



**FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : NAT/LON/OOBJ/ORL/2018/1300

Property : Flat 6, 3 Veronica Road, Tooting, London,
SW17 8QL

Applicant : Elaine Yip

Representative : Veale Wasbrough Vizards LLP

Respondent : 1. Samuel Akinola Odukalea, 2. Timothy
Mobolurin and 3. Ishola Bankole, all as Executors
of Adewunmi Awofodu (Deceased)

Representative : None

Type of Application : Enfranchisement

Tribunal Members: Judge Robert Latham
Mr Duncan Jagger FRICS

**Date and venue of
Hearing** : Paper determination on 20 November 2018
Alfred Place, London WC1E 7LR

Date of Decision : 20 November 2018

DECISION

(i) The Tribunal determines that the premium payable by the Applicant in respect of the extension of her lease in respect of Flat 6, 3 Veronica Road, Tooting, London, SW17 8QL is £24,114, to be apportioned as £2,704 to the Head Lessor and £21,410 to the Freeholder.

(ii) The Tribunal approves proposed draft of the deed of surrender and regrant.

Background

1. The Applicant is claiming the right to acquire a new lease of her flat, namely Flat 6, 3 Veronica Road, Tooting, London, SW17 8QL ("the flat") pursuant to the provisions of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act"). On 3 August 2018, District Judge Hugman, sitting at the Wandsworth County Court, made an order dispensing with the service of the tenants' notice under Section 42 on the ground that the landlord could not be found. He transferred the matter to this Tribunal to determine the terms of the new lease and the premium payable.

Evidence

2. We have been provided with a valuation report by Wilson Dunsin, FRICS, dated 2 November 2018. He inspected the premises on 23 May 2018. He computes the premium to be £24,114, to be apportioned as £2,704 to the Head Lessor and £21,410 to the Freeholder. The Tribunal is impressed by the care and thoroughness with which the report has been prepared. Mr Dunsin has demonstrated that he has approached the determination of the premium with the detachment to be expected of an expert witness in a missing landlord case. It is an exemplary report.
3. We have also been provided with a draft deed of surrender and re-grant.

Lease details

4. The Applicant currently holds the flat under a lease, dated 19 May 1989, for a term of 99 years (less 7 days) from 15 August 1987. The relevant Valuation Date is 2 August 2018, namely the date on which this claim was issued in the County Court. On this date, the unexpired term was 68.01 years. The flat consists of a one bedroom flat with a combined kitchen/living room on the second floor of a three storey mid-terrace building constructed in about 1900. The property has been converted into six flats. The flat does not have a garage, parking space, garden or outbuilding.
5. The Applicant acquired her leasehold interest on 12 November 2001. The Applicant's lease is subject to a head lease dated 14 August 1987 for a term of 99 years. Mr Premji Lalji Patel is the registered proprietor of the head lease.

Extended Lease Value

6. Mr Dunsin has had regard to six comparables: (i) Flat 6, 30 Elmbourne Road; (ii) Flat 4, 36 Elmbourne Road; (iii) Flat B, 9 Elmbourne Road, (4) Flat 4, 103 Bedford Hill, (v) Flat B, 152 Bedford Hill, and (vi) Flat 3, 27 Veronica Road. He computes an average freehold vacant possession value of £410,301 and an extended lease value of £406,198 (99%). All these comparables are within a small locality, consist of one-bedroom flats and are close to the valuation date. Mr Dunsin makes adjustments for time, uplift for freehold possession value (three of the lessee have a share in the freehold), location, condition and floor area. He considers that all the comparables are equally

relevant and takes an average of the six. We are satisfied that he was justified in adopting this approach and see no reason to make any adjustments to his treatment of the comparables.

Relativity

7. Mr Dunsin has had regard to the guidance given by the Upper Tribunal in *Sloane Stanley Estate v Mundy* [2016] UKUT 223 (LC); [2016] L&TR 32. He is satisfied that there is no relevant evidence of local transactions. He has therefore taken a figure of 91.27%, namely the average of the five RICS's graphs for outside Prime Central London, namely Becket & Kay, Nesbitt & Co, Austin Gray, South East Leasehold and Andrew Pridell Ltd. He recognises that none of the graphs are perfect, but if taken together, they are the best basket that is available. He has considered whether he should make any adjustment in respect of any changes in the market since the RICS Graphs were published in October 2009. However, he has concluded that there is no reliable evidence of any change in the local market. The Tribunal is unable to fault the approach which he has adopted.

Capitalisation Rate

8. Mr Dunsin takes a figure of 7%. We approve this.

Deferment Rate

9. We approve the "Sportelli" rate of 5% for deferment which Mr Dunsin has adopted.

Calculation of the Premium

10. We have checked Mr Dunsin's calculation of the premium and are happy to approve it. We determine a premium of £24,114, which is to be apportioned as £2,704 to the Head Lessor and £21,410 to the Freeholder.

Judge Robert Latham
20 November 2018

RIGHTS OF APPEAL

1. 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.
2. 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.
3. 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.

4. 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.