



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

**Case reference** : **LON/OCE/2024/0098**

**Property** : **Hermitage Road London N4 1LU**

**Applicant Tenants** : **David Lutman Claimant 1  
Ester Lutman Claimant 2  
Lloyd Williams Claimant 3  
Panayiota Williams Claimant 4**

**Representative** : **Furley Page LLP**

**Respondent Landlord  
(Missing Landlord)** : **Iqbal Raoof Farooqui**

**Representative** : **In Person**

**Type of application** : **Section 26 and 27 of the Leasehold Reform,  
Housing and Urban Development Act 1993 (as  
amended) (“the Act”) for a determination of  
the valuation of the freehold.**

**Tribunal member(s)** : **Mr. R Waterhouse FRICS**

**Date of determination** : **21 August 2024**

---

**Decision  
Determination based on Written Representations**

---

## **Decision of the Tribunal**

1. The Tribunal determines that the price for the freehold of the property known as 57 Hermitage Road London N4 1LU, pursuant to Schedule 6 of the Leasehold Reform, Housing and Urban Development Act 1993 (“the 1993 Act”), is **£99450.00**. This is before adjustment for court costs (see below).

2. The Tribunal approves the draft transfer on pages 148-153 of the hearing bundle.

## **Reasons**

- A. The matter relates to an application made under sections 26 and 27 of the Leasehold Reform, Housing and Urban Development Act (as amended) (“the Act”) for a determination of the price payable for the freehold of the property known as 57 Hermitage Road, London N4 1LU (“the property”).
- B. By proceedings brought under CPR Part 8 and issued on **22 September 2023** (“the valuation date”), the Applicants applied for a vesting Order. By an Order made by Deputy District Judge Boon, sitting at the County Court at Edmonton dated 23 February 2024, the matter was transferred to the Tribunal for the terms of acquisition to be determined.
- C. The Court Order included the following:

2. By virtue of Section 26(1) of the Act and this Order, the Defendant's freehold interest in the Premises shall vest in the Claimants on such terms as may be determined by the First Tier Tribunal (Property Chamber) (“the tribunal”) to be appropriate with a view to the interest being vested in the Claimants in like manner (so far as the circumstances permit) as if the Claimants, had at the date of making this claim, given notice under section 13 of the Act of their claim to exercise the right to collective enfranchisement in relation to the Premises.

3. The matter be transferred to the Tribunal for the purpose of determining the terms of acquisition and approving the form of conveyance.

4. Following the Tribunal's determination, the Claimants shall pay into Court the appropriate sum as defined by section 27 (5) of the act and determined by the Tribunal and shall do so in accordance with the provisions of CPR PD 56, paragraph 14.5.

3. The Tribunal issued Directions on 27 June 2024. The

Applicants were given an opportunity to request a remote 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**

4. An expert's valuation report dated 24 April 2023 was provided by Mr Jeremy Parkin MRICS of Bradstowe Chartered Surveyors. He has considerable experience of leasehold enfranchisement valuation, with 35 years' experience in appraisal of residential property in the Southeast area. 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. Parkin is suitably qualified to give expert evidence and understands his duties to the tribunal.

5. The substantive valuation sections of the report may be summarised as follows. Mr. Parkin did not inspect the property but undertook a desktop valuation.

6. The property comprises a small Victorian corner terraced house, converted into two flats with a frontage to Hermitage Lane and return frontage to Vale Terrace. The property is arranged as two self-contained flats. 57a is accessed from the Hermitage Road frontage and 57b is accessed from the Vale Terrace frontage.

7. Flat 57a, has two bedrooms extending to approximately 85 m<sup>2</sup> and 57b, likewise two bedrooms to approximately 70m<sup>2</sup>, both have allocated areas of the garden.

8. Both leases are identical in respect of term and ground rents. 99 years from 25 March 1986 with an initial ground rent of £75 per annum, for the first 33 years, then £125 per annum, for the second 33 years, and £175 per annum thereafter.

9. The valuation date in the report (p2 of the bundle) is date of claim issue which is 22 September 2023. Mr. Parkin adopted a Term and reversion yield in line with Sportelli of 5 and 6%. The flat values were increased by 1% to reflect their freehold equivalent. A relativity figure of 86.18% to reflect the length of the leases.

10. As to extended lease value Mr. Parkin referred to comparables drawn from within a quarter of a mile of the subject premises, of broadly similar areas and long leases. From these he derives a value for 57a of £550,000 and 57b of £475,000. An addition of 1% to reflect for both a new lease.

### **Findings**

11. I agree with the deferment rate. I agree with the 1% virtual freehold/ extended lease adjustment, although this is a theoretical concept as flats are not sold on a freehold basis. I agree that there is no development value. I do not accept that any addition is required for appurtenant land.

12. I agree with the capitalisation rate under Sportelli and the capitalisation rate for the ground rent which is modest in nature.

13. I am comfortable that the comparables are relevant and their analysis is sound.

14. I confirm the valuation of **£99,450.00**, and I approve the form of draft transfer as set out at pages 148 to 153 in the bundle,

**Name : Richard Waterhouse FRICS    Date: 21 August  
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 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).