

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
SOUTHERN RENT ASSESSMENT PANEL
LEASEHOLD VALUATION TRIBUNAL

Case No. CHI/19UC/OLR/2006/0131

REASONS

Application : Sections 48 and 91 of the Leasehold Reform, Housing and Urban Development Act 1993 as amended (“the 1993 Act”)

Applicant/Leaseholder : Denis George Nash

Respondent/Landlord : Stanley M Evans (Properties) Limited

Blocks : the 3 buildings comprising Marryat Court, Montagu Road, Highcliffe, Dorset, BH23 5JU

Flats : the flats and maisonettes forming parts of the Blocks

Flat 2 : the maisonette belonging to the Applicant/Leaseholder

Lease : lease dated the 4 November 1963 between George Wimpey & Co Limited (1) and Mrs E M Robinson (2) for a term of 99 years from the 1 October 1961 at a ground rent of £15 a year

Date of service of Tenant’s Notice : 23 March 2006

Date of Application : 2 November 2006

Date of Provisional Directions : 24 November 2006 and 27 March 2007

Date of Hearing : 27 March 2007

Date of Further Directions : 27 March 2007

Venue : Committee Room, Civic offices, Christchurch, Dorset

Appearances for Applicant/Leaseholder: Mr Stephen Higley BSc FRICS

Also in attendance : Mr Nash

Appearances for Respondent/Landlord: Mr Nigel Thompson FRICS

Members of the Leasehold Valuation Tribunal : Mr P R Boardman JP MA LLB (Chairman), Mr A Mellery-Pratt FRICS, and Mr T Dickinson BSc FRICS

Date of Tribunal’s Reasons : 16 May 2007

Introduction

1. This Application by the Applicant/Leaseholder is under sections 48 and 91 of the 1993 Act, namely for the Tribunal to determine the price payable upon the Applicant/Leaseholder's acquiring an extended lease of Flat 2 from the Respondent/Landlord
2. On the 24 November 2006 the Tribunal gave directions
3. The hearing of the application took place on the 27 March 2007
4. At that hearing Mr Higley sought permission to introduce a bundle of documents comprising 47 pages, and entitled "Supplementary Valuation Evidence". Mr Higley said that it included, amongst other material, compelling evidence why the Tribunal should depart from the 5% guideline deferment rate in **Sportelli** LRA/50/2005
5. Mr Thompson, having been given the opportunity of an initial consideration of the bundle over the lunch break, said that he was at a disadvantage in that he needed more time to consider and analyse the documents in view of their length and complexity, but would be willing to deal with the matter by way of written submissions after the hearing
6. The Tribunal considered all the circumstances and expressed disappointment that there had been no notice before the hearing date of the intention to produce the documents, but made the following directions :
 - a. the supplementary bundle should be admitted in evidence
 - b. any response on behalf of the Respondent/Landlord should be in writing and should be sent to the other party and to the Tribunal by the 17 April 2007
 - c. if the parties were able to agree a figure for the capitalisation of the right to receive the ground rent for the remainder of the lease term they should each send the Tribunal written notification of the agreed figure by the 17 April 2007
 - d. the application was adjourned in the meantime
 - e. it was intended that the Tribunal should reconvene to consider the application after the 17 April 2007 without a further hearing, but the parties should have liberty to apply by that date for a further hearing if so required
7. Mr Thompson's comments on Mr Higley's supplementary bundle were received by the Tribunal on the 18 April 2007
8. The Tribunal has not received any further communication from the parties, either with notification about agreement in respect of the capitalisation of the right to receive the ground rent for the remainder of the lease term, or with an application for a further hearing

9. The Tribunal has now reconvened to consider the application

Schedule 13 of the 1993 Act

10. Schedule 13 of the 1993 Act provides as follows :

2 The premium payable by the tenant in respect of the grant of the new lease shall be the aggregate of--

(a) the diminution in value of the landlord's interest in the tenant's flat as determined in accordance with paragraph 3,

(b) the landlord's share of the marriage value as determined in accordance with paragraph 4, and

(c) any amount of compensation payable to the landlord under paragraph 5.

3 (1) The diminution in value of the landlord's interest is the difference between--

(a) the value of the landlord's interest in the tenant's flat prior to the grant of the new lease; and

(b) the value of his interest in the flat once the new lease is granted.

(2) Subject to the provisions of this paragraph, the value of any such interest of the landlord as is mentioned in sub-paragraph (1)(a) or (b) is the amount which at the relevant date that interest might be expected to realise if sold on the open market by a willing seller (with neither the tenant nor any owner of an intermediate leasehold interest buying or seeking to buy) on the following assumptions--

(a) on the assumption that the vendor is selling for an estate in fee simple or (as the case may be) such other interest as is held by the landlord, subject to the relevant lease and any intermediate leasehold interests;

(b) on the assumption that Chapter I and this Chapter confer no right to acquire any interest in any premises containing the tenant's flat or to acquire any new lease;

(c) on the assumption that any increase in the value of the flat which is attributable to an improvement carried out at his own expense by the tenant or by any predecessor in title is to be disregarded; and

(d) on the assumption that (subject to paragraph (b)) the vendor is selling with and subject to the rights and burdens with and subject to which the relevant lease has effect or (as the case may be) is to be granted.

(3) In sub-paragraph (2) "the relevant lease" means either the tenant's existing lease or

the new lease, depending on whether the valuation is for the purposes of paragraph (a) or paragraph (b) of sub-paragraph (1).

(4) It is hereby declared that the fact that sub-paragraph (2) requires assumptions to be made as to the matters specified in paragraphs (a) to (d) of that sub-paragraph does not preclude the making of assumptions as to other matters where those assumptions are appropriate for determining the amount which at the relevant date any such interest of the landlord as is mentioned in sub-paragraph (1)(a) or (b) might be expected to realise if sold as mentioned in sub-paragraph (2).

(5) In determining any such amount there shall be made such deduction (if any) in respect of any defect in title as on a sale of that interest on the open market might be expected to be allowed between a willing seller and a willing buyer.

(6) The value of any such interest of the landlord as is mentioned in sub-paragraph (1)(a) or (b) shall not be increased by reason of—

(a) any transaction which—

(i) is entered into on or after the date of the passing of this Act (otherwise than in pursuance of a contract entered into before that date), and

(ii) involves the creation or transfer of an interest superior to (whether or not preceding) any interest held by the tenant; or

(b) any alteration on or after that date of the terms on which any such superior interest is held

4 (1) The marriage value is the amount referred to in sub-paragraph (2), and the landlord's share of the marriage value is 50 per cent. of that amount.

