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

**Case Reference** : **LON/OOAJ/OCE/2014/0176**

**Property** : **71 Grosvenor Road, Hanwell,  
London W7 1HR (the Property)**

**Applicant** : **Roselyne Haye (1) and Gerard  
Rosato (2)**

**Representative** : **Prince Evans Solicitors and J R  
Crosbie FRICS of Brendons  
Property Consultants Ltd**

**Respondent** : **Joseph Stapleton (1) and Veronica  
Antoine (2)**

**Representative** : **None (missing landlord)**

**Type of Application** : **S27 Leasehold Reform, Housing  
and Urban Development Act 1993  
(the Act)**

**Tribunal Members** : **Tribunal Judge Dutton  
Miss M Krisko BSc (Est Man)  
FRICS**

**Date and venue of  
Determination** : **19<sup>th</sup> August 2014 at 10 Alfred Place,  
London WC1E 7LR**

**Date of Decision** : **19<sup>th</sup> August 2014**

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**DECISION**

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**The tribunal determines that the price payable for the freehold interest in the Property is £31,346 divided as to £14,871 in respect of the ground floor flat and £16,475 in respect of the first floor flat.**

**The terms of the transfer as included in the papers before us are approved save that the transfer should be with limited title guarantee and the Applicants should check the attestation clause for signature by the District Judge.**

## **REASONS**

### **BACKGROUND**

1. By an order dated 23<sup>rd</sup> May 2014 in the Brentford County Court in claim number AOOBF452 (“the Order”) between the parties named on the front page of this decision the matter was remitted to this Tribunal for the price and terms of the acquisition to be determined pursuant to section 27 of the Leasehold Reform, Housing and Urban Development Act 1993 (“the Act”).
2. We met on 19<sup>th</sup> August 2014 for the purposes of implementing the requirements of the Order.
3. We had before us a bundle prepared by the Applicant’s solicitors which contained the Court papers, including the Order, a witness statement of Ms Haye with a number of exhibits, copies of the freehold and leasehold registers of title and the leases. In addition we were provided with a copy of the report of Mr John Crosbie FRICS of Brendons Property Consultants Limited dated 31<sup>st</sup> July 2014 and the proposed draft transfer.
4. We have considered the papers before us and in particular the report of Mr Crosbie. This report is dated 18<sup>th</sup> October 2014 on the front page but has been revised on 30<sup>th</sup> July 2014. After setting the scene as to location and the subject building Mr Crosbie described the two flats their respective floor areas, condition, and tenure. It also states the valuation date is 5<sup>th</sup> March 2014, being the date of the application. In fact the date of issue of the Court proceedings is 6<sup>th</sup> March 2014 which is the correct valuation date. Nothing hangs on this.
5. The report states that there have been improvements but attributes no specific figure to their value.
6. The report argues for a capitalisation rate of 7%, a deferment rate of 5% and relativity of 92.7% for the ground floor flat and 92.8% for the first floor flat, the former having a slightly shorter remaining lease term.
7. As to comparable evidence he relies on some 7 comparable properties dated from August 2013 to February 2014. No estate agents particulars are enclosed and the lease terms are not known. We noted all that was said. Applying these elements to the assessment of the valuation of the price to paid for the freehold Mr Crosbie reached a combined freehold vacant possession value of £569,250, allowing for a 1% reduction for leasehold/freehold worth, leading to a total premium payable of £28,471, rounded down to £28,470.
8. We set out our comments on these submissions in the findings section below

## FINDINGS.

9. In essence we are prepared to accept the values put forward by Mr Crosbie, save for the 1% reduction for the freehold/leasehold differential. We have no quibble with the capitalisation and deferments rates. As to relativity, he has relied on graph evidence which supports the percentages argued for in the report. The comparable evidence was somewhat lacking. The information on the comparables could have been more fulsome and his deductions for differences, e.g. improvements and in the case of the first floor flat lack of garden were un-quantified. However, we accept that Mr Crosbie acts as independent expert and that the adjustments he makes are reasonable.
10. We would not make a reduction of 1% in respect of the difference between leasehold and freehold. The reasons for our rejection of this reduction are that the leases already provide for the leaseholders to insure and repair. We cannot see what real difference there is to warrant such a reduction.
11. We find that the price payable for the freehold should be £31,346. This is made up of the freeholder's interest of £20,422, the value of the unimproved extended leases of £575,000, which gives a marriage value of £21,248. Half is attributable to the freehold (£10624), which with the £300 compensation, which we do not propose to disturb, gives the final price for the freehold of £31,346. We assess that this should be divided as to £14,871 in respect of the ground floor flat and £16,475 for the first floor flat. To achieve this split we have agreed the figures on page 1 of Mr Crosbie's valuation but divided the marriage value as to £4,990 for the ground floor flat and £5,634 for the first floor flat, with the compensation of £300 being divided equally. This sum should be paid into Court. We approve the terms of the draft transfer included within the bundle save that the title guarantee should be limited and the attestation clause should be checked to ensure it meets the Court's approval.

Andrew Dutton  
Tribunal Judge

19th August 2014