

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : LON/00AS/OLR/2024/0068

Property : First and Second Floor Maisonette,

12 Helmsdale Close, Hayes, UB4 9QS

Applicants : Daniel Pawlicki (1)

Malgorzata Maria Pawlicka (2)

Representative : O'Neill Patient Solicitors LLP, Stockport

Julie Anne Moran

Respondent : (Missing Landlord)

Section 50 of the Leasehold Reform,

Type of application : Housing and Urban Development Act

1993 (as amended) ("the Act") to have a

new lease

Tribunal member : Mr Charles Norman FRICS

Valuer Chairman

Date of decision : 23 April 2024

Determination based on Written Representations

DECISION

Decisions of the Tribunal

- The Tribunal determines that the price for a new lease of the property known as First and second floor maisonette, 12 Helmsdale Close, Hayes, UB4 9QS pursuant to Schedule 13 of the Leasehold Reform, Housing and Urban Development Act 1993 ("the 1993 Act"), is £5,489. This is before adjustment for court costs of £3,802.00 (see below).
- (2) A payment into court of £1,687 is therefore required before the transfer may be executed.
- (3) The Tribunal approves the draft lease referred to below.

Reasons

Introduction

- 1. This matter relates to an application made under section 50 of the Leasehold Reform, Housing and Urban Development Act (as amended) ("the Act") for a determination of the price payable for a new lease of the property known as First and second floor maisonette, 12 Helmsdale Close, Hayes, UB4 9QS ("the property").
- 2. By proceedings brought under CPR Part 8 and issued on 10 August 2023 ("the valuation date"), the Applicants applied for a vesting order. By an Order made by Deputy District Judge Lawrence sitting at the County Court at Uxbridge dated 23 November 2023, the matter was transferred to the Tribunal for the terms of the new lease and premium to be determined.
- 3. The Court Order included the following terms:
 - 4. The matter be transferred to the First-Tier Tribunal (Property Chamber) for the purpose of determining those terms and any premium which is payable under Schedule 13 of the Act in respect of the grant of the new lease and any other sums due between the parties in relation to the grant of the lease in accordance with S.5 1 (5) of the Act.
 - 5. The Claimants shall pay into Court (the Court Funds Office) the appropriate sum to be determined by the First-Tier Tribunal (Property Chamber) as defined by S.5 1(5) of the Act.
 - 6. Upon the Claimants paying into Court the sum referred to in paragraph 5 (if any), less the costs of this application as provided for at paragraph 8 below, there shall be executed by a senior Solicitor at O'Neill Patient Solicitors LLP or such other person as the Court may designate on behalf of the Defendants, a lease which:
 - a. Is in a form approved by the First-Tier Tribunal (Property Chamber) and

- b. Contains such provisions as may be so approved for the purpose of giving effect so fer as is possible to S.56(I) of the Act (as that section applies in accordance with S.5 1(7) and S.5 1(8) of the Act.
- 7. Upon completion of the steps specified in paragraph 6, by virtue of S.50(I) of the Act and this Order, a new lease of the fiat shall vest in the Claimants on such terms as determined by the First-Tier Tribunal (Property Chamber) to be appropriate with a view to the new lease being granted to the Claimants in like manner (so fer as the circumstances permit) as if they had, at the date of making this claim, given notice under S.42 of the Act of this claim to exercise the right to acquire a new lease of the flat.
- 8. The Defendant do pay the Claimant's costs of this claim, summarily assessed in the sum of £3,802.00. Such sum to be deducted from the premium determined to be payable by the First-Tier Tribunal in accordance with paragraph 5 above.
- 4. The Tribunal issued directions on 25 January 2024. The Applicants were given an opportunity to request a remote video hearing, but have not done so and the matter has therefore come before me for determination based on written representations, in accordance with rule 31 of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013 ("the rules"). I did not consider that an inspection was necessary or proportionate in this case.