(2) Subject to sub-paragraph (2A), the marriage value is the difference between the following amounts, namely—

(a) the aggregate of—

(i) the value of the interest of the tenant under his existing lease,

(ii) the value of the landlord's interest in the tenant's flat prior to the grant of the new lease, and

(iii) the values prior to the grant of that lease of all intermediate leasehold interests (if any); and

(b) the aggregate of—

- (i) the value of the interest to be held by the tenant under the new lease,*
- (ii) the value of the landlord's interest in the tenant's flat once the new lease is granted, and*
- (iii) the values of all intermediate leasehold interests (if any) once that lease is granted.*

(2A) Where at the relevant date the unexpired term of the tenant's existing lease exceeds eighty years, the marriage value shall be taken to be nil.

(3) For the purposes of sub-paragraph (2) –

(a) the value of the interest of the tenant under his existing lease shall be determined in accordance with paragraph 4A;

(aa) the value of the interest to be held by the tenant under the new lease shall be determined in accordance with paragraph 4B;

(b) the value of any such interest of the landlord as is mentioned in paragraph (a) or paragraph (b) of sub-paragraph (2) is the amount determined for the purposes of paragraph 3(1)(a) or paragraph 3(1)(b) (as the case may be); and

(c) the value of any intermediate leasehold interest shall be determined in accordance with paragraph 8, and shall be so determined as at the relevant date

4A (1) Subject to the provisions of this paragraph, the value of the interest of the tenant under the existing lease is the amount which at the relevant date that interest might be expected to realise if sold on the open market by a willing seller (with neither the landlord nor any owner of an intermediate leasehold interest buying or seeking to buy) on the following assumptions –

(a) on the assumption that the vendor is selling such interest as is held by the tenant subject to any interest inferior to the interest of the tenant;

(b) on the assumption that Chapter I and this Chapter confer no right to acquire any interest in any premises containing the tenant's flat or to acquire any new lease;

(c) on the assumption that any increase in the value of the flat which is attributable to an improvement carried out at his own expense by the tenant or by any predecessor in title is to be disregarded; and

(d) on the assumption that (subject to paragraph (b)) the vendor is selling with and subject to the rights and burdens with and subject to which any interest inferior to the existing lease of the tenant has effect.

(2) It is hereby declared that the fact that sub-paragraph (1) requires assumptions to be made in relation to particular matters does not preclude the making of assumptions as to

other matters where those assumptions are appropriate for determining the amount which at the relevant date the interest of the tenant under his existing lease might be expected to realise if sold as mentioned in that sub-paragraph.

(3) In determining any such amount there shall be made such deduction (if any) in respect of any defect in title as on a sale of that interest on the open market might be expected to be allowed between a willing seller and a willing buyer.

(4) Subject to sub-paragraph (5), the value of the interest of the tenant under his existing lease shall not be increased by reason of—

(a) any transaction which—

(i) is entered into after 19th January 1996, and

*(ii) involves the creation or transfer of an interest inferior to the tenant's existing lease;
or*

(b) any alteration after that date of the terms on which any such inferior interest is held.

(5) Sub-paragraph (4) shall not apply to any transaction which falls within paragraph (a) of that sub-paragraph if—

(a) the transaction is entered into in pursuance of a contract entered into on or before the date mentioned in that paragraph; and

(b) the amount of the premium payable by the tenant in respect of the grant of the new lease was determined on or before that date either by agreement or by a leasehold valuation tribunal under this Chapter

Para 4B

(1) Subject to the provisions of this paragraph, the value of the interest to be held by the tenant under the new lease is the amount which at the relevant date that interest (assuming it to have been granted to him at that date) might be expected to realise if sold on the open market by a willing seller (with the owner of any interest superior to the interest of the tenant not buying or seeking to buy) on the following assumptions—

(a) on the assumption that the vendor is selling such interest as is to be held by the tenant under the new lease subject to the inferior interests to which the tenant's existing lease is subject at the relevant date;

(b) on the assumption that Chapter I and this Chapter confer no right to acquire any interest in any premises containing the tenant's flat or to acquire any new lease;

(c) on the assumption that there is to be disregarded any increase in the value of the flat which would fall to be disregarded under paragraph (c) of sub-paragraph (1) of

paragraph 4A in valuing in accordance with that sub-paragraph the interest of the tenant under his existing lease; and

(d) on the assumption that (subject to paragraph (b)) the vendor is selling with and subject to the rights and burdens with and subject to which any interest inferior to the tenant's existing lease at the relevant date then has effect.

(2) It is hereby declared that the fact that sub-paragraph (1) requires assumptions to be made in relation to particular matters does not preclude the making of assumptions as to other matters where those assumptions are appropriate for determining the amount which at the relevant date the interest to be held by the tenant under the new lease might be expected to realise if sold as mentioned in that sub-paragraph.

(3) In determining any such amount there shall be made such deduction (if any) in respect of any defect in title as on a sale of that interest on the open market might be expected to be allowed between a willing seller and a willing buyer.

(4) Subject to sub-paragraph (5), the value of the interest to be held by the tenant under the new lease shall not be decreased by reason of—

(a) any transaction which—

(i) is entered into after 19th January 1996, and

*(ii) involves the creation or transfer of an interest inferior to the tenant's existing lease;
or*

(b) any alteration after that date of the terms on which any such inferior interest is held.

