FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**LON/00AH/OLR/2026/0403**
Property	**:**	**First Floor Flat,9b Fairholme Road, Croydon, CRO 3PG**
Applicant	**:**	**Anne Adesu Anehita Kuku**
Representative	**:**	**Comptons Solicitors LLP**
Respondents	**:**	**Sean Cahill and Monica Cahill (missing landlords)**
Representative	**:**	**None**
Type of Application	**:**	**Enfranchisement**
Tribunal Member:		**Judge Robert Latham**
Venue of Hearing	**:**	**10 Alfred Place, London, WC1E 7LR**
Date of Decision	**:**	**25 September 2026**

DECISION

Decision of the Tribunal

(i) The Tribunal determines that the premium payable by the Applicant in respect of the extension of her lease in respect of First Floor Flat,9b Fairholme Road, Croydon, CRO 3PG is £31,935.

(ii) The Tribunal approves proposed draft statutory lease.

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Background

1. The Applicant is claiming the right to acquire a new lease of her flat, namely the First Floor Flat,9b Fairholme Road, Croydon, CRO 3PG (“the Flat”) pursuant to the provisions of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act").

2. On 21 April 2026, District Judge Hay, sitting in the County Court at Croydon, made an order dispensing with the service of the tenants’ notice under Section 42 on the ground that the landlord could not be found. He transferred the matter to this Tribunal to determine the terms of the new lease and the premium payable.

Evidence

3. The Tribunal has been provided with a detailed valuation report by Richard Stacey BA (Hons) DGDipSurv MRICS, dated 2 September 2026. On 31 July 2025, he inspected the Flat. He proposes a premium of £31,934, based on a relativity of 76.26%.

4. The Tribunal has been provided with a draft statutory lease.

Lease details

5. The Applicant currently holds the Flat under a lease, dated 7 September 1998 for a term of 99 years from 1 January 1984. The Applicant's interest was registered on 30 March 1998. The relevant Valuation Date is 22 October 2025, namely the date on which this claim was issued in the County Court. On this date, the unexpired term was 57.19 years.

6. The Flat is a one bedroom flat of the first floor in a converted two storey mid-terrace, late Victorian house, which has been sub-divided into two flats. The property is accessed via a communal front door which opens onto a community hallway. The external parts of the building are in a poor condition.

7. The ground rent provisions are: 1st Term (33 years): £50; 2nd Term (33 years): £80 (the passing rent) and 3rd Term (33 Years): £120. The Flat is in its unimproved condition and there are no improvements to be considered.

Extended Lease Value

8. Mr Stacey has had regard to five one bedroom comparables, namely Flat 3, Cameron Road, CR0 2SR; Flat 4, 46 Broad Green Avenue, CR0 2ST; Ground Floor Flat, 10 Cavendish Road, Croydon, CR0 3LB, Top Floor Flat, 1 Francis Road, CR0 2RT; and Flat 5, 1 Cameron Road, CR0 2SR. None of the comparables had lease lengths under 80 years. Mr Stacey has been unable to identify sales of similar properties close to the valuation date. He has therefore had to make a number of adjustments for time, size, location and condition. The prices range from £190,000 to £224,00. The sale dates range from 8 August 2024 to 11 August 2025.

9. Mr Stacey computes a long leasehold value of £215,000. To this, he adds 1% to compute a vacant possession freehold value of £217,172.

Relativity

10. Mr Stacey has not identified any evidence of local transactions of flats with short leases. He therefore resorts to graphs. In arriving at the relativity adopted within my marriage value calculation, he has had regard to the guidance of the Upper Tribunal in *Trustees of the Barry and Peggy High Foundation v Zucconi* [2019] UKUT 242 (LC), in which the Tribunal endorsed the use of the Savills 2016 and Gerald Eve 2016 graphs in the absence of reliable transactional evidence, notwithstanding that the subject property lies outside prime central London. This is an approach subsequently reaffirmed by the Upper Tribunal (Martin Rodger QC, Deputy Chamber President and Mrs Diane Martin MRICS FAAV) in *Deritend Investments (Birkdale) Limited v Ms Kornelia Trekonova* [2020] UKUT 164 (LC), a case involving a flat in Sutton Surrey. He has adopted a relativity of 76.26%.

Capitalisation Rate

11. Mr Stacey takes a figure of 6.5%. In adopting this figure, he has had regard to (i) the length of the lease terms; (ii) the security of recovery; (iii) the size of the ground rent (a larger ground rent being more attractive); (iv) whether it is possible to review the ground rent and (v) if it is possible, what the review mechanism is. On the date of valuation, the Bank of England base rate was 4.00%. He considers that this economic background, along with publicised leasehold reform, had dampened confidence in ground rent investments. The ground rent for the Flat is currently £80 per annum and increasing to £120 per annum for the final 33 years. The Tribunal endorses the approach that he has adopted.

Deferment Rate

12. Mr Stacey has adopted the "Sportelli" rate of 5%. The Tribunal sees no reason to depart from this.

Calculation of the Premium

13. The Tribunal approves the valuation of £31,935.

Terms of the new lease

14. The Applicant has provided a draft statutory lease. The Tribunal approves this.

Judge Robert Latham
25 September 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 **by e-mail** 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).