Expert Evidence

- 5. An experts' valuation report dated 22 February 2024 was provided by Mr Colin Horton BSc AssocRICS, assisted by Mr Darren Cooper BSc. Mr Horton has considerable experience of leasehold enfranchisement valuations and became an Associate of the RICS and a registered valuer in 2014. His report contains the declarations required from expert witnesses by the RICS. His report does not contain the specific wording required by rule 19(5)(b) of the Tribunal Rules "I believe that the facts stated in this report are true and that the opinions expressed are correct" but the declarations given are substantially to the same effect. I am satisfied that Mr Horton is suitably qualified to give expert evidence and understands his duties to the Tribunal.
- 6. The substantive valuation sections of the report may be summarised as follows. Only a desktop valuation has been carried out and no inspection undertaken. The property is situated in a residential area of Yeading, Hayes Middlesex. The subject property comprises a first and second floor maisonette in a purpose-built end of terrace building constructed approximately 40 years ago. It is of brick construction under a pitched

- roof. The accommodation comprises reception room balcony bathroom and kitchen, and two bedrooms. The floor area is approximately 678 ft².
- 7. The lease for the first and second floor maisonette is dated 9 November 2004 for a term of 125 years from 1 January 1982 at a fixed rent of a peppercorn. Therefore, as at the valuation date of 10th of August 2023, the unexpired term was 83.39 years.
- 8. Relativity and capitalisation rate were both not relevant to the subject valuation. Mr Horton accepted the 5% deferment rate set out in Sportelli. No adjustment was required for improvements.
- 8. The best comparable was 41 Helmsdale close which with indexation to the valuation date sold for £302,470. Following adjustments for condition and garden of 5% each gave an adjusted price of £332,717. A second comparable was Acer Avenue, which was a second-floor flat of about the same age. This property had a loft but no private garden. After time adjustment this sale equated to £282,101. The third comparable was 42 Helmsdale close Hayes. This was similar in style to the subject property but without a private garden and modern decor. Adjusting for time and allowing 5% for each of these factors gave an adjusted sale price of £315,086. An average of each of these comparables after rounding gave £310,000 which Mr Horton adopted as the valuation. His calculation of the premium was £5,235.

Findings

- 9. In light of the lease structure the only matter I need to determine is the extended lease value. I agree with Mr Horton that the best comparable is 41 Helmsdale close. I also place some weight on 42 Helmsdale close. I find Acer Avenue to be less helpful as this is a second-floor flat in a large block and therefore a different style of property. Taking an overall view of the evidence, I determine that the extended lease value of valuation date was £325,000.
- 10. I arrive at a premium of £5,489. My calculation is attached in the Appendix.
- 11. In light of this determination and the court order (see above), as the claimants' costs of £3,802 fall to be deducted from the premium of £5,489, a payment into court of £1,687 is required before the transfer may be executed.

12. The Tribunal noted that the proposed lease term at page 65 of the bundle gave an expiry date of 189 years from 1 January 1982. This appeared incorrect as the original lease was for 125 years and the lease extension 90 years. The Tribunal raised this with the applicant's solicitors who provided a further copy of the proposed lease showing an expiry date of 215 years from 1 February 1982. That form of lease is approved.

Name: Mr Charles Norman FRICS Date: 23 April 2024

ANNEX - RIGHTS OF APPEAL

- The Tribunal is required to set out rights of appeal against its decisions by virtue of the rule 36 (2)(c) of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013 and these are set out below.
- If a party wishes to appeal against 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 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.

APPENDIX IN THE MATTER OF A NEW LEASE OF 12 HELMSDALE CLOSE HAYES MIDDLESEX UB4 9QS VALUATION BY THE FIRST-TIER TRIBUNAL (PROPERTY CHAMBER) 10-Aug-2023 31-Dec-2081 Date of Valuation Lease expiry date Unexpired Term/years 83.39 Unimproved value £ 325,000 Reversionary deferment Rate Premium Payable 5.00% £ 5,489 Value of Freeholder's Present Interest £ Reversion 325,000 PV £1 83.39 years at 5% 0.0171 £ 5,558 **LESS** Value of Freeholders Proposed Interest £ 325,000

PV £1 173.39 years at 5%

Diminution of Freeholders Interest

68

£

5,489

0.00021 £