

**LEASEHOLD VALUATION TRIBUNAL
OF THE
MIDLAND RENT ASSESSMENT PANEL**

Ref: BIR/00CN/OAF/2007/0084

**DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ON AN APPLICATION
UNDER SECTION 21 OF THE LEASEHOLD REFORM ACT 1967**

Applicant: Katherine Margaret Millington

Respondent: Person or Persons Unknown

Subject property: 20 Gladstone Road
Yardley
Birmingham
B26 1DA

Date of tenant's notice: 21 March 2007 (Court Application)

Application to the LVT: 2 November 2007

Appearances: No Oral Hearing – Written Submissions Only

Members of the LVT: Mr. S. A. Rowlands
Mr. R. A. Kington
Mr. J. Arain

Date of determination: 5 NOV 2007

Introduction

1. By an Order of District Judge Cole in the Birmingham County Court, claim No 7BM70766, it was ordered that the Leasehold Valuation (LVT) determines the price payable by the Applicant, Katherine Margaret Millington, under the provisions of section 27 of the 1967 Act in accordance with section 9 of that Act. The said Applicant has applied to the LVT for a determination of the price payable.
2. The subject property is held under an underlease dated 30 November 1929 for a term of 99 years (less 3 days) from 25 March 1908 at an annual rent of £4.50 per annum. The unexpired term at the effective date of the claim to acquire that freehold (the relevant date), i.e. the date of application to the Court, was 1 day.
3. The identity of the Freeholder is not known.
4. The Tribunal accepts that the qualifying conditions for enfranchisement under the 1968 Act are satisfied.

Subject Property

5. The property comprises a two-storey mid-terraced house occupying an almost level and rectangular plot of land with a frontage of approximately 12' 9".
6. The accommodation comprises a canopy porch, a vestibule, hallway, 2 living rooms, lobby with staircase off and pantry beneath, breakfast room, kitchen, lobby with WC, upstairs- a landing, and 3 bedrooms. Outside there is a short foregarden, rear garden, outhouse and rear party pathway.

Inspection and Hearing

7. The Tribunal inspected the property on 2 November 2007 in the presence of the Applicant's Agent Mr. Harry Barber. F.R.I.C.S.
8. There was no oral hearing. Written submissions were considered.

Written Representations

9. Mr Barber, on behalf of the Applicant, supplied sale details of a number of properties, both in Gladstone Road itself, and in surrounding roads. These details indicated that 17 Gladstone Road sold £126,000 on 29 June 2007; 14 Emily Road for £137,000 on the 1 June 2007, and the freehold enfranchisement of 18 Gladstone Road for £40,000 on the 1 March 2007. Details were also supplied concerning 17 Emily Road, an end of terrace property currently on the market for £135,950.

10. Mr. Barber submitted that the standing house value of 20 Gladstone Road was £130,000, and that the appropriate site apportionment was 30%. He submitted that the appropriate rate for capitalising the ground rent was 4.75%.
11. Mr. Barber's valuation of the subject property, at the relevant date, in accordance with section 9(1) of the 1967 Act was as follows:-

Standing House Value-	£130000
Site apportionment @ 30%-	£39900
Section 15 rent @ 4.75%-	£1852.50
No years purchase of a reversion to a perpetuity @ 4.75%-	21.005

	£39,000

Decision

12. Using its general knowledge and experience of property prices in the locality of the subject property, and taking into account the positive and negative features of the subject property and all other relevant considerations, the Tribunal agrees with Mr. Barber that the standing house value of the subject property, at the relevant date, was £130000. The Tribunal also agrees with Mr. Barber that the appropriate percentage in calculating the site value of the subject property should be 30%. The Tribunal found that would be a figure of £39000, and not £39900 as shown in Mr Barber's valuation as detailed above. Finally, the Tribunal agrees with Mr. Barber that the percentage yield rate to be applied should be 4.75% .
13. Accordingly the Tribunal determines the price payable by the Applicant, under section 9 of the 1967 Act, for the freehold interest in the subject property at £39000 in accordance with the calculation made by Mr. Barber set out above.



S. A. Rowlands
Chairman

Dated

5/ November / 2007