37 years”.
27. Savills note in their 2016 table (at p.471) that the evidence available to assess the discount required for the real world is scarce. Savills have compiled a range of reference points based on nine tribunal decisions.
28. We are satisfied that we should have regard to the decision of the Upper Tribunal, rather than the extrapolations of Savills based on Upper Tribunal decisions. Having regard to the table summarised by Peter McCrea in *Sinclair Gardens Investments*, we are satisfied that the discount for Act Rights for an unexpired term of 43.11 years should be in the range of 7.5% to 12%. We adopt the figure of 10% proposed by Shingles rather than that of 11.33% proposed by Mr Sharp.
29. We determine a short leasehold value of £1.145 m with Act Rights. This is reduced to £1,030,500 when we adjust for no Act Rights.

## **Issue 2: The Long Leasehold Value**

### **The Comparables**

30. The experts have asked us to consider five comparable: (i) 4 Cardinal Mansions, Carlisle Place; (ii) 182 Ashley Gardens, Ambrosden Avenue; (iii) 46 Ashley Gardens, Ambrosden Avenue; (iv) 43 Ashley Gardens, Ambrosden Avenue; and (v) 61D Carlisle Mansions, Carlisle Place. Mr Sharp also referred to a comparable at 31 Morpeth Mansions. However, he accepted that it was an “outlier” and we are satisfied that it is not necessary for use to consider this. We have been provided with a location map at p.525. We have decided to focus on the first three comparables, all of which sold in June 2021



31. This is a period during which there has been considerable volatility in the price of flats and maisonettes in Westminster. The Tribunal prefers the Land Registry Index to the Savills Table. In January 2018, the average price was at a high point of £1.056m in February 2018. The average dropped to £0.8384 in June 2021, before rising to £0.966 in February 2022. There was a drop from £0.834m to £0.806m between May and June 2021. There were 586 sales in June 2021, compared with an average of some 175. This suggests unusual market activity at this time.
32. We are therefore satisfied that the best comparables are those for which we need to make the least adjustment in time. The first three comparables all sold in June 2021. The valuation date is 11 May 2021. The Land Registry register reflects the completion dates of the sale. The sale price is likely to have been agreed some weeks previously. In considering these three comparables, we are satisfied that we do not need to make any adjustment for time.
33. Mr Sharp's preferred comparable is 61B Cardinal Mansions. There were sales in Jan 2018 and April 2022 at £1.81m and £1.8m. Both sales need substantial adjustments for time to £1.43m and £1.66m. If we rely on our three preferred comparables, we do not need to make any adjustments for time.
34. Neither do we consider the sale of 43 Ashley Gardens to be a reliable comparable. The LonRes record (at p.413) suggests a sale on 23 June 2021 for £1.775m for a leasehold interest that includes a share of the freehold. The sale is not recorded at the Land Registry. The sale particulars are at p.240-249. The asking price is £1.850m. The tenure is described as "share of freehold". The size of the flat is given as 1,982 sq ft. LonRes records the size as 1,929. The Land Registry records that the original lease length was 125 years from 25 December 1984 (at p.2676). Mr Shingles asks us to infer that there was a lease extension to 999 years at a nominal premium. We are not willing to do so.

#### 4 Cardinal Mansions, Carlisle Place

35. In June 2021, this flat sold for £1.37m. The lease was 986 years with a share of the freehold. The sale particulars are at p.226-240. There is a lease plan at p.232. The flat has four bedrooms, a reception/dining room, and two bathrooms, one of which is ensuite. There are five steps up to the flat. The experts agreed that the flat required redecoration and the updating of the kitchen and bathrooms. The flat is considerably smaller than the subject flat at 1,358 sq ft.
36. Mr Shingles makes the following adjustments: (i) -1% for condition, (ii) 2.5% for aspect (the flat faced SW with 2 bedrooms enjoying NW aspect over Frances Street), (iii) 7.5% for location (quieter end of Carlisle Place and no commercial occupiers); and (iv) 3% for additional ensuite

bathroom amenity. He makes adjustments of 12% and computes a psf of £878.

37. Mr Sharp makes the following adjustments: (i) -1% for condition, (ii) 3.5% for aspect (light on three side including end of terrace feature); the flat faced SW with 2 bedrooms enjoying NW aspect over Frances Street), and (iii) 0.75% for location. He makes adjustments of 3.25% and computes a psf of £957.