(5) Sub-paragraph (4) shall not apply to any transaction which falls within paragraph (a) of that sub-paragraph if—

(a) the transaction is entered into in pursuance of a contract entered into on or before the date mentioned in that paragraph; and

(b) the amount of the premium payable by the tenant in respect of the grant of the new lease was determined on or before that date either by agreement or by a leasehold valuation tribunal under this Chapter

Documents

11. The documents before the Tribunal are :

- a. those comprising pages 1 to 29 of the Tribunal's bundle
- b. Mr Higley's valuation evidence 29 January 2007
- c. Mr Thompson's valuation evidence 10 March 2007
- d. Mr Higley's supplemental valuation evidence 26 March 2007

- e. Mr Thompson's comments
- f. "graph of graphs" of relativity (2006 : second revision)

Inspection

12. The Tribunal inspected Flat 2 on the morning of the hearing on the 27 March 2007. Also present were Mr Higley and Mr Nash
13. The Blocks form a development of about 48 flats and maisonettes. They were built in about 1960 and are of brick and tile construction. The garage blocks are of brick and flat felt roof construction. There are helpful photographs in Mr Higley's valuation evidence and Mr Thompson's valuation evidence. Mr Higley's valuation evidence also includes a location plan. A copy of the Lease plan is at page 7 of the Tribunal's bundle.
14. The Tribunal inspected Flat 2 which is a first and second floor 2-bedroomed maisonette, in the northernmost of the 3 buildings. There are helpful descriptions and floor areas in Mr Higley's valuation evidence and Mr Thompson's valuation evidence. The condition of Flat 2 was good. The garage belonging to Flat 2 was in the block of 14 garages to the south-west of the development
15. The Tribunal also viewed the exterior of the following flats, referred to as comparables in the parties' respective initial submissions
16. Northernmost building :
 - a. this is the building in which Flat 2 is also situated
 - b. flat 3 : this is apparently a first and second floor maisonette, like Flat 2, but is probably not double-glazed, except the bedroom and bathroom
 - c. flat 6 : this is apparently also a first and second floor maisonette, like Flat 2
 - d. flat 14 : this is apparently also a first and second floor maisonette, like Flat 2
17. Central building :
 - a. flat 20 : this is apparently also a first and second floor maisonette, like Flat 2
 - b. flat 26 : this is apparently also a first and second floor maisonette, like Flat 2
18. Southernmost building :
 - a. this building is nearer the sea than the other 2 buildings, but there are trees between the building and the sea
 - b. it has a rear garden, with a path which apparently leads to Chewton Bunny, and, eventually, to the sea
 - c. flat 35 : this is apparently also a first and second floor maisonette, like Flat 2
 - d. flat 42 : this is apparently a second floor flat, possibly with a south-facing balcony

Preliminary and procedural matters

19. Mr Thompson confirmed that the correct spelling of the Respondent/Landlord's name was as in the heading of these reasons, and that no point was being taken in respect of the differing spellings in the initial notice, counter-notice, and application respectively
20. Mr Higley and Mr Thompson agreed that :
- a. the valuation date was the 23 March 2006, being the date of service of the Tenant's Notice
 - b. the unexpired term of the Applicant/Leaseholder's Lease was 54.5 years at that date
 - c. the ground rent payable by the Applicant/Leaseholder to the Respondent/Landlord at that date was £15, fixed for the duration of the Lease
 - d. the Lease contained no unusual covenants which might affect the price payable by the Applicant/Leaseholder
 - e. tenant's improvements were double glazing, refitted kitchen, bathroom tiling, and bath shower unit
 - f. the Applicant/Leaseholder acquired his leasehold interest about one week after the service of the initial notice for £146,500, with the benefit of the initial notice
 - g. the question of "hope value" did not arise in determining the price payable by the Applicant/Leaseholder
 - h. there was no objection to the Tribunal making reference to the "graph of graphs" of relativity (2006 : second revision) in Appendix 5 to these reasons in accordance with the guidance in the decision of the Lands Tribunal in **Arrowdell v Coniston Court (North) Hove Ltd** LRA/72/2005

The Lease (pages 4 to 15)

21. The Lease was for 99 years from the 1 October 1961 at a rent of £15 a year payable by equal half-yearly payments on the 1 April and the 1 October in each year. The lessee's covenants included a full repairing covenant in relation to Flat 2, and a covenant to pay a maintenance charge. The lessor's covenants included full repairing and insuring covenants in relation to the Building and common parts

Mr Higley's valuation evidence

22. Mr Higley's market evidence of the values of original, un-extended, leases of flats at Marryat Court was as follows :
- a. flat 42 : £165,000 May 2005; double-glazed and centrally-heated, but not otherwise modernised
 - b. Flat 2 : £146,500 March 2006; the former owners, who had sold to the Applicant/Leaseholder, had reduced the price because of 2 previous abortive sales; after taking account of tenant's improvements and the existence of the Tenant's Notice the evidence suggested £140,000
 - c. flat 3 : £155,000 May 2006; apparently an agreed figure, but in relation to a transaction which did not proceed
 - d. flat 14 : £155,000 Autumn 2006; auction sale; modernised with central heating

23. Mr Higley's market evidence of the values of extended leases from Marryat Court was as follows :

- a. flat 26 : £175,000 summer 2006; double-glazed, kitchen re-fitted about 10 years ago, and has winter sea views
- b. flat 35 : £173,000 May 2006; double-glazed, kitchen re-fitted, bathroom re-fitted,
- c. flat 6 : £175,000 August 2006; double-glazed, bathroom re-fitted, kitchen re-fitted about 10 years ago, and gas central heating

24. Mr Higley's deductions for tenant's improvements were £13,000 to £16,000 :

kitchen re-fitted	£7,000-£8,000
double glazing	£5,000-£6,000
tiling and shower	£1,000-£2,000

25. Mr Higley's valuation of Flat 2 on an un-extended basis was £140,000, and on an extended lease was £160,000, which bore a relativity of 87.5%

26. Other decisions of the Tribunal supported a relativity of 87.5% or above for local flats :

- a. flat at Belle Vue Mansions 57.25 years to run 89%
- b. flat at Belle Vue Mansions 56.25 years to run 88%
- c. flat at Belle Vue Mansions 55.75 years to run 87.5%
- d. 4 Warwick Court 55 years to run 87.5%

27. The relativity indices forming part of the College of Estate Management Research Paper dated August 2000 showed a relativity for 54 years of 88.55%, and for 55 years of 89%

28. In Mr Higley's experience of dealing with a large number of leasehold flats in the area for many years, those relativity figures were fair. There was a relatively high number of cash buyers in the area for whom the limits on mortgage availability set by unexpired lease terms did not apply

29. Mr Higley had adopted a capitalisation rate of 6.5%, and a deferment rate of 7%

30. The appropriate deferment rate according to the guidance in **Sportelli** was 5% for a block of flats, but, in Mr Higley's view, that rate was inconsistent with market evidence. It would create a freehold value of £11,423. The freehold was not worth that sum in the market. The Blocks were already dated. In another 54 years or so they would be obsolete. Redevelopment would be hampered by the expiry dates of some of the leases being later. There was the risk of non-

recoverable costs from litigation and administration, and, at reversion, of obtaining possession. If a deferment rate of 5% were adopted, the estimated long lease vacant possession value of Flat 2 should be adjusted downwards

