



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

Case reference : **CAM/00KF/OLR/2025/0035**

Property : **52 Hainault Avenue, Westcliffe on Sea,
SSo 9HB**

Applicant : **ZFL Property Limited**

Representative : **Paul Robinson Solicitors LLP**

Respondent : **Lauren Welham**

Type of application : **Leasehold Reform, Housing and Urban
Development Act 1993: Section 50 & 51
(missing landlord)**

Tribunal members : **Judge Adcock-Jones**

Venue : **On the papers**

Date of decision : **28 October 2025**

DETERMINATION

Decisions of the Tribunal

1. The Tribunal determines that the appropriate sum to be paid into Court for the freehold interest in 52 Hainault Avenue, Westcliffe on Sea, SSO (“the Property”), pursuant to sections 50 and 51 of the Leasehold Reform, Housing and Urban Development Act 1993 (“the 1993 Act”), is £34,000.
2. This has been a paper decision which has been consented to by the Applicant. The documents that were referred to are in a bundle provided by the Applicant, plus the Tribunal’s directions set on 07 August 2025.
3. On 23 October 2025, the Tribunal requested a copy of a draft lease and/or TR1 as set out within the directions and a draft deed of surrender and regrant was subsequently provided by the Applicant’s solicitors.

The Application

4. On the 24 January 2025, Paul Robinson Solicitors LLP, the solicitors for the Applicant, issued a Part 8 Claim under Claim Number MOOSSo38 (“the Claim”) in the County Court at seeking, amongst other orders, a vesting order under section 50(1) of the Leasehold Reform, Housing and Urban Development Act 1993 (“the Act”), an order determining the premium payable at £34,000 and for this premium to be paid into the Court Funds Office within 28 days of the relevant order being made and an order for a new lease of the Property with a Term of 189 years from 25 December 1985 and Rent at One Peppercorn.
5. Proceedings were required as the Landlord Respondent could not be located for the purpose of serving a notice pursuant to Section 42 of the Act or for the grant of the new lease. The Claim was served by the Court at the last known address of the Landlord Respondent on 30 January 2025. The Landlord Respondent was to respond by 17 February 2025 per the Notice of Issue included within the bundle provided to the Tribunal. A Notice of Returned Document was further included which provided that the claim documents had been returned marked “Not known at the address given”.
6. Trace searches had been carried out by CCS Nationwide Ltd in June 2023 and by Kemp Investigations in October 2023 to locate the landlord; however, such searches were returned as negative results.
7. In such circumstances, and given that a defence to the Claim was not filed to the Claim, directions were sought to progress matters to disposal to enable the Applicant to obtain the new lease.
8. On 07 March 2025, the Applicant, via its solicitors, made an application to the County Court at Southend requesting an order for further directions to disposal of the claim supported by the witness statement of Lorraine Frances Lancaster of the same date.
9. On 02 May 2025, the Court ordered that the need for notice pursuant to Section 42 of the Act be dispensed with, a new lease be vested in the Applicant in the

terms set out above at paragraph 3, and the Claim be transferred to the Tribunal for determination of the premium and the form of the new lease with no order as to costs.

10. On 26 June 2025, an Order of 10 June 2025 was set aside and the matter transferred to the Tribunal forthwith with no order for costs, although it was not clear to what the Order of 10 June 2025 related as no copy was included within the Bundle.
11. In accordance with the vesting order, the Application was submitted to the First-tier Tribunal, Property Chamber and directions were issued on 07 August 2025. These provided that the case would proceed to a paper determination. The Applicants has not objected to this or requested an oral hearing.
12. The paper determination took place on 20 October 2025.
13. In accordance with the directions, the Applicant's solicitors supplied the Tribunal with a bundle that contained copies of relevant documents from the County Court proceedings, various title documents, the existing lease and an Expert Witness valuation report prepared by R.V Hilton dated 14 January 2025 ("the Report"). The relevant legal provisions are set out in the appendix to this decision.

