



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

**Case Reference** : CHI/00HG/OCE/2023/0005

**Property** : Upper Maisonette, 71 Clifton Place,  
Plymouth, Devon, PL 4 8HY

**Applicant** : Morley Homes Limited

**Representative** : Ashfords LLP

**Respondent** : Shaun McGinn (Missing Landlord)

**Representative** : -----

**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** : 3 July 2023

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DECISION

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1. By an Order of District Judge James sitting at the County Court at Plymouth and dated 3<sup>rd</sup> March 2023 the Tribunal is required to determine “the terms and conditions of the new lease including the premium to be paid.”
2. The Tribunal made directions on 24 April 2023 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 further directions dated 9 June required a draft of the proposed new lease.
4. The tribunal now has “the original bundle” [OB] “the supplementary bundle” [SB] and the draft lease and this determination is made in reliance thereof. References to pages in the bundles is indicated as OB or SB followed by [\*]
5. The bundle contains a valuation report [SB11] prepared by David Hickman BSc FRICS Chartered Surveyor RICS Registered Valuer which contains the required expert’s declaration.
6. The existing lease is dated 29 July 1988 and is for a term of 100 years from 1 January 1988. There is no reference to any ground rent obligation in the lease.
7. The Tribunal has not inspected the property.

## **Evidence**

8. Mr Hickman’s expert report describes the property as being situated about half a mile north of the city centre in an old established artisan area characterised by Victorian terraces abutting the pavement many of which have been converted to provide a ground floor flat and maisonette.
9. The subject maisonette is on first and second floors with a room in the attic with restricted headroom.
10. The accommodation comprises a communal entrance hall with staircase and landing leading to the first floor comprising Hall, Lounge, Kitchen and bedroom. On the second floor is a bathroom, shower, two bedrooms and attic bedroom. Approximate gross external floor area 80 Sq.Mts.
11. The building was converted some years ago to a basic standard and has been used for student and housing benefit letting. It is now due for some improvement.
12. Mr Hickman refers to the following evidence;

**Converted maisonette 146 Alexandra Road PL4 7EQ Sold 24/3/2023 for £93,000**

Larger floor area of 108 Sq.Mts.with 4 bedrooms, busy road but better condition. Indicates a maximum for subject of £120,000

**Converted Flat 136nAlexndra Road PL4 7EQ Sold 24/3/2023 for £93,000.**

Smaller floor area of 62 Sq. Mts. With 2 bedrooms on busy road with exterior and common areas with poor appearance. Adjusting for size and condition indicates a minimum of £100,000.

**Converted Flat 47 Hill Park Crescent PL4 8JP Sold 20/12/2022 for £125,000**

Larger floor area of 90 Sq.Mts with 2 bedrooms. Nicely presented internally which after adjusting for size and condition indicates £110,000 for Clifton Place.

13. Based on the above comparables and allowing for the apparent lack of management resulting in an uncared for appearance both internally and externally Mr Hickman values the property as at 22 May 2023, being the date of his inspection, at £110,000. Applying the usual relativity of 99% provides a freehold value of £111,100.
14. Applying a relativity of 66.43% obtained from the Savills index gives an existing lease value of £73,804.
15. He adopts a capitalization rate of 7.0% and a deferment rate of 5% following Sportelli.
16. Applying the above variables to his valuation Mr Hickman determines the appropriate premium for a 90-year extension of the lease as £28,756 as at 22 May 2023.[SB19]

**Form of new lease**

17. A draft of the new lease has been provided together with a copy of the original lease OB[37]. 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 notes that Mr Hickman’s report applies the incorrect valuation date which should be 18 July 2022 being the date of the application to the Court. Nevertheless, the Tribunal accepts the valuation and **determines that the appropriate premium for an extension of the lease is £28,756.**

19. **The Tribunal approves the draft lease** referred to at paragraph 17 above subject to:

- a. Adding “unknown” as the landlord’s address
- b. Adding £28,756 as the premium payable
- c. Deleting SHAUN MCGINN on page 9 of the lease and adding “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”

20. The Tribunal has received a Statement of Costs totaling £8,550.80 which the Applicant asks to be deducted from the premium. This request falls outside the Order of District Judge James and is therefore not within the Tribunal’s jurisdiction to so order. Such application may be renewed before the County Court.

#### **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 [rpcsouthern@justice.gov.uk](mailto:rpcsouthern@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.