31. Mr Higley's figure for the price payable was £12,100 using a deferment rate of 7%, or £14,600 using 5%, in accordance with the calculations in Appendix 1 and Appendix 2 to these reasons

Mr Thompson's valuation evidence

32. In relation to the present value of the right to the freehold reversion with vacant possession at the end of the term of the Lease, Mr Thompson had adopted the 5% deferment rate for flats determined in **Sportelli** as being the rate to apply in the absence of any compelling reasons to the contrary

33. In relation to the capitalised value of the right to receive the ground rents, Mr Thompson had adopted the same rate, namely 5%

34. In relation to the value of the existing leasehold, the purchase price paid by the Applicant/Leaseholder of £146,500 was the best starting point, as the purchase was completed about one week after the Tenant's Notice, and was an arm's-length transaction between unconnected parties, with the benefit of the Tenant's Notice

35. Most of the flats and maisonettes in the development had new, longer-term leases, and were of limited value as comparable evidence. 14 Marryat Court was sold by auction in November 2006 for £155,000, in the absence of a buyer at the original asking price in May 2006 of £179,950. The maisonette had double-glazing (to which Mr Thompson attributed an enhancement value of £1,500), gas-fired central heating (£2,000), refurbished kitchen (£1,250) and shower room, and fully tiled walls and floor (£1,250), with a total enhancement value of about £6,000, which broadly supported the valuation of £146,500 for Flat 2 at the date of the Tenant's Notice

36. So far as tenant's improvements were concerned :

- a. the value of the double glazing was about £3,000, but as it was only partially an improvement, and partially a repair, in that there was single glazing there before, Mr Thomson reduced the allowance for the improvement element to £1,500
- b. Similar comments applied to the kitchen. Entire refitting could be achieved for £2,500. Mr Thomson reduced the allowance for the improvement element to £1,250
- c. Similar comments applied to the bathroom. Mr Thomson believed that the allowance should be £1,250
- d. Mr Thompson adopted a total figure of £4,000 for tenant's improvements

37. A deduction should be then made from the starting figure of £146,500, less the improvements of £4,000, in that the Applicant/Leaseholder was able to proceed with the statutory lease extension application 2 years earlier than he would otherwise have been able to do, and at a lower premium, and would therefore have paid less if the sellers had not already served the Tenant's Notice. Mr Thompson had adopted a deduction rate of 4%, as in The Lands Tribunal decision in **43 Rednall Drive** LRA/28/2006, which resulted in a further deduction of £5,700

38. In relation to the value of the leasehold with an extended lease, most of the sales of properties in the development had been with the newer longer term leases with between 93 and 99 years unexpired, and at ground rents of between £150 and £300 a year, with fixed rent increases at 25-year intervals of similar amounts :

flat 20	February 2006	£169,950
flat 35	May 2006	£173,000
flat 26	October 2006	£175,000
flat 6	October 2006	£175,000

39. Mr Thompson had adopted a starting point of £172,500 for Flat 2 at March 2006

40. He had added £2,500 as a figure which the market would accept in practice to reflect the fact that the comparable sales were in respect of leases with :

- a. between 93 and 99 years unexpired, whereas the extended lease would have 144.5 years unexpired; Mr Thompson said that theoretically a figure of £1,000 could be attributed to that element
- b. ground rents of between £150 and £300 with fixed reviews; Mr Thompson said that a capitalisation rate of 6% was appropriate and that theoretically a figure of £3.250 could be attributed to that element

41. A figure would need to be deducted for tenant's improvements from each of the comparables :

- a. flat 26 : double glazing throughout (to which Mr Thompson attributed £1,500), refitted kitchen (£1,250), and refitted bathroom (£1,250), leaving an adjusted value of the extended leasehold interest of £170,500
- b. flat 6 : double glazing throughout (to which Mr Thompson attributed £1,500), improvements to central heating (£2,000), and refitted bathroom (£1,250), and refitted kitchen (£1,000), leaving an adjusted value of the extended leasehold interest of £169,250

42. Mr Thompson had adopted a midway figure of £170,000 as the adjusted net value of Flat 2 with an extended lease

43. Mr Thomson's figure for the price payable was £22,700, in accordance with the calculations in Appendix 3 to these reasons

Oral evidence

Value of Flat 2 with existing Lease

Mr Higley's evidence

44. Mr Higley adopted his valuation evidence dated the 29 January 2007

45. In cross-examination, Mr Higley agreed that the Land Registry entry for flat 35 on page 9 of 9 of Appendix 3 to Mr Higley's valuation evidence dated the 29 January 2007 contained an error, in that the 144 year term was from the 1 October 1961, not the 1 April 2006

46. In relation to flat 42, which had been sold in May 2005 for £165,000, Mr Higley had not gone back any further, for example to Mr Thompson's example of flat 16 selling for £183,000 with an extended lease in November 2004, because going back 10 months to May 2005 was not excessive. Mr Higley agreed that £165,000 for the sale of an original lease had not been repeated since, but was a good comparable, being the sale of a similar flat in the same development within a year of the valuation date. Mr Higley did not agree that market prices in 2004 and 2005 had been higher than in March 2006. If anything, the market had levelled, but it had not declined, but Mr Higley agreed that he was not aware of a flat with an original lease selling at as much as £165,000 since May 2005

47. In relation to flat 3, Mr Higley agreed that the sale had probably not proceeded, and that it was not of much evidential value accordingly

48. In answer to a question from the Tribunal, Mr Nash stated that he was not aware of flat 3 changing hands

Mr Thompson's evidence

49. Mr Thompson adopted his valuation evidence dated the 10 March 2007

50. In cross-examination, Mr Thompson agreed that in relation to sales of flats with original leases since May 2005, the sale price of Flat 2 was the lowest. It had been owned by a couple who had had it in on the market for some time. He believed that the sale had been an open-market transaction. He did not know the original asking price