#### 182 Ashley Gardens

38. In June 2021, the flat sold for £1.9m. The lease was 79.9 years with a share of the freehold. The sale particulars are at p.343-361. There is a layout plan at p.354. The flat has four bedrooms, two reception rooms, a kitchen/breakfast room, two bathrooms, an ensuite shower room and a guest toilet. The flat is at ground floor level. The flat is considerable larger than the subject flat at 2,314 sq ft.
39. Mr Shingles makes the following adjustments: (i) 0% for condition; (ii) 5% for aspect; (iii) 10% for location; and (iii) 3% for additional ensuite shower room). He makes adjustments of 18% and computes a psf of £730.
40. Mr Sharpe makes the following adjustments: (i) -2% for location; (ii) -5% for the uncertainty about the lease length; (iii) 1% for the additional toilet; and (iv) 3.5% for better natural light. He makes total deductions of -2.5% and computes a psf of £939.

#### 46 Ashley Gardens

41. In June 2021, the flat sold for £2.25m. The unexpired term was 988 years. The sale particulars are at p.330-339. There is a layout plan at p.332. The flat has four bedrooms, a reception room, a dining room, two bathrooms (one ensuite), an ensuite shower room and a guest toilet. There are seven steps up to the flat. The flat is slightly larger than the subject flat at 2,050 sq ft.
42. Mr Shingles makes the following adjustments: (i) 10% for condition, (ii) 5% for aspect: (iii) 15% for location; and (iv) 6% for additional ensuite bathroom and ensuite shower room. He makes total deductions of 36% and computes a psf of £697.
43. Mr Sharp makes the following adjustments: (i) 2% for additional washing facilities; (ii) 3.5% for location; (iii) 3.5% for natural light; and (iv) 1.5% for layout. He makes deductions of 10.5% and reaches a psf of £1,022.

#### **The Tribunal's Assessment of the Comparables**

44. In considering the adjustments which we make, we have decided to make a single adjustment to reflect aspect, layout and facilities. This reflects a number of factors:

(i) The disadvantages which we have identified in the subject flat in respect the visual aspects onto the wells. This also reflects the commercial promises on the first floor.

(ii) the internal layout of the subject flat. Some of the comparables make a better use of space. Thus whilst 4 Cardinal mansions is substantially smaller than the subject flat, it has an additional bedroom.

(iii) where the comparable has one or more en-suite bathrooms

45. We are satisfied that the location of all three comparables is substantially better.

#### 4 Cardinal Mansions, Carlisle Place

46. This flat sold for £1.37m in June 2021. It is 1,358 sq ft. It is therefore substantially smaller than the subject flat.

47. The Tribunal is satisfied that we should make the following adjustments in respect of this comparable:

(i) Condition: -1%. Both experts accept that this adjustment should be made to reflect the need for improvements to this flat.

(ii) Aspect, layout and facilities: 7.5%. Although this flat is smaller, its layout is better with four bedrooms. Being at the end of the terrace, there are excellent views on two sides, with a more limited view at the rear. Two of the bedrooms have a good outlook over Francis Street. There are two ensuite bathrooms. There are five steps up to the flat, which affords greater privacy. It has none of the disadvantages of the subject flat.

(iii) Location: 5%: We are satisfied that the location is substantially better than the subject flat. It is at the quieter end of Carlisle Place. It does not look out onto commercial premises. There are mansion blocks on the opposite side of Carlisle Place. Mr Sharp suggested that it was closer to social housing. On the opposite side of Francis Street there is St Francis Friary and Victoria House. The Friary is a building with considerable character. We do not consider that Victoria House would have any significant impact on the value of the flat.

48. We make adjustments of 11.5% and derive a psf of £893.

#### 182 Ashley Gardens

49. This flat sold for £1.9m in June 2021. It is 2,314 sq ft. It is therefore substantially larger than the subject flat.

50. The Tribunal is satisfied that we should make the following adjustments in respect of this comparable:

(i) Aspect, layout and facilities: 8%. Its aspect is much better. It is at the end of the terrace and therefore looks out onto both Emery Hill Street and Greycoat Place. There is an attractive hedge between the building at Greycoat Place. There is a courtyard onto which the flat looks at its rear. Albeit that this is not demised to the tenant, the tenants are able to sit out in this area. The flat is much lighter. The layout of the flat is much better. Although the flat is at ground floor level, the flat is better shielded from those walking along the pavements, being set further back from the pavement.

(ii) Location: 7%: We are satisfied that the location is substantially better than the subject flat. The area is much quieter. It looks out onto another mansion block on the opposite side of the road in Emery Hill Street. On the opposite side of Greycoat Place, there are period shops. Mr Sharp suggested that the location was less desirable than the subject flat. We disagree. We do not consider that the social housing to the south of Greycoat Place would have the significance that he suggests.

