



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

**Case reference** : **LON/00AH/OCE/2025/0079**

**Property** : **75 St Saviours Road Thornton Heath  
Croydon CR0 2XE**

**Applicant** : **Mr Dayle Johnson (1)  
ADJ Property and Development Limited  
(2)**

**Representative** : **Leeds Day LLP**

**Respondent** : **Mr Sean Cahill**

**Representative** : **-**

**Type of application** : **Section 27 of the Leasehold Reform,  
Housing and Urban Development Act  
1993**

**Tribunal members** : **Mrs E Flint FRICS**

**Date of  
determination and  
venue** : **20 January 2026 at  
10 Alfred Place, London WC1E 7LR**

**Date of decision** : **20 January 2026**

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**DECISION**

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**Summary of the tribunal's decision**

- (1) The appropriate premium payable for the collective enfranchisement is **£69,277**

## **Background**

1. On 23 December 2024 an application was made to the Croydon County Court (Claim Number MOOCRO34) was made by the qualifying tenants pursuant to section 27 of the Leasehold Reform, Housing and Urban Development Act 1993 (“the Act”) for an order dispensing with the need to serve a Notice under section 13 of the Act on the landlord as he could not be found.
2. On 4 June 2025 District Judge Bishop at the Croydon County Court, being satisfied that the landlord was missing, ordered that the service of a notice under section 13 should be dispensed with and that the tribunal should determine the terms of the transfer and the premium to be paid for the collective enfranchisement of 75 St Saviours Road Thornton Heath CRO 2XE (the “property”).

## **The hearing**

3. The hearing took place on the papers. The tribunal did not consider it necessary to carry out a physical inspection to make its determination.
4. The applicant relied upon the expert report and valuation of Robert Stewart Kaye MSc MRICS of Leasehold Assist Limited dated 9 December 2025.

## **The leases**

5. Both the ground floor and first floor flats are held on leases for 99 years from 1 January at £50 per year for the first twenty five years, £100 for the next twenty five years, £150 per year for the following twenty five years and £200 per year for the remainder of the term. There were 62.01 years unexpired at the valuation date.

## **The evidence**

6. Mr Kaye described the premises which comprise a two storey late nineteenth century terraced house which had been converted into two three rooms, kitchen and bathroom/wc flats. The ground floor flat has the benefit of a small, limited height basement and the front and rear gardens. The first floor demise includes the roof void and structure.
7. In reaching his opinion of value of the extended leasehold value he referred to the sale prices of several flats nearby, including the purchase price of the existing lease of 75 St Saviours Road at £230,00 on 6 April 2023. There were very limited details of the condition of any of the comparables although floor areas were provided based upon the EPC’s of each flat, except for number 75 which he had measured. On the basis

of this evidence he was of the opinion that the extended lease value for the ground floor flat was £270,00 and the first floor £250,000.

8. He had adopted a relativity of 78.99% based on the average of the Savills and Gerald Eve graphs of relativity for 62.01 years unexpired. Consequently, his existing lease values were £213,433 for the ground floor and £197,475 for the upper flat.
9. In support of his capitalisation rate of 8.5% he referred to several decisions of the First Tier Tribunal where the ground rents increased significantly and at a more frequent period than in the subject. An onerous ground rent had been capitalised at 8.5%; a capitalisation rate of 8.32% was determined where the ground rent doubled every twenty five years and 7.75% where the ground rent increased by 50% every 10 years.
10. In addition, he had considered sales of two ground rent investments. A block of fifty five flats with rent reviews every one hundred years to 125% of the previous rent. The capitalisation rate equated to c10%. The other investment was in respect of a block of nine flats with one hundred and twenty years unexpired with no rent review, sold December 2023 for £29,000. He had analysed the sale to show a capitalisation rate of 10.2% and a deferment rate of 5%.
11. Mr Kaye had adopted a deferment rate of 5% based on the 2007 decision in Sportelli.
12. He valued the premium for No.75 on the ground floor at £35,944 and No.75A on the first floor at £33,333. The premium for the purchase of the freehold was therefore £69,277.

### **The tribunal's determination**

13. The tribunal determines that a premium of £ is payable for the freehold interest in the property apportioned as follows: No 75 £ and No.75A £

### **Reasons for the tribunal's determination**

14. The Tribunal accepts Mr Kaye's opinion of value in respect of the existing and extended lease values and the deferment rate of 5%. However, it does not accept a capitalisation rate of 8.5%. The rent review pattern of an increase of £50 per year every twenty five years is neither onerous nor unusual. The investments referred to were not helpful in that neither represented a similar investment.
15. The tribunal decisions were also not similar to the ground rent pattern for the subject. The Tribunal determines a capitalisation rate of 8.5% is

at the higher end of capitalisation rates based upon its own general knowledge and expertise in collective enfranchisement cases where modest ground rents increase during the course of the leases. However it accepts it in this case where there is no strong evidence to contradict the rate adopted.

### **The premium**

16. The tribunal determines the appropriate premium to be **£69,277 apportioned as follows: No.75 £35,944 and No.75A £33,333.**

### **The TR1**

17. The following amendments should be made to the draft TR1:

Section 8 The consideration is paid into court

Section 9 Limited Title Guarantee

Section 11 Insert Claim No.MOOCR034

**Name:** E Flint

**Date:** 20 January 2026

### **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).

**CASE REFERENCE LON/00AC/OLR/2014/0106**

**First-tier Tribunal  
Property Chamber (Residential Property)**

**Valuation under Schedule 6 of the Leasehold Reform Housing and  
Urban Development Act 1993**

**Premium payable for the freehold interest in [Property]**

**Valuation date: [Date]**