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REF: LON/LVT/11776/04

**LEASEHOLD VALUATION TRIBUNAL FOR THE LONDON RENT
ASSESSMENT PANEL**

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

Applicant: Norman Sprott and Sandra McNicol

Respondent: Edwin James Peake Farrant

Re: 107 Fulwell Park Avenue Twickenham TW2
5HG

Date of Tenant's notice: 23rd August 2002

Date of Counter Notice: None Given

Application date: 13th July 2004

Hearing date: 12th January 2005

Valuation date: 24th August 2002

Appearances: For the Applicant
Mr Owen Grainger FRICS:

For the Landlord:
No Appearance

Members of the Leasehold Valuation Tribunal:

**Mr P L Leighton LLB(Hons)
Miss M Krisko B Sc. (Est Man) BA FRICS
Mr D Levene OBE MRICS**

Date of Tribunal's decision: 25th April 2005

1.0 Introduction

- 1.1 This is an application under the Leasehold Reform Act 1967 for enfranchisement of the freehold of the property at 107 Fulwell Park Avenue Twickenham by Mr Sprott and Ms McNicol who are lessees under a lease of 99 years from 29th September 1935 so that it would expire on 28th September 2034. There was a fixed ground rent of £6.75 per annum throughout the term.
- 1.2 Notice of Claim was given on 23rd August 2002 to which no counter notice was given. As a result proceedings were commenced in the county court and a declaration under Section 20 of the Act was made by District Judge Plaskow in the Brentford County Court on 3rd June 2004 and the matter remitted to the Tribunal
- 1.3 As a result of the landlord taking no part in the proceedings it was not possible to reach an agreed statement of facts so that the Tribunal established the facts from the documents and heard the evidence of Mr Owen Grainger FRICS for the Applicants at the hearing on 12th January 2005. The landlord appears to have taken no interest in the property or in the present application

2.0 Inspection

- 2.1 The Committee inspected the premises on 12th January 2005. As described in Mr Grainger's report it is a small end of terrace 3-bedroom house in a quiet residential street. The property was built between the wars but has been modernised with double glazed windows. It has a small garden with a shed at the rear. The premises are centrally heated and there is a cross over at the front sufficient for two cars to park. As the property falls to be valued in accordance with the 1967 Act the tenant's improvements are irrelevant for this purpose. The Tribunal also inspected externally a number of the properties in the road including No 83 which Mr Grainger relied upon as the most suitable comparable.

3.0 Valuation

- 3,1 The property is to be valued in accordance with Section 9(1) of the Leasehold Reform Act 1967. Mr Grainger in his valuation adopted the standing house approach to arrive at a modern ground rent. This required the Tribunal to establish the entirety or standing house value of the property which is the equivalent of the market value of the property fully improved and in good condition and then to establish the site value, which is taken as a percentage of the entirety value. The Tribunal accepted this as an acceptable approach to the case.
- 3,2 It is then necessary to apply an appropriate yield to arrive at a modern ground rent figure and to capitalise the existing and modern ground rent over the terms. Mr Grainger applied what he said was the conventional yield figure of 7% and the Tribunal accepted this as an appropriate figure.

4.0 The Tribunal's Decision

- 4.1 Mr Grainger adopted 83 Fulwell Park Avenue as the best comparable. This property sold at November 2002 for £221,500. To arrive at the corresponding value at the valuation date (24th August 2002) he had regard to the indices published by Nationwide and HBOS Ltd and taking a median figure provided a value of £210,000. To reflect the end terrace location of the subject property against the inner terrace feature of the comparable he added £5,000 to the subject property to arrive at an entirety value at the valuation date of £215,000. The Tribunal was prepared to accept this figure as the entirety value.
- 4.2 Mr Grainger produced a series of settlements at Appendix VIII to his report showing that site values in West London had been agreed between 32 and 35% and he proposed that the figure of 32% should be adopted. The Tribunal agreed that this was an appropriate figure for this property. This produced a site value of £68,800.
- 4.3 The Tribunal accepted the decapitalisation rate of 7% applied over 32.10 years to the site value to produce the modern ground rent of £4816.

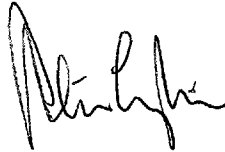
- 4.4 The Tribunal noted that there were arrears of ground rent for the past 6 years at least as no demands had been made and it is uncertain whether a notice under Section 48 of the Landlord and Tenant Act 1987 had been served providing the landlord's address for the service of notices so the ground rent may not be recoverable
- 4.5 Having made the calculation using the same criteria as that applied by Mr Grainger the Tribunal then aggregated the total of the present ground rent and the modern ground rent and arrived at an enfranchisement figure of £ 7,925 as set out in the calculation of Mr Grainger

5.0 Conclusion

5.1 The Tribunal therefore concluded that the appropriate enfranchisement price for 107 Fulwell Park Avenue was £ 7,925. The detailed valuation is set out at Appendix 1

5.2 In her submission of 5th January 2005 the Applicants' solicitor requested the Tribunal to approve the transfer with limited title guarantee and to provide for costs in the sum of £300 and the Tribunal orders accordingly

CHAIRMAN...Peter Leighton



DATE...25th April 2005

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107 FULWELL PARK ROAD, WHITTON, TWICKENHAM

INPUT INFORMATION

Valuation Date:	24 th August 2002
Unexpired Lease Term:	32.10 lease expires 28 th September 2034
Number of yrs. To 1 st review:	32.10
Ground Rent to 1 st Review:	£6.75
Capitalisation Rates:	£215,000
Entirety Value:	32.00%

<i>Present Ground Rent</i>	£6.75	
<i>YP for unexpired lease term @ 7.00%</i>	<u>12.657608</u>	£85
<i>Site Value</i>	£68,800	
<i>Return on Capital</i>	<u>7.00%</u>	
<i>Modern Ground Rent</i>	£4,816	
<i>YP perp.def. unexpired term@ 7.00%</i>	<u>1.628106</u>	<u>£7,841</u>
<i>Enfranchisement Price</i>		<u>£7,926</u>