

**DECISION OF THE LEASEHOLD VALUATION TRIBUNAL
ON AN APPLICATION UNDER THE LEASEHOLD REFORM HOUSING
AND URBAN DEVELOPMENT ACT 1993 SECTION 24**

PROPERTY: 172 CHAMBERLAYNE ROAD LONDON NW10 3JT

APPLICANT: ANIL KANAIYALAL JADAV and SADHANA ANIL JADAV

Represented by: Buy Your Freehold Limited

RESPONDENT: MARTIN McDONALD and JOHN WALSH
Missing Landlords

TRIBUNAL

Mrs T I Rabin
Mr D Banfield

Chairman

Date of Tribunal's decision: 26.2.2007

172 A & B CHAMBERLAYNE ROAD LONDON NW10 3JT

FACTS

1. The Tribunal was dealing with an application under Section 24 of the Leasehold Reform Housing and Urban Development Act 1993 ("the 1993 Act") for a determination of the freehold value of the property known as 172 Chamberlayne Road London NW10 3JT (the Premises). The Applicant is Mr Anil Kanaiyalal Jadav and Sadhana Anil Jadav the long leaseholders of the two flats, A and B, in the Premises.
2. An application was made to the Willesden County Court on 6th September 2006 for a vesting order and on 27th November 2006 District Judge Dabezies made an order pursuant to Section 26(1) of the 1993 Act vesting the freehold interest of the Premises in the Applicants subject to a determination of the freehold value by the Tribunal.

REPRESENTATIONS

3. There was no hearing and the Tribunal considered representations made by Tim O'Keeffe of Buy Your Freehold Limited. Mr O'Keeffe proposed the following:
 - Valuation Date is 6th September 2006
 - The Premises contained two flats, Flat A on the ground floor having two bedrooms and including the garden and Flat B on the first floor having four bedrooms, including a loft conversion.
 - The leases were for a term of 99 years from 24th June 1988 and have unexpired terms as at the valuation date of 80.82 years
 - The ground rent for all the leases was £50 pa for the first 33 years, £100 for the second 33 years and £150 for the remainder of the term
 - The share of the freehold values are £262,626 for Flat A and £292,929 for flat B
 - The capitalisation rate for the ground rent is 8%
 - The deferment rate for the reversion is 6%
 - The uplift from long leasehold to share of freehold is 1%
4. Mr O'Keeffe had produced values of comparable properties and had provided photographs of the Premises. The Tribunal did not think that an inspection was necessary in the circumstances.

DECISION

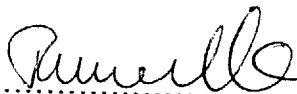
5. Using its knowledge, skill and experience, the Tribunal accepted the market valuations proposed by Mr O'Keeffe for all of the flats in the Premises. The Tribunal accepted most of his proposals but could not agree the capitalisation rate of 8%. Capitalisation rates have generally gone down and the premises offer a reasonable ground rent with reasonable increases. The income, though modest, is rising and the Tribunal determines that the capitalisation rate should be 7.5%. The Tribunal did not accept the deferment rate of 6%. There is nothing in the evidence provided that would cause the Tribunal to change the deferment rate of

5% as proposed as a general deferment rate in the recent case of **Cadogan and others v Sportelli and others [2006]**.

DETERMINATION

6. The Tribunal therefore concludes that the price to be paid for the freehold of the Premises is **£12,600**
7. The transfer is approved subject to the inclusion of the price for the freehold determined by the Tribunal
8. A copy of the Tribunal's valuation is attached to this decision

CHAIRMAN.....
Mrs T I Rabin



Date: 26 - 2 - 2007

Leasehold Reform and Urban Development Act 1993
Schedule 13
172A&B Chamberlayne Road,London NW10 3JT

Appendix A

Valuation Date	06/09/2006
Yield	7.50%
Deferment rate	5.00%
Flat A	£262,626
Flat B	<u>£292,929</u>
Total freehold value	£555,555

Freeholders interest

Ground rent

Rent reserved				£100	
YP	14.82 yrs	7.50 %		<u>8.768075646</u>	£877

Reversion to

YP	33 yrs	7.50 %	12.10742099	£200	
x PV	14.82 yrs	7.50 %	0.342394327	<u>4.14551226</u>	£829

Reversion to

YP	33 yrs	7.50 %	12.10742099	£300	
x PV	47.82 yrs	7.50 %	0.031480907	<u>0.38115260</u>	£114

Freehold Reversion

Reversion to				£555,555	
x PV	80.82 yrs	5.00 %		0.019385672	<u>£10,770</u>
					<u>£12,590</u>

Premium

Say **£12,600**