(iii) Uncertainty about Lease Length: -3%: There is some uncertainty about the lease length. The Office copy entries at p.348, suggest a lease term of 125 years from 1 April 1976 suggests a lease term of 79.9 years. Mr Shingles suggests that there may have been no extension. Mr Sharp suggests that no adjustment should be made for the uncertainty about lease length. Mr Sharp suggests an adjustment of -5%. We have decided to make an adjustment of -3%.

51. We first make an uplift of 3% for lease length and compute a psf of £846. We then reduce this by 15% to compute a psf of £719.

#### 46 Ashley Gardens

52. This flat sold for £2.25m in June 2021. It is 2,050 sq ft.

53. The Tribunal is satisfied that we should make the following adjustments in respect of this comparable:

(i) Condition: 5%. Mr Shingles suggests that an adjustment of 10% should be made for condition. Mr Sharp suggests that no adjustment should be made. There are no photographs to illustrate the condition in which it was sold. Mr Sharp has provided a number of additional photographs to illustrate that the flat had been refurbished to a high standard when it

was let in 2009. When it was relet in 2020, the same photographs were used. This the property would no longer have been refurbished. We accept that the flat had been refurbished to a high standard and that this would still have affected the value of the sale in June 2021. We make an adjustment of 5% to reflect this.

(ii) Aspect, layout and facilities: 7%. The layout of this flat is superior to the subject flat. Although it is only slightly larger than the subject flat, it has four bedrooms, two bathrooms (one of which is ensuite, an ensuite shower room and a guest toilet. The flat is much lighter looking out onto mansion blocks at the front and rear. There are large windows and rear of the flat. There are seven steps up to the flat and this affords greater privacy.

(iii) Location: 7%. We are satisfied that the location is substantially better than the subject flat. It looks out onto Westminster Cathedral. There is a garden area at the rear of the property.

54. We make adjustments of 19% and derive a psf of £889.
55. We have decided to give an equal weighting to these three comparables. The experts were not agreed as to which were the most compelling comparables. We take an average of the three figures: £893, £719 and £889 which is £834. The long leasehold value of the subject flat is therefore £1.572m.

### **Conclusions**

56. We make the following determinations on the issues in dispute:

- (i) The Short Lease Value is £1.0305m.
- (ii) The Long Leasehold Value is £1.572m.
- (ii) The Vacant Possession Freehold Value is £1.587m.

We determine the premium payable to be £366,870. Our working calculation is set out in the Appendix.

**Judge Robert Latham**  
**26 May 2022**

### **RIGHTS OF APPEAL**

1. 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.

2. The application for permission to appeal must arrive at the Regional office within 28 s after the Tribunal sends written reasons for the decision to the person making the application.
3. 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.
4. 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.

**APPENDIX A**  
**2 Evelyn Mansions Carlisle Place London SW1P 1NH**  
**The Tribunal's Valuation**  
**Assessment of the premium for a lease extension**  
**In accordance with Leasehold Reform, Housing and Urban Development Act**  
**1993**  
**LON/00BK/OLR/2021/0831**

**Components**

Valuation date:	11th May 2021	
Yield for ground rent:	6%	
Deferment rate:	5.0%	
Long lease value	£1,572,000	
Freehold value	£1,587,000	
Unexpired term	43.11 years	
Existing leasehold value	£1,030,500	
Relativity	64.89%	
Ground rent currently receivable	£60	
Capitalised @ 6% for 21.87 years	10.43	£626
Future Ground rent	£90	
Capitalised @ 6% for 21.24 years		
Deferred 21.87 years	3.04	<u>£274</u>
		£900
<b>Reversion to:</b>	£1,587,000	
Deferred 43.11 years @ 5%	0.122	<u>£193,614</u>
Freehold value deferred 133.12 years @5%	£1,587,000	
	0.002	<u>£3174</u>
		£190,440
Freeholder's Present Interest		<b>£191,340</b>
<b>Marriage Value</b>		
Extended lease value	£1,572,000	
Plus freehold reversion	3,174	
		£1,575,174
Landlord's existing value	£193,614	
Existing leasehold value	<u>£1,030,500</u>	
	£1,224,114	
Marriage Value	£351,060	
Freeholders share @ 50%		<b>£175,530</b>
<b>LEASE EXTENSION PREMIUM</b>		<b><u>£366,870</u></b>