(114)

LVT 9

Our Ref: M/EH 2255c

WEST MIDLAND RENT ASSESSMENT PANEL

Leasehold Reform Act 1967 **Housing Act 1980**

DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER S21 OF THE LEASEHOLD REFORM ACT 1967

Applicant:	Mr & Mrs Bradbury (Leaseholder)
Respondent:	St Ermins Property Co Ltd
Re:	1 Brabham Crescent, Streetly, Sutton Coldfield
Date of Tenants Notice:	14th February 2001
RV as at 1.4.73:	£309.00
Application dated:	08th June 2001
Heard at:	The Panel Office
On:	12th December 2001
APPEARANCES:	
For the Tenant:	Richard Bakewell FRICS
For the Landlord:	Not Present

Members of the Leasehold Valuation Tribunal:

Mr J.R. Bettinson LLD
Mr D.J. Satchwell
Mrs C.L. Smith

Date Of Determination

12 FEB 2002

LVT 96/5

LEASEHOLD VALUATION TRIBUNAL
OF THE
WEST MIDLAND RENT ASSESSMENT PANEL

Ref: M/LRC 280

DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER SECTION 21(1) (ba)
OF THE LEASEHOLD REFORM ACT 1967

Applicant:	Mr and Mrs Bradbury (Leaseholder)
Respondent:	St Ermins Property Co Ltd
Re:	1 Brabham Crescent Streetly, Sutton Coldfield
Date of Tenants Notice:	14th February 2001
Application to Tribunal dated:	£309.00
Heard at:	The Panel Office
On:	12th December 2001
Appearances:	
For the Applicant:	Richard Bakewell FRICS
For the Respondent:	Not Present

Members of the Leasehold Valuation Tribunal:

Mr J.R. Bettinson LLD
Mr D. J. Satchwell
Mrs C.L. Smith

Date of Tribunals decision:

12 FEB 2002

REASONS FOR THE LEASEHOLD VALUATION TRIBUNAL DECISION IN RESPECT OF:

1 Brabham Crescent, Streelty, Sutton Coldfield, Birmingham

APPLICATION:

This is a reference to determine the price to be paid by the Tenants Mr & Mrs Bradbury for the Freehold interest in the property known as No. 1 Brabham Crescent, Streetly, Sutton Coldfield, West Midlands in accordance with the provisions of the Leasehold Reform Act 1967 as amended. The Tenants hold the property under a Lease dated 25 January 1964 for the unexpired residue of a term of 99 years from 24 June 1962 at a yearly ground rent of £20.

The Tenant's Notice of Claim to acquire the Freehold interest was dated 14 February 2001 when some 60-33 years of the term remained unexpired. The Tribunal accepts that the qualifying conditions for enfranchisement under the Act have been met.

INSPECTION

Prior to the Hearing, the Tribunal called to see the property which they found on inspection to be an extended semi detached property constructed of brick and tile and comprising on the ground floor a hallway, living room, kitchen/diner, utility room and shower room. There is also an integral single car garage. On the upper floor there are three bedrooms and a combined bathroom and w.c. The site of the subject property has a road frontage of 7.62 metres and an area of some 232 square metres.

THE HEARING

This was attended By Mr Richard Bakewell FRICS of Messrs Acres on behalf of the Tenants. The Landlord was not represented. Mr Bakewell tabled his valuation as follows: -

Present Ground Rent	£20	
YP at For 60.33 years	£14.04	280.80
Capital Value	£97500	
Site apportionment		
36%	£35100	
Modern Ground Rent	£2457	
YP at 7% deferred	£2411	592.38
60.33 years		873.18

He cited in support of his capital value two decisions of the Tribunal within only months of the Notice in this case (No 33 & 35 Brabham Crescent) where values of £95,000 and £105,000 had

been adopted although he questioned the latter valuation. A similar extended property no. 16 Brabham Crescent (for which he tabled sale particulars), had only realised £95,000 towards the end of 2000. Prices had very recently broken the £100,000 barrier but at the effective date he was not aware of any property in the area that had been sold at a price in excess of £100,000 whatever its advantages.

DECISION

While the Tribunal accepts Mr Bakewell's general contention that at times and in certain locations a price barrier operates in the open market, we feel that there is a significant difference in both plot size and accommodation between this property and the evidence adduced by Mr Bakewell in respect of other properties in the vicinity – including No. 35 Brabham Close (and other un-extended properties) with which the Tribunal was also dealing on this day and where we were prepared to accept a value of £95,000. In our view any reasonable purchaser would pay an additional £5000 for the subject property. We therefore set a capital value of £100,000 and our valuation of the deferred interest (to be added to the valuation of the present ground rent) is therefore as follow:-

Capital value	£100,000	
Site apportionment	£36,000	
Market ground rent	£2520	
YP at 7% deferred 60-30 years	2411	£607.57

Accordingly, we determine the price to be paid by the Tenants for the freehold interest in the subject property at £888 plus the Landlords reasonable costs calculated in accordance with Section 9(4) Leasehold Reform Act 1967 and Schedule 22 Rule 1 (5) Housing Act 1980.

COSTS

The Tenant had also requested the Tribunal to determine the Landlords costs.
Mr Bakewell submitted that in the absence of any evidence that the Landlords had incurred a valuation fee subsequent to the Tenants' Notice none was payable. He asked that the Landlords Legal Charges be set at £250 + VAT and disbursements that being the level of fee presently determined by the Tribunal. CHP Management Ltd had by letter 12th September 2001 quoted figures of £300 for Legal costs and £150 their fee (both plus VAT).

DECISION

We find no reason to award a valuation fee. We determine the Landlords Legal costs at £250 + VAT and disbursements.

J. R. BETTINSON

Chairman **Date:** 12th February 2002