51. In relation to flat 14, Mr Thompson agreed that it had been offered for sale at £179,950 two months after the valuation date, and had been sold at auction in November for £155,000. That price was some £8,000 to £9,000 more than the sale price of Flat 2, but was several months later, with some improvements, and had possibly been affected by the question whether a new lease had been available, and, if so, on what terms. If a buyer had been told that the premium for a lease extension would have been £25,000, then that would have had a significant impact on how much the buyer would have bid. The original asking price of £179,500 had probably been a mistake, without realising that the remaining lease term had been short. The bidder at auction would have thought that the value with an extended lease would have been about £175,000 to £180,000, and would have deducted the likely £25,000 extension premium in bidding the figure of £155,000. The price for Flat 14 had been higher than that for Flat 2, but the level of improvement had also been higher
52. In relation to Flat 42, Mr Thompson thought that the market had declined after that sale
53. In answer to questions from the Tribunal, Mr Thompson said that he had not inspected flat 42, but that the features described by the Tribunal would affect its sale price compared with Flat 2, namely being a flat, not a maisonette, being closer to the sea, with winter sea views, rear lawns, a balcony, and dual aspects, and being further from the road
54. Mr Thompson said that he had no evidence to support his view that the market had declined since 2004

Improvements

Mr Higley's evidence

55. Mr Higley adopted his valuation evidence dated the 29 January 2007
56. In cross-examination, in answer to Mr Thompson's suggestion that it would be possible to refit the kitchen at Flat 2 for £3,000, Mr Higley said that the relevant question was not the cost of carrying out the improvements to Flat 2, but the effect on its value of the work already carried out. The issue was how Flat 2 would strike a potential buyer, and modern fittings would assist in obtaining a higher price. A buyer would expect to pay something for the time and effort in carrying out the improvements, particularly in Highcliffe, which was a retirement area. Mr Higley did not agree that it was unlikely that someone would spend £10,000 on a kitchen in premises of the size of Flat 2, particularly if the person intended to live in the premises as their only home
57. Mr Higley could not comment on Mr Thompson's suggestion that it would cost only about

£3,000 to £4,000 to double-glaze the 5 or 6 windows in Flat 2. However, again, the presence of double-glazing would have an effect on a buyer which could outweigh the cost

58. Mr Higley had read Mr Thompson's comments about the difference between repairs and improvements. However, the degree to which the works at Flat 2 amounted to improvements affected the value by £13,000 to £16,000

59. In answer to questions from the Tribunal, Mr Higley said that a buyer who was going to be an owner-occupier might expect better fittings, and might therefore put a greater value on improvements already carried out. He suspected that Mr Thompson's estimate of £3,000 to refit the kitchen was in any event at the lower end of the range, if, indeed, a kitchen could be refitted, including appliances, for that sum at all. The effect on the value could easily be twice Mr Thompson's estimated cost of refitting

Mr Thompson's evidence

60. Mr Thompson adopted his valuation evidence dated the 10 March 2007. He was not taking the cost of appliances into account

61. In cross-examination, Mr Thompson agreed that it was relevant to value Flat 2 as if tenant's improvements did not exist, and that in theory the effect of improvements on value could be different from the cost of doing the work. However, a buyer would do little more than look at the cost, despite the disruption and inconvenience of the buyer doing the work himself, because then the buyer would obtain the quality required by the buyer. However, a buyer of Flat 2 would not spend as much on a kitchen as a buyer of a property of higher quality. A retiree with plenty of money buying a property for owner-occupation for the rest of his life might spend money on an extravagant kitchen out of keeping with the rest of the property, but such a person would not be buying Flat 2. In practice, in relation to Flat 2, cost and effect on value were the same

62. In answer to questions from the Tribunal, Mr Thompson agreed that Lord Denning's comments about the difference between repairs and improvements was in the context of disputes between landlords and tenants about repairing obligations and service charges. However, in the present case, only the improvement element of works done had to be taken into account. The repairing element, which was 50%, had to be disregarded

Value of Flat 2 with extended lease

Mr Higley's evidence

63. Mr Higley adopted his valuation evidence dated the 29 January 2007

64. In cross-examination, Mr Higley agreed that the unexpired terms referred to at the end of page 4 of his evidence should have been “between 93 and 99 years”, not “between 93 and 95 years”, although this made no difference to the calculations of value in this case
65. Flat 26 was more marginally attractive than Flat 2, because it had the benefit of sea views in the winter. Mr Higley was not aware that the ground rent for Flat 26 was £200 a year. There would be a marginal uplift in the value of Flat 2 with a 144 year term at a nil ground rent, compared with the £175,000 for flat 26 with a 90 year term and a £200 annual ground rent, but the difference was not as great as the difference between a flat with a 54 year lease and a flat with a 99 year lease
66. Flat 35 was, again, more marginally attractive than Flat 2, because it had the benefit of sea views in the winter. The same points applied about the £300 annual ground rent as applied to flat 26
67. Flat 6 was in the same building as Flat 2. The same points applied about the £150 annual ground rent as applied to flats 26 and 35
68. Mr Higley accepted that if one took just the evidence of the sale of flat 16 (£183,000 in November 2004 with an extended lease with 92 years unexpired and a ground rent of £150 a year) and flat 42 (£165,000 in May 2005) then it might appear that the market in 2004 and 2005 had been producing higher prices than at any time since. However, from Mr Higley’s experience of sales throughout the period, if anything the market had been improving since 2005. He also accepted that flat 1 had sold at £180,000 in May 2005 with an extended lease, and that it was a flat, not a maisonette, but said that it might nevertheless have been larger than Flat 2
69. In answer to questions from the Tribunal, Mr Higley said that he did not have any details about improvements to flat 1
70. He agreed that his best evidence was the sale in August 2006 of flat 6 in the same building as Flat 2, for £175,000

Mr Thompson’s evidence

71. Mr Thompson adopted his valuation evidence dated the 10 March 2007
72. There was no cross-examination

Capitalisation of the right to receive the ground rent for the remainder of the lease term

Mr Higley's evidence

73. Mr Higley adopted his valuation evidence dated the 29 January 2007. The rate should be 6.5%. The price of a freehold investment would be influenced by the freehold value deferment rate. If the deferment rate was 7%, then the capitalisation rate would be about 6.5%. If the deferment rate was 5%, then the capitalisation rate would rise. However, the difference in amount in this case was relatively small, and Mr Higley would discuss with Mr Thompson whether a figure for this element of the price could be agreed

