



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

Case reference : **MM/LON/00AY/OAF/2024/0011**

Property : **11 St Michaels Road London SW16 0SN**

Applicants : **Shokatali Babul (1)
Prafula Babul (2)**

Representative : **Anthony Gold LLP Solicitors**

Respondents : **George Grosvenor (1)
George Barnard (2)
Edmund Mulkern (3)
John Runtz (4)
(Missing Landlord)**

Type of application : **Leasehold Reform Act 1967 for a
determination of the valuation of the
freehold**

Tribunal member : **Mr Charles Norman FRICS
Valuer Chairman**

Date of decision : **9 September 2024**

Determination based on Written Representations

DECISION

Decision of the Tribunal

- (1) **The Tribunal determines that the price for the freehold of the property known as 11 St Michaels Road London SW16 0SN pursuant to the Leasehold Reform Act 1967 (“the Act”) is £1 (One Pound).**

Reasons

Introduction

1. This matter relates to an application made under section 1 of the Act for the applicants to acquire the freehold.
2. By proceedings brought under CPR Part 8 and issued on 1 January 2024 (“the valuation date”), the Applicants applied for the freehold of the property. By an Order made by District Judge Bishop sitting in the County Court at Croydon dated 28 February 2024, the applicant was directed to apply to the Tribunal for the price to be determined.
3. An application to the Tribunal was made on 20 June 2024. The Tribunal issued directions on 2 July 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

4. An experts’ valuation report dated 22 August 2024 by Mr Richard Stacey BA(Hons) Director, Websters Surveyors, Finchley. He has considerable experience of valuation including residential valuation. 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 Stacey is 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. The valuation date is 10 January 2024. The property comprises a Victorian mid-terraced four storey house, used as six HMO units.
6. The property is held on a long lease of 700 years from 24 June 1863, having 539.44 years unexpired at the valuation date. The lease is missing but the ground rent is fixed at nil.

7. The property is located in a minor road in Stockwell, close to the underground station.
8. Mr Stacey has adopted section 9(1A) under the Act as the appropriate basis of valuation, although he had not been able to ascertain historic rateable values. He has made no adjustments for tenants' improvements.
9. The lower ground floor comprised reception, kitchen and utility rooms, the ground floor two bedrooms, the first floor a bedroom and bathroom and the second floor three bedrooms. There was modern consumer unit and gas boiler. Windows are mainly UPVC double glazed.
10. Having reviewed the market and considered comparables Mr Stacey arrived at a freehold value in possession of £1,370,000. Following *Earl Cadogan v Sportelli* he had applied a deferment rate of 4.75%.

Findings

5. I agree that section 9(1A) is the most appropriate basis of valuation in this case. This applies to tenancies created prior to 19 February 1966 with rateable values in London on 1 April 1973 not exceeding £1,500. I consider it most unlikely that the rateable value would have exceeded that threshold.
6. Whilst I am satisfied that the value in possession is of the right order, it is unnecessary in this case for me to decide upon a precise vacant possession value as it would not affect the outcome. I accept the deferment rate.
7. Owing to the nil ground rent and the exceptionally long reversion, the value is arithmetically nil, but I agree that £1 should be adopted to reflect the fact that this is a freehold.

Name: Mr Charles Norman FRICS **Date:** 9 September 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.