



**First-tier Tribunal  
Property Chamber  
(Residential Property)**

<b>Case Reference</b>	:	<b>CAM/00KF/OLR/2017/0140</b>
<b>Property</b>	:	<b>144 Fairmead Avenue, Westcliff-on-Sea, SS0 9SB</b>
<b>Applicants</b>	:	<b>John Raymond Gloyne and Louise Josephine Gloyne</b>
<b>Represented by</b>	:	<b>Michael Dedman MA BSc (Hons)</b>
<b>Respondent</b>	:	<b>Robina Shields (not present or represented)</b>
<b>Date of Application</b>	:	<b>21<sup>st</sup> July 2017</b>
<b>Type of Application</b>	:	<b>To determine the terms of acquisition of the lease extension of the property where the landlord cannot be found (section 51 of the Leasehold Reform Housing and Urban Development Act 1993 (“the 1993 Act”))</b>
<b>Tribunal</b>	:	<b>Bruce Edgington (lawyer chair) Stephen Moll FRICS Evelyn Flint DMS FRICS IRRV</b>
<b>Date and place of hearing</b>	:	<b>13<sup>th</sup> November 2017 at the Court House, 80 Victoria Avenue, Southend-on-Sea SS2 6EU</b>

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**DECISION**

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1. The ‘appropriate sum’ to be paid into court for the new lease of the property pursuant to section 51(5) of the 1993 Act is £9,200.00
2. The remaining terms of the deed of surrender and new lease are as set out in the document in the bundle provided to the Tribunal by the Applicant’s solicitors as approved by the Tribunal subject to (a) any reasonable requisitions which may be raised by the Land Registry and (b) the insertion of the appropriate sum.

**Reasons**

3. This application is for the Tribunal to determine the terms (including the premium) of the lease extension of the property following a vesting order

made by Deputy District Judge Yeshin sitting at Southend County Court on the 11<sup>th</sup> July 2017. The existing freehold owner cannot be found. A combination of the effects of sections 51(3) and 51(8) of the **Leasehold Reform, Housing & Urban Development Act 1993** (“the Act”) mean that the valuation date is 30<sup>th</sup> May 2017.

**The Inspection**

4. The valuer members of the Tribunal inspected the property on the morning of the hearing, having previously received and read the report of the Applicants’ expert valuer, Mr. Michael Dedman MA BSc (Hons). He was present at the inspection. It is as described in such report.

**The Law**

5. The price to be paid on a lease extension is calculated in accordance with the provisions of Schedule 13 of the 1993 Act. The price includes (a) the diminution in value of the freeholder’s interest in the tenant’s flat once the new lease is granted as compared with the value under the original lease, calculated in accordance with the assumptions in Paragraph 3 of the Schedule (b) the freeholder’s share of the marriage value (if any) and (c) any compensation payable to the freeholder under Paragraph 5 of the Schedule of which the Tribunal agreed that there was none.

**The Hearing**

6. The hearing was attended by Mr. Dedman. He went through his comparables and the Tribunal broadly agreed with his conclusions so far as they were concerned. His report put the appropriate sum to be paid into court as £10,026.00. However, on a closer examination of his calculations it transpired that he had used the 28<sup>th</sup> July 2017 as the valuation date which was incorrect. He also accepted that he had used the wrong relativity figure.
7. The Tribunal did not disagree with his capitalisation and deferment percentages. Mr. Dedman volunteered to re-calculate his figures which he went away and did whilst the Tribunal dealt with its next hearing. In his new calculation he used the correct valuation date (and consequently different remaining term) and relativity and came to a figure of £9,200. The Tribunal noted that the ground rent capitalisation figures had not been corrected but as the difference was *de minimis*, the Tribunal accepted the overall figure as amended.

**Conclusions**

8. As has been said, the figures ultimately supplied by Mr. Dedman were agreed by the Tribunal.
9. As far as the draft Deed of Surrender and New Lease is concerned, the Tribunal determined that it was agreed save for the matters set out in the decision above.

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**Bruce Edgington**  
**Regional Judge, 15<sup>th</sup> November 2017**

**ANNEX - RIGHTS OF APPEAL**

- i. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
- ii. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
- iii. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
- iv. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.