The Background

14. The leasehold interest in the flat is now registered in name of the Applicant by virtue of a transfer for flat under Title No EX339129. The freehold of the building has been registered in the name of the Respondent under Title Number EX296441.
15. The Property is a first-floor, two-bedroom flat which forms part of a middle-terrace house in the 1905-14 period and is located in an established residential area amongst similar properties and is within 0.5km of the London Road shops and bus routes leading to Southend town centre which is 2km distant. Westcliff Station is on the Southend-London Fenchurch Street line which is about 1.5km distant. The ground and first floors are of a suspended timber construction and the windows to the Property have been replaced but the ground floor windows have not and the external decorations are in poor condition. This gives the Property a run-down appearance which is described to materially affect the value of the Property. It is noted within the Report that there will be a cost to each flat should the Freehold interest change and the exterior is to be redecorated which will affect the sale value of the Property.

The Issues

16. The Tribunal is required to determine the premium to be paid for the extended lease in accordance with the Act and the appropriate sum to be paid into Court pursuant to section 27(1)-(7) of the Act.
17. The Tribunal is required to consider the proposed terms of the lease.

18. The Tribunal did not consider that an inspection of the Property was necessary under current circumstances, nor would it have been proportionate to the issues in dispute.
19. Having studied the various documents in the Applicant's bundle, the Tribunal has made the determination set out below.

The Sum to be Paid into Court

20. The Tribunal determines that the premium payable under the Act is £34,000 and this is the appropriate sum to be paid into Court under section 27(1).
21. The Tribunal's reasons are set out as follows:
22. In the report, at Appendix 5 entitled "Revised Valuation", Mr Hilton valued the premium as of 24 January 2025 at £34,000. This was based on Freehold value of £18,253.00 (Long lease value £229,000), a capitalisation rate of 7%, and a deferment rate of 5%.
23. Mr Hilton used the 24 January 2025 as the valuation date which matches the issue date of the Claim form. Accordingly, the Tribunal accepts the figures in the Report.
24. At that date, the lease had an unexpired term of 59.92 years. Having considered the contents of the Report, including the comparable evidence, the Tribunal agrees the capitalisation rate of 7% which takes into account the modest ground rent and the Tribunal also concurs with the deferment rate of 5% which is based upon the *Sportelli* ruling.
25. The Tribunal considered the four comparables provided in the Report. Each of the properties were two-bedroom flats. Mr Hilton analysed the comparables and noted that the sale price range for the comparables was within a range of £3,155 - £3,788 per square metre and all flats had recently been modernised and were therefore in a better condition than the subject property. Given that no two properties within the comparables were of the same size, he considered that an average value would be appropriate and this was calculated at £3,470 per square metre. It was noted within the Report that no sales of properties with short leases in the area or in recent months could be found.
26. Mr Hilton concluded that the premium to be paid for £34,000 with the ground rent reverting to a peppercorn was appropriate taking into account the poor condition of the exterior of the building and the potential liability towards the costs of maintenance.
27. The Tribunal followed the methodology set out in the Report for the calculation of the valuation components.
28. In view of the fact that the lease has an unexpired term of 59.92 years, marriage value is deemed to exist. Mr Hilton calculates the relativity figure of 78.3% and

refers to the authority of *Deritend Investments (Birkdale) Limited v Ms Kornelia Treskonva (2020) UKUT 0164 (LC)* which provides that the current approach to calculate the issue of relativity is to use the average of the Savills and Gerald Eve Graphs.

29. There was no evidence of any ground rent or service charge arrears for the Property and the Tribunal considered the witness statements produced in this regard. In the absence of such evidence, the Tribunal determines that no additional sums are payable under the Act. It follows that the appropriate sum to be paid into Court is £34,000 in accordance with the valuation calculations included in the Report.

Terms of the Transfer

30. The Tribunal considered the draft terms of the proposed deed of surrender and regrant provided and was satisfied that the terms should be approved as drafted.

31. The matter can therefore be returned to the County Court for further order.

Name:	Judge Adcock-Jones	Date:	28 October 2025
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RIGHTS OF APPEAL

1. 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.

2. 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.

3. 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.

