FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	**CAM/33UC/OAF/2025/0005**
Property	:	**11 High Street, Foulsham, Dereham, Norfolk, NR20 5RP**
Applicants	:	**Miss Nicola Ann Price (Leaseholder)**
Representative	:	**Ward Gethin Archer Ltd (Solicitors)**
Respondent	:	**Persons Unknown (Freeholder)**
Representative	:	**None**
Type of application	:	**To determine the premium payable under S.9 as compensation to the landlord, arising from an application to enfranchise the freehold made by S.27 Leasehold Reform Act 1967 ("the Act")**
Tribunal	:	**Mr N. Martindale BSc MSc FRICS**
Venue	:	**HMCTS, Cambridge County Court, 197 East St. Cambridge C1 1BA**
Date of decision	:	**3 February 2026**

DECISION

Decision

The premium to be paid by the applicants for the freehold interest in the Property is **£3,777 Three thousand seven hundred and seventy seven pounds).**

Introduction

1. This concerns an application made under Section 27 of the Leasehold Reform Act 1967 ("the Act") for a transfer of the freehold of the Property. This determination is of the premium to be paid by the applicant leaseholders to the freeholder of the Property. The relevant legal provisions are set out in the Appendix to this decision.

2. The applicant is the long leaseholder of the Property, being a small part of a much larger land holding in the lease. It is let under the terms of a lease which began on 22 September 1602. The lease was for 500 years. It will end on 21 September 2102.

3. The original 1602 lease is acknowledged by all to be lost and the rent due under the applicants' current lease of its Property is nil. Leasehold title to the Property is registered at HM Land Registry under NK97856. There is no known registered or unregistered freehold proprietor of the Property and so no respondent.

4. By order made of Deputy District Judge Curry, issued 21 May 2025 in the County Court at Norwich. The usual order of the Court in such applications would confirm that, and on the court being satisfied that the respondent could not be found, the respondent's interest in the subject Property was vested in the applicants in accordance with section 27 of the Act. The Court ordered that *" The appropriate sum to be paid into Court being the sum determined by the First Tier Tribunal (Property Chamber) as the 'price' in accordance with section 9 of the 1967 Act, plus an amount which the Court determines is the amount of any unpaid rent up to the date of Transfer."*

5. The Court reserved approval of the final form of transfer, to itself.

6. The applicant did not include a copy of the Tribunal's Directions that would have been issued after receipt of the application, inclusion of which is a standard direction.

7. The Tribunal now determines the premium payable at the antecedent valuation date, only. It remits determination of the remainder of the application back to the County Court for it to consider and determine: The final form of transfer TR1; the deduction, if any, of the applicant's costs in this application, from that total premium sum.

Statutory basis of valuation

8. Section 9 to the Act provides that the price to be paid by the purchaser for of the freehold interest shall be the aggregate of the value of the freeholder's interest and compensation for any other loss. No payment is made for the freeholder's share of any marriage value arising where the enfranchisement arose from one of the exceptions set out under S.1A of the Act. In this case it is represented by the Valuer at the bottom of the valuation sheet.

9. It is taken that the transfer qualifies as an enfranchisement made under Section 9(1A) of the Act because the rateable value of the Property as at April 1990 was not more than £500. Therefore the provisions of Section 9A which take account of compensation by the tenant for the landlord's loss of marriage value, do not apply to this transfer.

10. The value of the freehold interest is the amount which, at the valuation date, that interest might be expected to realise if sold in the open market subject to the tenancy by a willing seller (with the nominee purchaser, or a tenant of premises within the specified premises or an owner of an interest in the premises, not buying or seeking to buy) on the assumption that the tenant has no rights under the Act either to acquire the freehold interest or to acquire a new lease.

Applicants' Case

11. The applicant has now provided a valuation report dated 15 August 2025 by John Mansfield FRICS of Brown & Co, Norwich (the "Valuation Report"). The report contains a formal Statement of Truth confirming that in so far as the facts stated in the report are within his own knowledge, that he believes them to be true and includes a statement of compliance confirming that they understand their duty to this Tribunal.

12. Having considered the contents of the Valuation Report and the opinions expressed in that report the Tribunal is satisfied that the method adopted is appropriate to determine the enfranchisement price for the Property. The Tribunal accepts the description of the Property and its location as stated in the Valuation Report. The antecedent valuation date is taken as 13 March 2025, the date of the filing at Court of the claim.

13. Photographs of the exterior and interior of the Property were included in the Valuation Report. The Tribunal did not consider it necessary or proportionate to carry out an inspection of the Property.

Valuation

14. According to the Valuation Report, the Property is a two level, narrow, semi-detached house of traditional construction dating from the mid 1800's, being therefore Victorian and of traditional construction. It is situated in the centre of the village of Foulsham, among other dwellings, near to the primary school. There is on street parking. The Property is located in a small rural village in Norfolk some 18 miles north west of Norwich, about 10 miles from East Dereham.

