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RESIDENTIAL PROPERTY TRIBUNAL SERVICE

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

Case Number LON/OOBF/OCE/2007/0297

In the matter of 132 Onslow Gardens, Wallington, Surrey SM6 9QE

**In the matter of the Leasehold Reform Housing and Urban Development Act
1993 section 26(1)**

Parties: **Carole Dianne Wood, Gillian Frances Bell
 And David Leslie Bell**

Applicants/Claimants

**Robert William George Patmore and
Anita Patmore**

Respondents/Defendants

Date of issue of proceedings: 9th May 2007

Date of determination: 23rd October 2007

**Tribunal members: Mr A A Dutton Chair
 Mr P P Tobin FRICS MCI Arb**

Date of decision: 26th October 2007

Reasons/ Decision

Background

1. This matter came before us for consideration on 23rd October 2007 following an application to the Croydon County Court by the Applicants which was issued on 9th May 2007, "the valuation date".
2. By an order made by the County Court on 3rd July 2007 the matter was referred to the tribunal for the purposes of determining the price payable for the freehold and to approve the form of transfer. It is noted that surprisingly there appears to be an order that the claimants' costs should be deducted from the amount that we determine should be payable.

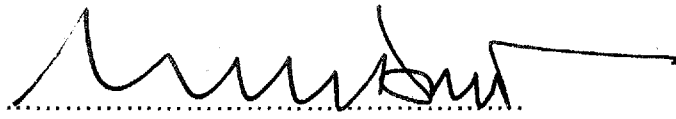
Evidence

3. We had before us, amongst other papers, copies of the claim form and details of claim, a witness statement of Mr Stagg, the Court order dated 3rd July 2007 and a report from Mr Veness dated 10th August 2007 setting out the evidence he relied upon to reach the figure of £29,230 as the price payable for the freehold.
4. We have noted all that has been said by Mr Veness.

Decision

5. The report of Mr Veness appears to us to fully consider the elements of the valuation process applicable to this case. We accept the capital values for the flats and in the circumstances of this case agree that a capitalisation rate, for a ground rent of £1.00 per annum, at 8% is not unreasonable. The 5% deferment rate follows the Lands Tribunal case of Sportelli, and until the outcome of the appeal is known, is correct. Although at paragraph 6.04 Mr Veness records the unexpired term as 76 years, when in fact it is just over 68 years, thankfully that minor error did not find its way into the valuation, which was set out in the report.

6. In the circumstances we find that the correct price to be determined for the freehold is £29,230 and attach to these reasons the valuation that Mr Veness had prepared.
7. In so far as the transfer is concerned there are a couple of amendments that need to be made, as follows
 - (a) In box 9 it should recite that the transfer is made pursuant to S26(1) of the Leasehold Reform, Housing and Urban Development Act 1993 and that the purchase price of £29,230 is paid into the Croydon County Court under claim number 7CR20668
 - (b) Box 10 should record that the transferor transfers with limited title guarantee.



Chair – Andrew Dutton

26 October 2007

Date

A. VALUE OF FREEHOLDER'S INTEREST

A1 Ground Rents Receivable

Participating Flats

132			
68.22 yrs @ £1	£1	12.4344	£12
YP 68.22 YRS @ 8%			£12

132A			
68.22 yrs @ £1	£1	12.4344	£12
YP 68.22 yrs @ 8%			£12

Total for Participators			£25
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A2 Reversion to vacant possession

Unimproved value with 999 year leases/
share of freehold

Partitipating flats:

132 £200,000 x 1	£200,000		
PV of £1 in 68.22 yrs @ 5%		0.0359	
			£7,180

132a £230,000 x 1	£230,000		
PV of £1 in 68.22 yrs @ 5%		0.0359	
			£8,257

Value of freehold thus:

132	£ 7,192		
132a	£ 8,269		
			£15,462

B. CALCULATION OF MARRIAGE VALUE

(2 participating flats):

Unimproved value of proposed interests with 999 year leases/share of freehold		£430,000
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Less

Freehold interest in flats		
132	£ 7,192	
132a	£ 8,269	
		£ 15,462

Current leasehold

132 (90% x £200,000)	£180,000	
132a (90% x £230,000)	£207,000	
		£402,462

Marriage value thus	£ 27,538	
Freeholder's share 50%		£ 13,769

C. COMPENSATION FOR OTHER LOSS £ 0

TOTAL £ 29,231

Price for freehold interest say £ 29,230