4. 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 of Relevant Legislation

Leasehold Reform, Housing and Urban Development Act 1993 (as amended)

Section 50 (1)-(3)

(1) Where –

(a) a qualifying tenant of a flat desires to make a claim to exercise the right to acquire a new lease of his flat, but

(b) the landlord cannot be found or his identity cannot be ascertained

the court may, on the application of the tenant, make a vesting order under this subsection.

(2) Where –

(a) a qualifying tenant of a flat desires to make such a claim as is mentioned in subsection (1), and

(b) paragraph (b) of that subsection does not apply, but

(c) a copy of a notice of that claim cannot be given in accordance with Part 1 of Schedule II to any person to whom it would otherwise be required to be so given because that person cannot be found or his identity cannot be ascertained, the court may on an application of the tenant, make an order dispensing with the need to give a copy of such a notice to that person.

(3) The court shall not make an order on any application under subsection (1) or (2) unless it is satisfied –

(a) that on the date of the making of the application the tenant had the right to acquire a new lease of his flat; and

(b) that on that date he would not have been precluded by any provision of this Chapter from giving a valid notice under section 42 with respect to his flat.

Section 51

(1) A vesting order under section 50(1) is an order providing for the surrender of the tenant's lease of his flat and for the granting to him of a new lease of it on such terms as may be determined by the appropriate tribunal to be appropriate with a view to the lease being granted to him in like manner (so far as the circumstances permit) as if he had, as the date of his application, given notice under section 42 of his claim to exercise the right to acquire a new lease of his flat.

(2) If the appropriate tribunal so determines in the case of a vesting order under section 50(1), the order shall have effect in relation to property which is less extensive than that specified in the application on which the order was made.

(3) Where any lease is to be granted to a tenant by virtue of a vesting order under section 50(1), then on his paying into court the appropriate sum there shall be executed by such person as the court may designate a lease which –
(a) is in a form approved by the appropriate tribunal, and (b) contains such provisions as may be so approved for the purpose of giving effect so far as possible to section 56(1) and section 57 (as that section applies, in accordance

with
subsections (7) and (8) below;
and that lease shall be effective to vest in the person to whom it is granted the property expressed to be demised by it, subject to and in accordance with the terms of the lease.

(4) In connection with the determination by the appropriate tribunal of any question as to which the property to be demised by any such lease, or as to the rights with or subject to which it is to be demised, it shall be assumed (unless the contrary is shown) that the landlord has no interest in property other than the property to be demised and, for the purpose of excepting them from the lease, any minerals underlying that property.

(5) The appropriate sum to be paid into court in accordance with subsection (3) is the aggregate of –

(a) such amount as may be determined by the appropriate tribunal to be the premium which is payable under Schedule 13 in respect of the grant of the new lease;

(b) such other amount or amounts (if any) as may be determined by such a tribunal to be payable by virtue of that Schedule in connection with the grant of that lease;
and

(c) any amounts or estimated amounts determined by such a tribunal as being, as the time of execution of that lease, due to the landlord from the tenant (whether due under or in respect of the tenant's lease of his flat or under or in respect of any agreement collateral thereto).

(6) Where any lease is granted to a person in accordance with this section, the payment into court or the appropriate sum shall be taken to have satisfied any claims against the tenant, his personal representatives or assigns in respect of the premium and any other amounts payable as mentioned in subsection (5)(a) and (b).

(7) Subject to subsection (8), the following provisions, namely – (a) sections 57 to 59, and (b) section 61 and Schedule 14, shall, so far as capable of applying to a lease granted in accordance with this section, apply to such lease as they apply to a lease granted under section 56, and subsections (6) and (7) of that section shall apply in relation to a lease granted in accordance with this section as they apply in relation to a lease granted under that section.

(8) In its application to a lease granted in accordance with this section (a) section 57 shall have effect as if –

(i) any reference to the relevant date were a reference to the date of the application under section 50(1) in pursuance of which the vesting order under that provision was made, and

(ii) in subsection (5) the reference to section 56(3)(a) were a reference to subsection (5)(c) above; and

(b) section 58 shall have effect as if –

(i) in subsection (3) the second reference to the landlord were a reference to the person designated under subsection (3) above, and (ii) subsections (6)(a) and (7) were omitted.