Closing submissions

74. Mr Thompson said that the value of the freehold for the purposes of the statutory calculation should be the same as the value of Flat 2 with an extended lease. The relevant freehold interest was the freehold interest in Flat 2, not the freehold interest in the building. Any difference was de minimis, as was held in the Lands Tribunal decisions in **Flats 3 and 14 Sycamore Court LRA/22/2006** and **Flat 1 Crophorne Court LRA/29/2006**
75. Evidence of relativities should be approached with caution
76. The price paid by the Applicant/Leaseholder was the best evidence of the leasehold value of Flat 2 at the valuation date, although a deduction should be made to reflect the fact that the Applicant/Leaseholder had purchased with the benefit of the 1993 Act notice already having been served. There was no science to Mr Thompson's figure of 4% in that respect, although it had been used by other LVT's in other cases
77. Mr Higley said that there was a difference in the values of the freehold on the one hand and the value of Flat 2 with an extended lease on the other hand. The tenant would have the benefit of its value as an owner occupier, and at the end of the lease the freeholder might have difficulties obtaining possession, with breaches of the lease, and with irrecoverable costs
78. The starting point for the value of Flat 2 with an extended lease should be £175,000 to £177,500. The starting point for the value of Flat 2 with its existing lease should be £150,000. The purchase price of £146,500 was too low, as was shown by the sale prices for flats 42 and 14. Flat 2 had been on the market for several months starting at £153,000. The owners had lost a sale to a previous buyer. They had a young family and had found another property and had reduced the asking price to £149,500
79. The deferment rate had to be assessed in the context of its effect. The diminution of the

freehold value at 5% was out of step with reality. The resultant price would be so much higher that the statutory rights would be diminished. Mr Thompson's figure of £22,700 plus statutory costs was higher than most landlords would agree in a non-1993 Act case for the purchase price of a lease at an annual ground rent of £15

80. There were other local comparables which were helpful evidence of relativities

81. Mr Thompson said that he was not proposing to inspect those properties

82. The Tribunal indicated that the Tribunal would consider whether or not to inspect, and would do so if the Tribunal thought fit

Mr Higley's Supplemental Valuation Evidence

83. Mr Higley's further evidence on relativities related to sales at High Pines and St George's, Lymington Road, Highcliffe, which he described as a complex of purpose-built flats, probably constructed around 1968. Flat 3 St George's Court is a 2-bedroomed flat with a balcony and a garage in a block. It sold for £156,000 in July 2006, apparently in somewhat dated condition, on an original lease at an annual ground rent of £10, with a term of about 60.5 years to run, and without the benefit of a 1993 Act notice. The buyer had subsequently spent about £17,000 on improvements

84. By contrast, 3 recent sales on extended leases and with some improvements were at figures ranging between £174,500 and £177,000. Deductions for the improvements would indicate an average extended leasehold value, unimproved, of £161,500. The sale price of flat 3, namely £156,000, was about 96.6% of that figure. Even allowing for some deductible improvements at flat 3 when it was sold, the resultant relativity would still be about 92.9%

85. The relativity at Flat 2 would be lower, because its unexpired lease term is less, but the evidence indicated that the relativities in the local market were at least as high as the College of Estate Management Index suggested

86. Mr Higley's further evidence on deferment rates and capitalisation rates was that a portfolio of properties in Bexhill, London E18, Reading and Watford had been sold in October 2006 for a total of £50,000. Mr Higley's analysis was that if a reversionary rate of 5% was used in one case, the value of the reversion would be greater than the purchase price paid, and in another case the income would need to be capitalised at less than 1 year's purchase, which were nonsensical results in each case. If the portfolio were valued as a whole, with a capitalisation rate of 6.5%, the deferment rate would need to be about 5.4%, with no money for hope value or other benefits, whereas 2 blocks were close to the point where statutory marriage value would be payable

87. Lansdowne House, Christchurch Road Bournemouth had been sold at £100,000. The tenants' valuer had analysed the capitalisation rate and the deferment rate as 6.65% in each case. If the deferment rate were reduced to 5% in accordance with **Sportelli**, the reversionary value alone would far exceed the price paid. Alternatively, if the capitalisation rate were 6.5%, the deferment rate would be slightly below the tenants' valuer's figure of 6.65%
88. Gleneagles, The Avenue, Poole had been sold for £17,000. If a 5% deferment rate had been applied the reversionary value would have been over £50,000, 3 times the price paid, which was nonsensical
89. A deferment rate of 5% was incompatible with market evidence

Mr Thompson's Comments

90. Mr Thomson's comments on relativities were that there was good, sufficient market evidence of the values of Flat 2 with and without a new lease, so that reference to tables, graphs, and subjective transactional analysis was unnecessary
91. In any event, Mr Higley's analysis of the sale of flat 3 St George's Court did not take account of any improvements, or of the fact that the £17,000 subsequently spent by the buyer might not all have been allowable improvements, or that the allowances for improvements on the extended leasehold values might contain significant inaccuracies, or that flat 3 had an unexpired term of 60.5 years, whereas Flat 2 had an unexpired term of 54.5 years at the valuation date
92. Indices and graphs should only be used in the absence of market evidence, which was not the case here
93. Mr Thompson's comments on deferment rates and capitalisation rates were that **Sportelli** effectively precluded the use of market evidence in determining the deferment rate in any given case, and that the fixed generic deferment rates applied in the absence of any compelling evidence to the contrary. The further evidence produced by Mr Higley was neither compelling nor different from the extensive market evidence put to, and rejected by, the Lands Tribunal in **Sportelli**
94. Mr Higley's analysis of the various cases referred to in his supplemental evidence involved supposition and subjective assumption
95. All the cases referred to by Mr Higley were sales of freeholds, where the circumstances were different from the lease extension of Flat 2

96. The sale at Gleneagles and the tenants' surveyor's analysis in the Lansdowne House case both appeared to have been in 2004, before **Sportelli**

97. None of the evidence and analysis constituted the compelling evidence which might persuade the Tribunal to depart from the 5% deferment rate in accordance with the guidelines in **Sportelli**

Previous decisions

98. The Tribunal has considered the decisions of the Lands Tribunal in **Sportelli, Arrowdell, Flats 3 and 14 Sycamore Court, Flat 1 Crophorne Court** , and **43 Rednall Drive**

The Tribunal's findings

Capitalisation of the right to receive ground rents for the remainder of the term of the Lease

