

RESIDENTIAL PROPERTY TRIBUNAL SERVICE
DECISION OF A LEASEHOLD VALUATION TRIBUNAL for the
LONDON RENT ASSESSMENT PANEL

LEASEHOLD REFORM HOUSING AND URBAN DEVELOPMENT ACT 1993:
SECTION 50

Premises: Flat 5, 4-7 Railwayside, Barnes, London SW13 0PN

Applicant: Robert Charles Orr Ewing and Amani Orr Ewing

Respondent: Adrian Gerald Martin

Tribunal: H C Bowers
I Mohabir

Introduction:

1. This application was transferred by the Wandsworth County Court to the Leasehold Valuation Tribunal by an order of District Judge Smart dated 19th April 2006, for a determination of the price payable for an extension to the existing lease of the subject property.

2. Directions were issued by the Leasehold Valuation Tribunal on 19th December 2006 indicating that the supplemental information supplied by the Applicant's valuer, Mr David Cooper BA(Hons), Bsc(Hons) MRICS, on 15th November 2006 was generally satisfactory. The Tribunal indicated that all the elements of the valuation were acceptable except for the deferment rate to be adopted. The Tribunal directed the Applicant to rework the calculation by applying their determined deferment rate of 5%.

3. A further valuation was supplied by Mr Cooper with a covering letter dated 5th January 2007. The valuation included all the elements that had previously been accepted by the Leasehold Valuation Tribunal but with the deferment rate of 5%.

Decision:

4. The Tribunal have now checked the revised calculations provided and now confirm that the premium of £14,336 as set out in that calculation is to be the premium payable for a lease extension under the terms of the Leasehold Reform

Housing and Urban Development Act 1993 for the subject property. A copy of the revised calculation is attached to this decision.

A handwritten signature in black ink, appearing to read 'Helen Bowers', written in a cursive style.

Helen C Bowers (Chairman)

Date

24/1/07.

LEASE RENEWAL VALUATION

Flat No. 5: Long leasehold value £250,000 – 161 years unexpired approximately
 Capitalisation Rate: 8%
 Deferment Rate: 5%
 Relativity: 92%
 Short Leasehold Value: £230,000
 Expiry Date of Lease: 28 September 2076
 Valuation Date: 19 April 2006
 Unexpired Term: 70.5 years approximately

	£	£	£	£
<u>1. Value of Freeholder's interest</u>				
<u>Ground Rent</u>				
Ground rent up to 28.9.2010		30		
YP for 5 years @ 8%		<u>3.99</u>	120	
Ground rent 29.9.2010 – 28.9.2043		60		
YP for 33 years @ 8%	11.5319			
Deferred 5 years @ 8%	<u>0.68</u>	<u>7.83</u>	470	
Ground rent 29.9.2043 – 28.9.2076		100		
YP for 33 years @ 8%	11.5319			
Deferred 38 years @ 8%	<u>0.0537</u>	<u>0.619</u>	<u>62</u>	
			652	
<u>Reversion</u>				
Value of Long Leasehold Interest		250,000		
PV of £1.00 in 70.5 years @ 5%		<u>0.0320836</u>	<u>8,021</u>	8,673
<u>2. Landlord's Share of Marriage Value</u>				
Value of Tenant's interest with 160.5 year lease			250,000	
Value of Landlord's new interest			<u>Nil</u>	
			250,000	
<u>Less:</u> Value of Tenant's existing Lease (92%)		230,000		
Value of Landlord's existing interest in subject property		<u>8,673</u>	<u>238,673</u>	
Marriage Value			11,327	
Landlord's share @ 50%				<u>5,663</u>
				14,336
3. PREMIUM PAYABLE, SAY				<u>£14,336</u>