



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

**Case Reference** : CHI/45UH/OLR/2022/0053

**Property** : First Floor Flat, 14 Bath Road, Worthing,  
West Sussex BN11 3NU

**Applicant** : Janette Anne Davidson  
(Administrator/Personal Representative  
for the late Daphne Lilian Westwood)

**Representative** : Tees Solicitors

**Respondent** : Alice Marie Allen (deceased) (Absent  
landlord)

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

**Tribunal member** : D Banfield FRICS  
Regional Surveyor

**Date of Decision** : 27 July 2022

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DECISION

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1. By an Order (Claim No. H00WG278) of Deputy District Judge Nicholes sitting at the County Court at Worthing and dated 20 March 2022 the Tribunal is required to determine the premium payable for the lease extension and to approve the form of a new lease . [166]
2. The Tribunal made directions on 22 June 2022 indicating that the application would be dealt with on the papers unless the applicant objected within 28 days, no objection has been received and the matter is therefore determined in accordance with Rule 31 of the Tribunal's Procedural Rules.
3. Directions also required the submission of a bundle to include a Valuer's expert report complying with certain requirements and a draft of the proposed new lease.
4. A hearing bundle has been received complying with the above requirements and references to page numbers therein are shown as [x]
5. The bundle contains a valuation report prepared by Christopher Baker AssocRICS RICS Registered Valuer which contains the required expert's declaration [177]
6. The existing lease is dated 17 June 1986 and is for a term of 99 years from 25 March 1986 at a rising ground rent of £30/£60/£90 per annum.
7. The Tribunal has not inspected the property.

## **Evidence**

8. Mr Baker's expert report describes the property as being located in a residential street some 5 minutes' walk to the north of Worthing seafront with the Pier and town centre within a mile to the east.
9. The property comprises a first floor flat in a two-storey terraced house sub-divided into two flats.
10. The accommodation comprises a communal entrance hall with door leading to the subject property, a landing, reception room with small balcony, kitchen, two bedrooms and bathroom/WC. The GIA is approximately 82 square metres (883 square feet). The front garden is included in the demise.
11. Mr Baker refers to the following evidence;

### **Flat 2, 32 Wordsworth Road Worthing**

A two-bedroom first and attic floor flat of GIA 915 sq.ft. and private rear garden. Sold 13 October 2021 in dated condition for £275,000 with "share of freehold"

**First Floor Flat 21 St Matthew’s Road, Worthing**

A two-bedroom converted flat of 797 sq.ft. and a small balcony. Sold 30 June 2021 for £251,000 with “share of freehold” Adjusted for time to £264,450. Apart from absence of front garden, particularly comparable to the subject.

**Flat A, 125 Heene Road, Worthing**

A two-bedroom converted flat of 893 sq.ft. and a private rear garden. Sold 29 January 2022 for £296,000 on a 120-year lease. Adjusted for time to £292,218. Due to its good condition and rear garden considered superior to the subject.

12. Based on the above comparables Mr Baker Clark applies a hypothetical “Share of Freehold” Value of £275,000.
13. Applying a relativity of 99% he arrives at £272,250 as the extended lease value.
14. Following the Upper Tribunal decision in *Deritend* he applies a relativity of 80.58% being the average of the Gerald Eve 2016 and Savills Unenfranchisable 2015 relativity graphs giving a value of £221,595 for the existing 63.41-year unexpired lease.
15. He adopts a capitalization rate of 7.0% described as “fairly standard” and a deferment rate of 5% following Sportelli.
16. Applying the above variables to his valuation [194] Mr Baker determines the appropriate premium for a 90-year extension of the lease as at 25 October 2021, being the date an application to the Court for a Vesting Order was made, as £31,930.

**Form of new lease**

17. A draft of the new lease is in the bundle [213]. The new lease incorporates the majority of the terms of the original save that the term is now “a term of years from and including the date of this Lease to and including 24 March 2175” and the ground rent is reduced to a peppercorn.

**Decision**

18. The Tribunal accepts Mr Baker’s valuation and **determines that the appropriate premium for an extension of the lease is £31,930.**
19. The Tribunal approves the draft lease referred to at paragraph 17 above subject to:
  - a. Adding the name Alice Marie Allen deceased as Landlord

- b. Adding “unknown” as the landlord’s address
- c. Adding £31,930.00 as the premium payable
- d. Deleting “Landlord” at (F) under Background [217]
- e. Amending the requirement for the Landlord’s signature to “a person nominated by the Court pursuant to its powers under section 51(3) of the Act to execute the new lease on behalf of the Landlord” [221]

D Banfield FRICS  
27 July 2022

### **RIGHTS OF APPEAL**

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to [rpsouthern@justice.gov.uk](mailto:rpsouthern@justice.gov.uk) 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.