

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

PROPERTY)

Case reference : LON/00AE/OCE/2025/0019

Property : 96 Mora Road, London, NW2 6TE

(1) Hamid Vand

Applicants : (also known as Hamid Hajivand)

(2) Sayed Amir Hossein Tabatabaei

Representative : Fahri LLP, Solicitors

(1) Marcela Jana Knaiflova

Respondents : (2) Sohal Ayaz Rao

(3) Ejaz Ali Rao

Representative : Not represented

Section 27 of the Leasehold Reform,

Type of application : Housing and Urban Development Act

1993

Tribunal members : Judge I Mohabir

Mr K Ridgeway MRICS

Date of decision : 30 April 2025

DECISION

Summary of the tribunal's decision

(1) The premium payable by the Applicant for the freehold interest is £18,022.22.

Background

- 1. This is an application made by the Applicants, as qualifying tenants pursuant to section 27 of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act") for a determination of the price to be paid for the freehold interest of 96 Mora Road, London, NW2 6TE (the "property").
- 2. By an initial notice pursuant to Section 13 of the 1993 Act (the 'Initial Notice') dated 10 November 2023 (the 'Relevant Date') the Applicants sought to exercise the right to collective enfranchisement in respect of the property.
- 3. The Respondents are joint owners of the freehold interest in the property and are, therefore, 'the reversioner' within the meaning of the 1993 Act.
- 4. The Initial Notice was served at the only known addresses for the Respondents, being Flat 18, Minshaw Court, 9 The Crescent, Sidcup, DA14 6TD. Apparently, this was the address for the First Respondent only. The Initial Notice was also served on the First Applicant by email. No addresses or email addresses could be found for the Second and third Respondents.
- 5. The First Respondent responded to the Initial Notice by way of a Section 21 Counter-Notice under the Act, in which she confirmed acceptance of the Claimants' Initial Notice and the premium proposed.
- 6. By a claim form dated 1 March 2024 under action number LooWI582 in the County Court at Willesden, the Applicants applied under section 26(1) of the Act for a vesting order on the basis that the Second and third Respondents could not be found on terms to be determined by the First Tier Tribunal (Property Chamber).
- 7. By Order of District Judge Griffiths dated 14 November 2024 the Court recorded that it was satisfied that the Respondents could not be found and made the vesting order sought. It ordered, *inter alia*, that the matter be transferred to the Tribunal for a determination of the price to be paid for the freehold interest and the terms of the Transfer (TR1)
- 8. On 5 March 2025, the Tribunal issued Directions, which included a direction that its determination would be based solely on the basis of the documentary evidence filed by the Applicants.

9. The valuation evidence relied on by the Applicant is set out in the report prepared by Mr Loizides MRICS dated 14 December 2024.

Decision

- 10. The determination in this matter took place on 30 April 2025 and was based solely on the valuation evidence contained in the report of Mr Loizides.
- 11. The Tribunal relied on the description of the property internally given in Mr Loizides's report at paragraph 5 for the description. The Tribunal did not carry out an inspection.
- 12. The existing leases of the ground and first floor flats are dated 10 November 1983 and for terms of 999 years from 29 September 1983 therefore having 958.86 years unexpired. The current ground rent payable is £1.00 per annum with effect from 29 September 1983.
- 13. The demised areas of the lease of the first floor flat at 96A Mora Road differ from the current accommodation as it has been extended into the loft and includes a rear dormer window. Such alterations to the demised premises have been carried out without the previous consent in writing of the Lessors as required by the terms of the lease.
- 14. Because the leases have more than 80 years to run, marriage value is not payable.
- 15. We agreed with Mr Loizides that the value of the ground rent should be capitalised at 9% per annum on the basis that they are nominal without any fixed increases. We agree with Mr Loizides's figure on the basis that the ground rents are insignificantly low and being unattractive to investors due to the administrative level required in order to collect the nominal value of ground rent.
- 16. We agree with Mr Loizides's use of 5% for the deferment of the reversion, which is in accordance with the decision in *Sportelli*.
- 17. We agree with Mr Loizides that the freeholders' interest before enfranchisement is that the ground floor flat (No. 96 Mora Road) has a long leasehold value of £475,000 (Four Hundred and Seventy-Five Thousand Pounds) and the first floor flat (No. 96A Mora Road) has a long leasehold value of £460,000 (Four Hundred and Sixty Thousand Pounds).
- 18. We agree with Mr Loizides that development value in respect of the development of the loft and enlargement of the first floor flat 96A Mora Road into the second (loft) floor which has already taken place in the sum of £12,500.

- 19. We agree with Mr Loizides that compensation is payable to the Respondent for breach of the user clauses in the lease by the sub-division of both units to create a total of six units. We also agree that the retrospective grant by the freeholder to do or to reinstate the flats to comply with the user clause would be approximately £5,000.20.
- 20. We agreed with Mr Loizides that the value of the any appurtenant land of the remaining communal grounds have a nominal value of £500.00.
- 21. We, therefore, confirm Mr Loizides's valuation of the freehold interest in the sum of £18,022.22.
- 22. The terms of the draft Deed Transfer (TR1) are approved.

Name: Tribunal Judge I Mohabir Date: 30 April 2025

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).