15. The Property is arranged 'end on' with a narrow frontage to the street. Access from the public road is via a public right of way on foot only. It is within the Conservation Area but, is not Listed. The GIA of the dwelling is about 88 m2 (c.950 ft2) including a conservatory. It has oil-fired central heating to radiators as well as double glazed windows. The leaseholder confirms that there are no improvements since she took ownership of the lease. Rooms are separately accessed from ground floor hall and first floor landing.

16. Rooms are small, with low ceilings. Accommodation: Ground floor, hall, sitting room (with solid fuel stove) and access to the conservatory, Sitting room, kitchen/ dining room, bathroom,/wc: First floor, two bedrooms and shower room/wc. Outside is a small paved terrace, lawn and greenhouse.

17. Prior to the current leaseholder, improvements have been made including: modern internal fittings and windows and central heating, However, as the valuation approach is to assume an equivalent house built to modern but, not to exceptional standards they have little relevance.

18. The Valuer adopts 40% of the Modern House Value as being the site value here. The Valuer reports the plot to the Property, having a length of 31.5m and depth of 8.82m, a comparatively small plot for a village centre dwelling. The Valuer refers to the Tribunal determination in the same road at No.18 High St. where the existing (smaller) dwelling occupied much of the site, without scope for vehicle parking. The Tribunal is also familiar with the valuation of No.16 High St. from earlier in 2025 for the same enfranchisement purposes as here where 40% of the developed value was again adopted as site value by Mr Mansfield.

19. The Valuer considers the plot to have been fully developed with no obvious potential to increase the size of the built structure further. Although provided, any tenant's improvements are not a factor for a deduction under this route to enfranchisement.

20. At the valuation date 13 March 2025 (AVD) the unexpired residue of the 500 year lease from 22 September 1602, is reported as 77.48 years.

21. The Valuer's assessment of the market value is based on evidence of sales (since 1 January 2024) of local, comparable freehold houses in the village, though none with as small a space as here in proportion to the total land plot.

22. The Valuer does not seek to adjust the basic sale values of the comparables for time using the HMLR data (all properties Broadland) market index, but does recognise a small, 3% uplift in sale values between January 2024 and March 2025. There is no explicit adjustment for comparative advantages of space / design on each plot, nor is a range of values £/fts adopted, so the approach is somewhat subjective.

23. The unadjusted 4No. 'sale prices' provided in the Report, ranged from £200,000 to £315,000. All were located in Foulsham. Although the report mentions earlier passing interest in the subject Property when its leasehold status was unclear to some buyers, the comparable sales listed and principally relied on were:

24. **1. No. 7 Foundry Close,** sold April 2024 at £200,0000. Semi-detached, estate type, small rear garden, 2 bedrooms, off road garage space and a conservatory to the rear.

25. **2. NO. 17 Station Road,** sold November 2024 at £250,000. Semi-detached, Victorian cottage, renovated with a small enclosed rear garden. It fronts the village and has a car parking space.

26. **3. No. 15 Guist Road,** sold September 2024 at £291,000. Semi-detached, a 'country cottage' which appears to be a 'Council' house. The plot is a large and has a car parking space.

27. **4. No. 2 Claypit Road,** sold March 202 at £315,000. Detached cottage, with a roof space converted to a study. Its near the road, has a small enclosed rear garden and car parking space at one side.

28. The Valuer finds 7 Foundry Close smaller and inferior. 15 Guist Road as better accommodation with 3 rather than 2 bedrooms and a large plot. 2 Claypit Road again larger than the Property being detached and off road parking. Overall the Valuer finds the sale of 17 Station Road as the best of these four comparable sales. It has similar accommodation but with car parking space and direct access to the street it is worth a little more than the Property.

29. From this sales material the Valuer draws the conclusion that as at the valuation date, the freehold capital value, of the Property

unencumbered, was £240,000. The Tribunal finds the 4 comparables of assistance and is content with the Valuer's adopted capital value of £240,000 at the AVD here.

30. The value of the landlord's interest in the Property is represented first by the capitalised value of the ground rent receivable under their lease. That income stream is typically capitalised by the Valuer at 7%, which the Tribunal accepts is robust and appropriate in a case where the rent is at a very low and fixed level. However in this case, in the complete absence of any ground rent due this element has no value for which the landlord should be compensated. The term therefore has NIL value.

31. The second element of the landlord's interest is then represented by the hypothetical grant of a 50 year extension at the end of the existing 80 odd year term, but at a modern ground rent. The Valuer adopts the conventional approach of taking the freehold VP value of the house at the £240,000 referred to above, and a site value at some 40% of this, producing a sum of £96,000 for the site without a building. A yield expected from such investment is taken at 5.5%, resulting in a modern ground rent of £6,720 pa. Applying this same yield for the second term of 50 years creates a deferred site value of some £3,128.98.

