



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

**Case reference** : **LON/00BK/OLR/2023/0486**

**Property** : **Flat A, 309 Shirland Road, London, W9  
3JL**

**Applicant** : **Joanne McCormack**

**Representative** : **Andrew Cohen MRICS**

**Respondent** : **Mountview Estates PLC**

**Representative** : **Mr Christopher Stone FRICS**

**Type of application** : **Application for the grant of a new lease -  
Leasehold Reform, Housing and Urban  
Development Act 1003**

**Tribunal members** : **Judge Tagliavini  
Mr A Harris FRICS FCIArb**

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

**Date of hearing** : **30 January 2024**  
**Date of decision** : **19 February 2024**

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**DECISION**

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## **The tribunal's decision**

1. The tribunal finds the premium payable for the grant of a new lease in respect of Flat A, 309 Shirland Road, London W9 3JL is **£83,344** (eighty three thousand, three hundred and forty four pounds).
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## **The application**

2. The applicant seeks the tribunal's determination as to the premium payable in respect of the grant of a new lease of the subject property situate at Flat A, 309 Shirland Road, London W9 3JL ('the Property').

## **The background**

3. In a Notice of Claim dated 9 November 2022, the applicant sought to exercise the right to a new lease for a premium payable of £72,000. In a Counter-Notice dated 8 January 2023, the respondent admitted the applicant's claim but proposed a premium of £130,000. Subsequently, the parties through their valuer agreed the following matters:

- (i) The subject property is a self-contained one-bedroom converted flat on the lower ground floor of a substantial Victorian four-storey centre-terrace building converted into four flats.
- (ii) The GIA: 55.8 square metres.
- (iii) Date of valuation: 10/11/2022
- (iv) Unexpired term: 49.62 years
- (v) Deferment rate: 5%
- (vi) Capitalisation rate: 7%
- (vii) Freehold relativity: 70.39%
- (viii) The value of the flat on a freehold basis is worth 1% more than the value of the flat with an extended lease.
- (ix) The terms of the new lease.

## **The issues**

4. The only issue for the tribunal to determine was the value of the flat with the extended lease under the 1993 Act. Once this had been

determined the premium payable would then automatically follow using the other values agreed by the parties.

### **The hearing**

5. The application was heard by way of a video hearing using the electronic bundle provided by the parties. A hearing bundle of 162 electronic pages was provided to the tribunal and a supplemental report of 8 electronic pages was also relied upon by the applicant and comprised mainly of corrections to the initial valuation report. As this supplemental report had only been served the evening before the hearing, the respondent objected to its inclusion as evidence. However, having provided the respondent with an opportunity to consider the new information, Mr Stone confirmed to the tribunal that he was able to deal with its contents in cross-examination and submissions and therefore, the supplementary report was admitted into evidence.

### **The tribunal's reasons**

6. The tribunal heard the oral evidence of both Mr Cohen and Mr Stone who both also acted as representatives for their respective parties. They spoke to their expert valuation reports dated 9 January 2024 and 2 January 2024, respectively.
7. In his evidence Mr Cohen relied upon a number of comparable lower ground flats located within 300 metres of the subject property, albeit not all on the same road as the subject property. Initially, Mr Cohen had sought to rely on property at 97 Shirland Road, as he had believed this also to be a lower ground-floor flat. However, when it was pointed out to him the sales particulars described it as a first-floor flat, he withdrew the property from consideration by the tribunal.
8. Of the comparable properties Mr Cohen included in his report, he relied most heavily on 54A Portnall Road, London W9 3BE. This was said to provide the best evidence of the value of the extended lease for the subject property, being similar in type to the Property and closest in time to the valuation date, having been sold for £442,000 in August 2022 with an extended lease.
9. Mr Cohen also told the tribunal that the subject Property had failed to sell, after having been put on the market in August 2023 at an asking price of £500,000. However, no interest had been shown by prospective purchasers, despite it being in an excellent (modernised) condition. Consequently, Mr Cohen submitted that using his own experience and expertise, he was of the opinion that the improved value of the subject property with an extended lease as at the valuation date was £450,000. However, as the Act requires the parties to assume an unimproved value, he stated he had reduced the value by £10,000 thereby arriving at a value under the 1993 Act of £440,000.

10. As all other matters had been agreed the figure of £440,000 produced a premium payable of £83,344.
11. Mr Stone in his evidence, relied upon a number of properties that appeared to be less comparable to the subject Property, as they were either significantly larger (2 bedrooms) or on higher floors of other buildings located in Shirland Road. Mr Stone submitted that only sales that pre-dated the valuation date should be taken into account and concluded that the value of the subject with an extended lease in good and tenanted order was £575,000. By applying this figure to the issues agreed by the parties, a premium of £108,839 was submitted as being payable.
12. In reaching its decision, the tribunal found the evidence of Mr Cohen to be more persuasive than that of Mr Stone, as the latter had relied on comparable sales of properties that did not reasonably reflect the subject property, despite their being located in the same road. The tribunal finds it is both reasonable and acceptable to consider comparable properties whose sale post-date the valuation date as well as ones that pre-date it or occur on or around the same time.
13. Therefore, the tribunal accepts the valuation evidence of Mr Cohen and finds the premium payable for the grant of a new lease for the subject property is **£83,344** (eighty three thousand, three hundred and forty four pounds).

Name: Judge Tagliavini

Date: 19 February 2024

### **Rights of appeal**

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the Tribunal is required to notify the parties about any right of appeal they may have.

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. The application should be made on Form RP PTA available at

<https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber>

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.

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.

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.

If the Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).