



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

**Case reference** : **VG/LON/00AJ/OCE/2023/0048**

**Property** : **48 Victoria Road, Southall,  
Middlesex, UB2 4EE**

**Applicant** : **Mohammad Asif**

**Representative** : **AMJ Legal**

**Respondent** : **Tara Singh Chatha**

**Representative** : **Not applicable (missing landlord)**

**Type of application** : **Application under sections 50 and  
51 of the Leasehold Reform  
Housing and Urban Development  
Act 1993**

**Tribunal member** : **Ian B Holdsworth FRICS MCI Arb  
RICS Registered Valuer**

**Venue** : **10 Alfred Place, London WC1E 7LR**

**Date of paper  
determination** : **14 July 2023**

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**DECISION**

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## **Decisions of the Tribunal**

- (1) The tribunal determines that the price to be paid by the applicant for the new lease on statutory terms is **£107,920**.

## **The Background**

1. This is an application under section 50 and 50(1) of the Leasehold Reform Housing and Urban Development Act 1993 (“**the 1993 Act**”) pursuant to an order made by Deputy District Judge Woodcraft sitting at the County Court at Uxbridge on 18<sup>th</sup> March 2023 (“**the order**”).
2. Sections 50 and 50(1) of the 1993 Act concerns claims for a statutory lease extension 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 51 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 applicant in this matter is Mr Mohammad Asif. He is the qualifying tenant of 48 Victoria Road, Southall, Middlesex, UB2 4EE (“**the Property**”). The respondent freehold owner is Mr Tara Singh Chatha.
5. On 6 March 2023 the applicant issued a Part 8 Claim at the County Court at Uxbridge for an order pursuant to Section 44 of the Trustee Act 1925 so that the applicant could acquire the freehold rights under the Leasehold Reform Act 1967. The applicant has been unable to ascertain the whereabouts of the respondent.
6. The applicant subsequently applied for a vesting order under section 50(1) of the 1993 Act. The order dispensed with the statutory requirement to serve a section 42 notice on the Defendant pursuant to section 50(2) of the Act. The vesting order was granted subject to the determination of this tribunal.
7. The applicant has provided the tribunal with a valuation report prepared by Mr Michael Francis Assoc RICS of Westview Property Services Limited dated May 2023. Supplementary valuation information is provided to Tribunal following the letter directions to the Applicants of 16<sup>th</sup> June 2023.
8. Mr Francis is of the view that the premium to be paid for the freehold interest is £79,700 as at the valuation date adopted in his valuation of 1<sup>st</sup> June 2023.

## **The Determination**

9. The Tribunal accepts the opinions expressed by Mr Francis in his undated valuation report with supporting information save that:

(i) In respect of the valuation date this should be 6<sup>th</sup> March 2023, the date the Part 8 Claim was made by the applicants to the County Court and not 1<sup>st</sup> June 2023 as adopted by Mr Francis.

(ii) The unexpired term is 55.05 years at the date of the valuation.

(iii) The percentage relativity in accordance with recent Upper tribunal decisions *Investments (Birkdale) Limited – v– Treskonova [2020] UKUT 0164(LC)*, *Midland Freeholds Limited –v– Speedwells Limited [2017] UKUT 463(LC)* and *Trustees of the Barry & Peggy High Foundation–v– Claudio Zucconi & Mirella Zanre [2019] UKUT 242(LC)* and the revised unexpired term is 74.63%.

(iv) The tribunal considers the 7% capitalisation rate adopted by the Expert to calculate the value of the freeholders ground rent revenue does not adequately reflect the security of the income. The tribunal adopts a capitalisation rate of 6% in perpetuity.

(v) The Tribunal has adopted current leasehold values in vacant possession for the ground floor flat of £245,000 and first floor flat of £255,00. These assume a 55.05 year or thereabouts unexpired term. This small difference in value between ground and first floor flats is to reflect the slightly larger first floor flat which enjoys the benefit of a rear garden. The total current vacant possession value adopted for the two dwellings matches that of the expert.

(vi) The Tribunal calculate the marriage value as £129,910 and not £35,377 as purported by Mr Francis. This calculation is based upon the current leasehold values at (v) and a nominal freehold value of £676,672 for the property calculated from the

Zucconi average relativity. The Tribunal was not provided with comparable long lease evidence. All other revised parameters used in the premium calculation are as listed above. This marriage value sum is equally divided between the freeholder and leaseholder.

10. The adjusted calculation has resulted in a premium of **£111,720**. A copy of the Tribunal's valuation is attached to this decision.
11. Accordingly, the Tribunal determines that the premium to be paid in respect of the collective enfranchisement of 48 and 48A Victoria Road Southall London UB2 4EE is £111,720.
12. The Tribunal also approves the draft transfer which has been submitted by the applicant, subject to the inclusion in box 8 that the consideration has been paid into court. The premium payable is **£111,720** less any summarily assessed costs.
13. This matter should now be returned to the County Court sitting at Uxbridge under Claim Number KooUB039 for the final procedures to take place.

Ian B Holdsworth Valuer Chairman

14<sup>th</sup> July 2023

<b>Property: 48 and 48a Victoria Road Southall UB2 4EE</b>			
Reference:	VG/LON/00AJ/OCE/2023/0048		
<b>Lease and Valuation Data</b>			
Lease Term:	99 years from 25 December 1974		
Lease Expiry date:	24/03/2078		
Unexpired term as at valuation date:	55.05	years	
Date of Valuation	06/03/2023		
Present value with FP of 48 Victoria Road	£245,000		
Present value with FP of 48a Victoria Road	£255,000		
Rent receivable by landlord:			
Payable from valuation date for 55.05 yearsfor first floor flat	£	20	
Payable from valuation date for 55.05 yearsfor ground floor Flat	£	20	
<b>Values</b>			
Extended lease value on statutory terms Flats 48 and 48A Victoria Road	£	669,972	
Notional Freehold	£	676,672	
LHVP with current term unexpired	£	500,000	Relativity 74.63%
Capitalisation rate (%)	6.00		
Deferment rate (%)	5.00		
<b>Value of Freeholders present interest</b>			
<b>Term Ground Floor Flat 48A Victoria Road</b>			
Ground rent payable	£	20	
YP @ 55.05 years @ 6%		15.99251	£ 320
<b>Term First Floor Flat 48 Victoria Road</b>			
Ground rent payable	£	20	
YP @ 55.05 years @ 6%		15.99251	£ 320
	<b>Total</b>		<b>£ 640</b>
Reversion			
Ground Floor Flat	£	245,000.00	
First Floor Flat	£	255,000.00	
Freehold in vacant possession	£	676,672	
Deferred @ 55.05 years @ 5%		0.06816	£ 46,122
Current value of the freeholders interest			<b>£ 46,762</b>
Less			
Freehold value after enfranchisement	£	-	
PV of £1 in 999 years at 5%		0.00084	£ -
Freeholders interest value			<b>£ 46,762</b>
<b>Marriage value</b>			
Value of property with long lease after enfranchisement on statutory terms	£	676,672	
Landlords proposed interest	£	-	£ -
Less			
Value of Leaseholders existing interest	£	500,000	
Value of Freeholders current interest	£	46,762	£ 546,762
Marriage value	<b>Total</b>		<b>£ 129,910</b>
Division of Marriage Value equally between			
Freeholder			£ 64,955
Leaseholder			£ 64,955
<b>Price payable to Freeholder</b>			
Value of freeholders current interest			£ 46,762
Plus share of marriage value			£ 64,955
		<b>Total</b>	<b>£ 111,717</b>
		<b>Say</b>	<b>£ 111,720</b>