99. The Tribunal has taken account of :

- a. the guidance of the Lands Tribunal in **Flat 1 Crophorne Court** that different factors apply to the assessment of capitalisation rates and deferment rates, and that there is no reason why the two rates should necessarily be the same
- b. Mr Higley's adoption in his calculations of 6.5% as the appropriate capitalisation rate, whether the deferment rate was 5% or 7%
- c. Mr Thompson's adoption of 5% for both capitalisation rate and deferment rate
- d. Mr Thompson's use of 6% on a higher ground rent in his theoretical calculations at page 7 of his submission dated the 10 March 2007, and his description of that rate of 6% as "conservative" in that context

100. Having considered all the evidence in the round, the Tribunal finds that Mr Higley's suggested rate of 6.5% is the appropriate capitalisation rate in this case

101. The sum to be included in the price under this heading is £223.31 in accordance with the Tribunal's valuation in Appendix 4

Value of the Respondent/Landlord's interest in Flat 2 prior to the grant of the new lease

102. The Tribunal has taken account of Mr Higley's submission that there is a difference between the value of the Respondent/Landlord's interest in Flat 2 prior to the grant of the new lease on the one hand, and the value of Flat 2 with an extended lease on the other hand, because of the possible difficulties of obtaining possession and of unrecoverable costs
103. However, the Tribunal finds that there is no evidence before the Tribunal that any of those factors would result in a measurable difference in the two values, and that, on the contrary, both Mr Higley and Mr Thompson have expressly adopted in their statutory calculations the value of Flat 2 with an extended lease, rather than the value of the Respondent/Landlord's interest in Flat 2 prior to the grant of the new lease, as such
104. Having considered all the evidence, the Tribunal finds that in this case the value of the Respondent/Landlord's interest in Flat 2 prior to the grant of the new lease is effectively the same as the value of Flat 2 with an extended lease
105. So far as the value of Flat 2 with an extended lease is concerned, the Tribunal finds that :
- a. Mr Higley has adopted a starting point of £175,000 to £177,000, having adjusted the comparable sales prices to take account of differences in unexpired terms and ground rents, and has then deducted £13,000 to £16,000 for improvements
 - b. Mr Thompson has adopted a starting point of £172,500, and has added £2,500 to take account of differences in unexpired terms and ground rents, making a total of £175,000, and has then deducted £5,000 for improvements
 - c. the appropriate starting point in all the circumstances, having considered all the evidence, and after taking account of differences in unexpired terms and ground rents, but before deductions for improvements, is £175,000
 - d. so far as the value of improvements are concerned :
 - the Tribunal accepts as persuasive Mr Thompson's submission that a retiree with plenty of money buying a property for owner-occupation for the rest of his life might spend money on an extravagant kitchen out of keeping with the rest of the property, but that such a person would not be buying Flat 2
 - a buyer of Flat 2 would accordingly be unlikely to pay more in respect of the improvements than their likely cost
 - the value of the improvements at Flat 2 for the purposes of the statutory calculation in this case is accordingly their likely cost
 - there is no evidence before the Tribunal about their likely cost, apart from :
 - Mr Thompson's estimates of £3,000 for double glazing, £2,500 for the kitchen, and £1,250 for the bathroom
 - Mr Higley's figures of £5,000 to £6,000 for double glazing, £7,000 to £8,000 for the kitchen, and £1,000 to £2,000 for the bathroom

- having considered all the evidence actually before the Tribunal, and drawing on the Tribunal’s collective knowledge and experience, the likely cost of the improvements would be £3,600 for the double glazing, £3,000 for the kitchen, and £1,250 for the bathroom, making a total of £7,850
 - the Tribunal does not accept Mr Thompson’s submissions that the 1993 Act calculation should leave out of account that element of the value of the “improvements” which in Mr Thompson’s submission was attributable to “repairs” because :
 - the ordinary dictionary meaning of “improvement” in the context of the statutory calculation is “a thing that is better than (the former thing)” [Compact Oxford English Dictionary Second Edition]
 - there is nothing in the express wording of the 1993 Act to suggest that “improvements” for the purposes of the statutory calculation has any other meaning, or that deductible “improvements” for the purposes of the statutory calculation are limited to works which are not repairs
 - there is no reason in principle why even the replacement of something which did not need repair at all cannot be an “improvement” for the purposes of the statutory calculation, although whether, in those circumstances, the improvement would have any value for the purposes of the statutory calculation, would be a matter of evidence
 - the comments in decided cases about the difference between improvements and repairs are in the context of protecting tenants from being held liable for the costs of works outside the wording of the tenants’ repairing covenants
 - the 1993 Act deduction for improvements, on the other hand, is in the context of protecting tenants from effectively having to pay twice for improvements the tenants themselves have carried out
 - the value of tenant’s improvements to be deducted in the statutory calculation is accordingly £7,850
- e. the adjusted value of Flat 2 with an extended lease is concerned is accordingly £167,150, in accordance with the Tribunal’s calculation in Appendix 4
- f. so far as deferment rate is concerned, the Tribunal has taken account of all Mr Higley’s submissions, but the Tribunal finds that there is no compelling evidence that would suggest that there should be a departure in this case from the 5% deferment rate in accordance with the guidelines in Sportelli, and the Tribunal finds that 5% is the appropriate rate in this case

106. The Tribunal finds that the value of the right to the freehold reversion with vacant possession at the end of the current Lease term is £11,706, making a total diminution of the Respondent/Landlord’s interest in Flat 2 £11,929 in accordance with the Tribunal’s valuation in Appendix 4

Value of the Applicant/Leaseholder’s existing leasehold interest at the valuation date

107. The Tribunal finds that :

- a. the price of £146,500 paid by the Applicant/Leaseholder is the best evidence of the market value of the Applicant/Leaseholder's existing leasehold interest in Flat 2 at the valuation date because :
 - there is no evidence before the Tribunal that the transaction was anything other than an arms-length transaction between the sellers and the Applicant/Leaseholder, whatever the position may have been about previous abortive sales and the sellers' anxiety to sell
 - the sale was within a week of the valuation date
 - in any event, the Tribunal accepts Mr Thompson's submission that the price of £146,500 is broadly in line with the sale of flat 14 in November 2006 for £155,000
- b. the sum of £146,500 is accordingly the starting point for the calculation of the value of the Applicant/Leaseholder's existing leasehold
- c. the value of tenant's improvements to be deducted in the statutory calculation is £7,850, for reasons already given
- d. there should be a deduction for the value of the benefit to the Applicant/Leaseholder of buying with the benefit of the 1993 Act notice, because otherwise the Applicant/Leaseholder would have had to wait 2 years before being able to serve his own notice (section 39(2)(a) of the 1993 Act), by which time the unexpired lease term would have been shorter, which might have resulted in an increase in the price payable for an extended lease, and he would have had to incur his own expenses in serving the notice
- e. the Tribunal accepts Mr Thompson's submission that that deduction should be 4% of the value of the Applicant/Leaseholder's existing leasehold after deducting the value of improvements, in accordance with the guidelines in **43 Rednall Drive**

