



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

Case reference : **LON/00AM/OCE/2019/0074**

Property : **77 Greenwood Road Hackney
London E8 1NT**

Applicant : **Kevin Northcote (Flat 77c)
Oliver Stuart Neilson (Flat 77b)
Harrison and
Alexis Guy Watson Dowling (Flat
77a)**

Representative : **Boulter and Company (Solicitors)**

Respondent : **Rose Lillian Davies**

Representative : **Not applicable**

Type of application : **Application under sections 26 and
27 of the Leasehold Reform
Housing and Urban Development
Act 1993**

Tribunal members : **Mr I Holdsworth FRICS MCI Arb**

**Venue of paper
determination** : **10 Alfred Place, London WC1E 7LR**

Date of decision : **14th June 2019**

DECISION

Decision of the Tribunal

The Tribunal determines that the price to be paid by the applicants for the freehold interest is **£32,010**.

The background

1. This is an application pursuant to a vesting order made by District Judge Bell at the County Court at Clerkenwell and Shoreditch on 30th May 2018 under section 26 of the Leasehold Reform Housing and Urban Development Act 1993 (“**the 1993 Act**”).
2. Section 26(1) of the 1993 Act concerns claims for collective enfranchisement where the relevant landlord cannot be found. It enables the court to make a vesting order in respect of any interests of the landlord which are liable to acquisition.
3. Under section 27 of the 1993 Act, the role of the Tribunal is to determine the appropriate sum to be paid into court in respect of the landlord’s interests.
4. The applicants in this matter were the qualifying tenants of three flats, namely the lower ground floor flat, Flat 77A, a raised ground floor flat, Flat 77b and the first flat, Flat 77c. There is a non-participating tenant of the second floor flat, Flat 77d. These four flats together with appurtenant land constitute 77 Greenwood Road London E8 1 NT (“**the Property**”).
5. By virtue of the order of District Judge Bell they became the nominee purchasers of the freehold interest in the Property for the purposes of the 1993 Act. The respondent freehold owner is Rose Lillian Davies.
6. On 23rd October 2017, the applicants issued a Part 8 Claim at the County Court sitting at Wandsworth for an order pursuant to section 26(1) of the 1993 Act vesting the freehold interest in the Property in the applicants. The applicants have been unable to ascertain the whereabouts of the respondent and they were therefore unable to serve a notice on her pursuant to section 13 of the 1993 Act.
7. The court order of 30th May 2018 includes provision that:

“1. The interest in the Property registered under title number 263092 is hereby vested in the claimants....upon such terms as may be determined by the First Tier Tribunal.”

“2. Upon the claimant paying into court such sums as may be determined by the First Tier Tribunal a District judge or such other person as the court may appoint shall execute a transfer in the form approved by a First-tier Tribunal.”

8. In support of the application, the applicants rely upon the written valuation evidence of Mr Simon Garfinkel MRICS dated 21st May 2018 Mr Garfinkel is of the view that the premium to be paid is £28,380. The valuer does not apportion the premium payable between the participating tenants.

The Determination

9. The Tribunal accepts the opinions expressed by Mr Garfinkel in his valuation report dated 21st May 2018 save that:
- (i) The Court proceedings were issued on 23rd October 2017 and the Tribunal has applied this date whereas Mr Garfinkel has taken 25th October 2017 as the valuation date.
 - (ii) The Tribunal considers that there are material differences between the comparable properties relied upon by Mr Garfinkel and the subject property. After careful consideration it is the opinion of the Tribunal that Flat 77A has a long lease value of £675,000, Flats B and C long leases are valued at £450,000 and Flat 77D a value of £475,000.
 - (iii) The Tribunal values the appurtenant property at £2,500 for the Property rather than the £100 proposed by Mr Garfinkel.
 - (iv) Taking these matters into account the Tribunal has assessed the long leasehold value of the Property as at the valuation date of 23rd October 2017 as £2,050,000.
10. The adjusted calculation has resulted in premium of £32,010. A copy of the Tribunal’s valuation is attached to this decision as Annex A.
10. 11. Accordingly, the Tribunal determines that the premium to be paid in respect of the collective enfranchisement of 77A Greenwood Road Hackney London E8 1NT is **£32,010**. These monies to be paid into Court.

11. The Tribunal also approves the draft proposed HMLR TRI included in the bundle subject to the inclusion at paragraph 8 “**Consideration**”, that the consideration (the premium of £32,010) has been paid into court.
12. This matter should now be returned to the County Court sitting at Clerkenwell and Shoreditch under Claim Number DO3 EC 048 in order for the final procedures to take place.

Ian B Holdsworth MSc FRICS MICarb

Valuer Chairman

14th June 2019

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 days 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.

Annex A: Tribunal Valuation

Property: 77a, 77b, 77c, 77d Greenwood Road London E8 1NT			
Reference: MR/LON/00AM/OCE/2019/0074			
Lease and Valuation Data			
Lease Term:		24/06/1985	
Lease Expiry date:		23/06/2110	
Unexpired term as at valuation date:		92.67 years	
Date of Valuation		23/10/2017	
Rent receivable by landlord:			
Payable from valuation date for 0.65 years	£	200	
Payable from first review date for 33 years	£	400	
Payable from second review date for 33 years	£	600	
Payable from third review date for 33 years	£	700	
Long leasehold VP value:			
Flat A	£	675,000	
Flat B	£	450,000	
Flat C	£	450,000	
Flat D	£	475,000	
Total long leasehold VP value	£	2,050,000	
Values			
Notional freehold value of flats A-D	£	2,070,707	
Long leasehold value on statutory terms for flats A-D	£	2,050,000	
Capitalisation rate (%)		6.00	
Deferment rate (%)		5.00	
Value of Freeholders present interest			
Term 1-3			
Term interest	£	6,994	
			£ 6,994
Reversion			
Freehold in vacant possession	£	2,070,707	
Deferred @ 92.67 years @ 5%		0.01087	£ 22,517
Current value of the freeholders interest			£ 29,511
Marriage value			
Appurtenant land			Nil
			£ 2,500
Price payable to Freeholder			
Value of freeholders current interest			£ 32,011
		Total	£ 32,011
		Say	£ 32,010