

149

LVT 9

Our Ref: 2408

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 N.C. & Mrs J.D. Thacker
Respondent: Mr & Mrs Sian
Re: 32 Ferndale Road, Streetly, Sutton Coldfield, Birmingham
Date of Tenants Notice: 15th October 2001
RV as at 1.4.73: £243.00
Application dated: 06th February 2002
Heard at: The Panel Office
On: 05th April 2002

APPEARANCES:

For the Tenant: Mr A.W. Brunt FRICS
For the Landlord: Not Represented

Members of the Leasehold Valuation Tribunal:

Mr T.F. Cooper BSc FRICS FCI Arb (Chairman)
Mr D.R. Salter LLB
Mrs N. Jukes

Date Of Determination

103 MAY 2002

**DETERMINATION OF THE LEASEHOLD VALUATION TRIBUNAL ON
THE PRICE PAYABLE ON ENFRANCHISEMENT
IN THE CASE OF**

**THACKER
V
SIAN**

RE: 32, FERNDALE ROAD, STREETLY, SUTTON COLDFIELD, BIRMINGHAM

Background: Mr N C Thacker and Mrs J D Thacker are the **Tenants** of the dwelling house and premises at the above property (the '**Property**'). The **Freeholders** are Mr K S Sian and Mrs B K Sian. By a notice dated 15 October 2001 (the '**Date**') the Tenants claim to acquire the freehold under the Leasehold Reform Act 1967 (as amended) (the '**Act**'). By an application dated 6 February 2002 the Tenants apply to us to determine the price payable on the acquisition of the freehold of the Property under sec 9 of the Act. We inspected the property on 5 April 2002 and a hearing was held on the same day.

The Tenants hold the Property by an underlease for a term of 99 years less three days from 25 December 1954 at a ground rent of £12 pa. The head lease (the '**Lease**') is for a term of 99 years from 25 December 1954 at an apportioned ground rent for the Property of £4.21 pa. The price for the head leasehold interest, as the intermediate interest of Drengulf Ltd, has been agreed.

The unexpired term of the Lease on the Date - which is the relevant date for the determination of the price payable - was about 52 years. We and the parties accept that the qualifying conditions for entitlement to enfranchise under the Act have been met.

The Property comprises a semi-detached house of traditional brick and tile construction in an established residential area of similar properties. The accommodation includes:- on the ground floor – hall, living room, dining room, kitchen, utility; on the first floor – three bedrooms, bathroom, wc. The site frontage is 8.15m, the width is maintained throughout the depth of the site and the total site area is 237m².

Mr A W Brunt FRICS appeared for the applicant Tenants; the Freeholder did not appear and was not represented.

[Continued]

Tenants' Valuation: By Mr Brunt £1,357 (after adjustment for 'rounding' of YPs to nearest 3 decimal places) - more specifically:

The term:

Ground rent	£4.21 pa	
YP say 52 years at 7%	<u>13.862</u>	£58.36

The reversion (by the Standing House method):

Entirety value	£125,000	
Site proportion at 35% of entirety value	£43,750	
Section 15 modern ground rent at 7% of £43,750	£3,062.50 pa	
YP in perpetuity deferred 52 years at 7%	<u>0.424</u>	£1,298.50

Price £1,356.86

Say £1,357.00

Freeholder's valuation: We have no valuation from the Freeholder.

Submissions and evidence: Mr Brunt derives the price by the standing house method of valuation.

He says that there is a dearth of helpful comparable evidence and derives his entirety value of £125,000 from his knowledge and experience supported by press advertisements and selling agents' sales particulars. He recognises the principles of the entirety value being the value of the Property in good condition and fully developing the potential of its site provided always that the potential identified is realistic and not fanciful.

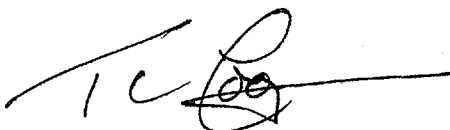
He adopts 35% of the entirety value as the site value which he says reflects the level characteristics of the site.

Valuation of the Tribunal: Applying the generally accepted valuation principles to derive the price for the Tenants to acquire the freehold on fair terms we find and hold that Mr Brunt's valuation is consistent with those principles.

Conclusion on the price payable: We determine that the sum to be paid by the Tenants for the acquisition of the freehold interest in accordance with section 9 of the Leasehold Reform Act 1967, as amended, is £1,357 (One thousand three hundred and fifty seven pounds) plus the Freeholder's reasonable costs in accordance with section 9(4) of the Leasehold Reform Act 1967 and Schedule 22, Part I, para. 5. of the Housing Act 1980. In default of agreement on the amount of any costs payable under section 9(4) under the provisions of section 21(1)(ba), application may be made to the Leasehold Valuation Tribunal for a determination of such costs.

Date: 10 3 MAY 2002

T F Cooper
Chairman



c/rap/lvt/2002/050402/2408

M/EH/2408

Page 2 of 2