108. The adjusted value of the Applicant/Leaseholder's existing leasehold interest at the valuation date is £133,104 in accordance with the Tribunal's valuation in Appendix 4

109. The Tribunal notes that that figure of £133,104 bears a relativity of 79.63% to the figure of £167,150 which the Tribunal has already found to be the value of the Respondent/Landlord's interest in Flat 2 prior to the grant of the new lease as at the valuation date. The Tribunal finds that that relativity of 79.63% sits comfortably within the relativity rates shown in the "graph of graphs" at Appendix 5 for a lease with 54.5 years unexpired

110. The Tribunal finds that the Respondent/Leaseholder's share of marriage value in this case is £11,058 in accordance with the Tribunal's valuation in Appendix 4

Compensation

111. The Tribunal finds that the Respondent/Landlord has made no claim for compensation in this case

Total price payable

112. The Tribunal finds that the total price payable is £22,987, in accordance with the valuation at Appendix 4. The Tribunal notes that the figure is higher than the figure of £22,700 in Mr Thompson's valuation dated 10 March 2007. However, the Tribunal is required by section 48 of the 1993 Act to determine the price in accordance with Schedule 13, not merely to adjudicate between the figures contended for by the parties, and the price now determined by the Tribunal is in accordance with the statutory formula for doing so

Dated the 16 May 2007



.....
P R Boardman
(Chairman)

A Member of the Tribunal
appointed by the Lord Chancellor

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
SOUTHERN RENT ASSESSMENT PANEL
LEASEHOLD VALUATION TRIBUNAL

Case No. CHI/19UC/OLR/2006/0131

Marryat Court

Appendix 1

Mr Higley's valuation £12,100 with 7% deferment rate

Appendix 7A
Opinion of premium payable

Flat 2 Marryat Court
Montagu Road
Highcliffe

Notice served March 2006
Unexpired term 54yrs7months

Freehold Existing	YP 6.5%	G.Rent pa 54.58 yrs	15 14.88		
				223.2	
		Reversion to 7% 54.58 yrs	160000 0.0245		
				3920	
After					4143.2 0
		Diminution			4143.2

Marriage Value

Proposed F'hold		0	
long lease		160000	
less extg lease		-140000	
less extg F'hold		-4143	
		15857	
50% share		0.5	7928.5
	Premium payable say		12071.7 12100

S.A.Higley
Slades Surveyors &
Valuers

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
SOUTHERN RENT ASSESSMENT PANEL
LEASEHOLD VALUATION TRIBUNAL

Case No. CHI/19UC/OLR/2006/0131

Marryat Court

Appendix 2

Mr Higley's valuation £14,600 with 5% deferment rate

Appendix 7B
 Alternative calculation using 5% deferment rate

Flat 2 Marryat Court
 Montagu Road
 Highcliffe

Notice served March 2006
 Unexpired term 54yrs7months

Freehold Existing	YP 6.5%	G.Rent pa 54.58 yrs	15 14.88		
				223.2	
		Reversion to 5% 54.58 yrs	128000 0.07		
				8960	
After					9183.2 0
		Diminution			9183.2

Marriage Value

Proposed F'hold		0	
long lease		160000	
less extg lease		-140000	
less extg F'hold		-9183	
		10817	
50% share		0.5	5408.5
	Premium payable say		14591.7 14600

Note: The reversionary value of £128000 is calculated from an occupational value of £160000 less 20% for the factors set out in section 7 "valuation commentary" above.

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
SOUTHERN RENT ASSESSMENT PANEL
LEASEHOLD VALUATION TRIBUNAL

Case No. CHI/19UC/OLR/2006/0131

Marryat Court

Appendix 3

Mr Thompson's valuation

Valuation - 2 Marryat Court

Term & Reversion:

Ground Rent:	£15	
YP 54.5 years @ 5%:	<u>18.599</u>	£ 279
Reversion to extended leasehold value:	£170,000	
PV £ in 54.5 years at 5%:	<u>0.070034</u>	<u>£11,906</u>
Value of freeholders' present interest:		£12,185

Marriage Value:

Extended leasehold value: £170,000

Less:

(a) Leaseholder's present interest: £136,800

(b) Freeholder's present interest: £ 12,185

£148,985

Marriage Value: £ 21,015

50% £ 10,508

£ 22,693

Say £22,700

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
SOUTHERN RENT ASSESSMENT PANEL
LEASEHOLD VALUATION TRIBUNAL

Case No. CHI/19UC/OLR/2006/0131

Marryat Court

Appendix 4

Tribunal's valuation

2 MARRYAT COURT

VALUATION

FREEHOLDER'S PRESENT VALUE

GROUND RENT	15.00	
Y.P. 54.5 YRS @ 6.5%	<u>14.887165</u>	223.31
REVERSION TO	175000.00	
LESS - IMPROVEMENTS	<u>7850.00</u>	
ADJUSTED REVERSIONARY VALUE	167150.00	
PV £1.00 IN 54.5 YRS @ 5%	<u>0.070035</u>	11706.35
FREEHOLDER'S PRESENT VALUE		11929.66

MARRIAGE VALUE

Value of extended lease	175000.00	
Less Improvements	<u>7850.00</u>	
Adjusted value of extended lease		167150.00
Value of existing lease	146500.00	
Less Improvements	<u>7850.00</u>	
	138650.00	
Less 4% for benefit of 1993 Act notice	<u>5546.00</u>	
	133104.00	
Add Freeholder's present value	<u>11929.66</u>	
Marriage Value		<u>145033.66</u> 22116.34
50% share of marriage value		<u>11058.17</u>
PREMIUM PAYABLE		22987.83

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
SOUTHERN RENT ASSESSMENT PANEL
LEASEHOLD VALUATION TRIBUNAL

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Marryat Court

Appendix 5

“graph of graphs” of relativity (2006 : second revision)

Beckett & Kay
Graphs of relativity (2006: second revision):
leasehold value as a percentage of freehold value

