

Ref LON/LVT/1826/04

LEASEHOLD VALUATION TRIBUNAL
FOR
LONDON RENT ASSESSMENT PANEL

DETERMINATION
RE
APPLICATION UNDER SECTION 27 OF THE LEASEHOLD
REFORM ACT 1967

Premises: 18 Northway Road, Croydon, Surrey CR0 6JE

Applicant: London Capital Securities Ltd (Tenant)

Representative: Messrs Solomon Taylor & Shaw Solicitors

Respondent: Jim Richardson (Landlord)

Meeting: Thursday 16 June 2005

Appearances: The Applicant's Representative had confirmed in writing that it was happy for the matter to be dealt with by written representations.

Members of Tribunal:

Professor J T Farrand QC LLD FCI Arb Solicitor

Mr J C Avery BSc FRICS

1. The Application to the Tribunal, dated 6 October 2004, was made in pursuance of an Order dated, 5 October 2004, made by Deputy District Judge Beach under s.27 of the Leasehold Reform Act 1967 (as amended by s.149 of the Commonhold and Leasehold Reform Act 2002). That section relates to claims for enfranchisement where the relevant landlord cannot be found or identified and enables his participation to be dispensed with.
2. The role of the Tribunal according to the Order made under s.27 of the 1967 Act was to make "a determination of (a) the basis of valuation and (b) the value itself." This was in order to ascertain the appropriate sum to be paid into court so that a vesting conveyance or transfer could be executed in favour of the Applicant. In substance, the Tribunal's role is to determine the price payable for the proposed enfranchisement.
3. For this purpose, the Applicant's Representative had submitted a Report & Valuation on the Premises, dated May 2005, prepared by Caroline Appleby BSc MRICS of John G Dean & Co, Chartered Surveyors and Estate Agents. The Tribunal found this Report of considerable assistance.
4. The Report included a photograph as well as a description of the Premises: "A mid-terrace house built circa 1900 of solid brickwork with a pitched roof clad with tiles". It is a small two storey house, two rooms and a kitchen on the ground floor and two rooms and a bathroom/WC on the first floor, with a small rear garden (also outside WC). The house is still completely unmodernised and without central heating.
5. The Premises are held under a Lease dated 9 February 1906 granted for a term of 99 years from 25 December 1905 at a fixed rent of £8 per annum [**NB** not £4 as used in the Report & Valuation referred to but the effect on the final valuation is absorbed in the rounding-up the final figure]. The Leasehold Title to the Premises was registered at HM Land Registry (No.SY55050) and the Proprietor, with a Good Leasehold Title, entered as London Capital Securities Plc, according to an Office Copy dated 5 October 2000. The Freehold Title to the Premises was also registered (No.SY139697) with other land (ie No.20 Northway Road), the Proprietor with Title Absolute being entered as Jim Richardson (of No.20) and notice of the Lease of the Premises was entered, according to an Office Copy dated 6 January 2003. No filed plans or more up-to-date copies were made available but these were not regarded as necessary.

6. From the information supplied by Caroline Appleby in her Report (para.8), the Tribunal was able to accept that the rateable value of the premises would not have been above £1,000 on 31 March 1990. Accordingly, the Tribunal determines that the appropriate basis of valuation of the Premises is as provided in s.9(1) of the 1967 Act.
7. The Tribunal also agreed that the valuation date (ie the relevant time under s.9(1)) should be 20 February 2004 by virtue of the provision in s.27(1) of the 1993 Act equating the application to court (which was on that date) with the giving of notice claiming enfranchisement (see the definition of "relevant time" in s.37(1)(d) of the 1967 Act).
8. In her Report & Valuation, Caroline Appleby had adopted the "standing house" approach" as explained and supported by reference to decided case in *Leasehold Enfranchisement* (Hague 5th ed. para.s 8-08 to 8-11). The Tribunal considered that, in the circumstances of the case, this should be accepted as an appropriate approach.
9. For the purposes of arriving at the "entirety value" of the Premises, an adequate list of recent sale prices of modernised comparable was supplied in the Report to justify including the figure of £190,000 in the Valuation.
10. Otherwise, having carefully checked the factors and calculations incorporated in the Valuation made by Caroline Appleby, the Tribunal was entirely ready to accept the conclusion reached that the enfranchisement price, as rounded up, should be £57,300. A copy of the Valuation is attached to this Determination.
11. The Tribunal did not consider that any amount required adding to that sum as unpaid rents given the lack of any demand for payment and of any information as to a current address for service of notices (cp s.48 of the Landlord and Tenant Act 1987). The Tribunal therefore determines for the purposes of s. 27(5) of the 1967 Act (as amended by the 2002 Act) that the appropriate sum to be paid into court by the Applicant in order to obtain a vesting transfer of the freehold interest in the Premises is **£57,300**.

Chairman:

Julian Fawcett

Date: 21 June 2005