32. The third element of the landlord's interest is the reversion to full vacant possession of the house £240,000 but, deferred some 77.48 years. Deferred at 4.75% yield following Sportelli as the Valuer suggests here, produces a final additional sum of £648.00.

33. In this process the Valuer cites the 'Clarise Properties' case. The Valuer takes the view that the reduction in buyers for a 'tenanted' home as reason for them to make a substantial discount on this future value. Although the Valuer refers to the adoption elsewhere of a discount of 20% to represent the increased difficulty in the freeholder obtaining full vacant possession from the leaseholder (by then a tenant of an assured tenancy under Scheduled 10 Local Government and Housing Act 1989) at lease end, rather than the more usual shorthold he does not seek it here. The Tribunal continues with the view that whilst this tenant pays market rent they would by that stage enjoy increased protection from eviction, in law. Once again this Tribunal finds that there is no market evidence in support of such discount. Again the effects of this issue in any event, have an almost insignificant effect on the final premium to be paid which in this case is really quite distant.

34. As the Valuer accepts, the Tribunal takes the view that even at the AVD here, the market was already expectant that any future AST tenants might soon be enjoying increased protection from eviction,. From May 2026 there will be a new assured periodic tenancy, though this was not known for sure at the AVD. Although these trends have some way to go, the Tribunal believes by the time of final lease end the market would anticipate such tenant protection to be in place. This would render no

particular relative advantage to the resident tenant and therefore no particular disadvantage to the landlord at the end of the second reversion.

35. Although there are sometimes small amounts of unpaid rent added to the premium to be paid to the freeholder or their estate when found by the Court, as the rent is nil, there are no additional sums due, though this remains a matter for the Court to formally determine.

36. The Tribunal appreciates the concise, relevant and focused report from Mr Mansfield. It accepts the valuation approach, the three elements to be calculated and the individual and total sum stated by the Valuer to be paid in his report. The Tribunal has not therefore issued its own valuation.

37. The premium to be paid by the applicants for the freehold interest in the property is instead **£3,777 (three thousand, seven hundred and seventy seven pounds).**

Name: **Neil Martindale** **Date:** **3 February 2026**

Appendix

Leasehold Reform Act 1967

Section 27 Enfranchisement where landlord cannot be found

(1) Where a tenant of a house having a right under this Part of this Act to acquire the freehold is prevented from giving notice of his desire to have the freehold because the person to be served with the notice cannot be found, or his identity cannot be ascertained, then on an application made by the tenant the court may, subject to and in accordance with the provisions of this section, make such order as the court thinks fit with a view to the house and premises being vested in him, his executors, administrators or assigns for the like estate and on the like terms (so far as the circumstances permit) as if he had at the date of his application to the court given notice of his desire to have the freehold.

(2) Before making any such order the court may require the applicant to take such further steps by way of advertisement or otherwise as the court thinks proper for the purpose of tracing the landlord; and if after an application is made to the court and before the house and premises are vested in pursuance of the application the landlord is traced, then no further proceedings shall be

taken with a view to the house and premises being so vested, but subject to subsection (7) below—

(a) the rights and obligations of all parties shall be determined as if the applicant had, at the date of the application, duly given notice of his desire to have the freehold; and

(b) the court may give such directions as the court thinks fit as to the steps to be taken for giving effect to those rights and obligations, including directions modifying or dispensing with any of the requirements of this Act or of regulations made under this Act.

(3) Where a house and premises are to be vested in a person in pursuance of an application under this section, then on his paying into court the appropriate sum there shall be executed by such person as the court may designate a conveyance in a form approved by the court and containing such provisions as may be so approved for the purpose of giving effect so far as possible to the requirements of section 10 above; and that conveyance shall be effective to vest in the person to whom the conveyance is made the property expressed to be conveyed, subject as and in the manner in which it is expressed to be conveyed.

(4) For the purpose of any conveyance to be executed in accordance with subsection (3) above, any question as to the property to be conveyed and the rights with or subject to which it is to be conveyed shall be determined by the court, but it shall be assumed (unless the contrary is shown) that the landlord has no interest in property other than the property to be conveyed and, for the purpose of excepting them from the conveyance, any underlying minerals.

(5) The appropriate sum which, in accordance with subsection (3) above, is to be paid into court is the aggregate of—

(a) such amount as may be determined by (or on appeal from) the appropriate tribunal to be the price payable in accordance with section 9 above; and

(b) the amount or estimated amount (as so determined) of any pecuniary rent payable for the house and premises up to the date of the conveyance which remains unpaid.

(6) Where a house and premises are vested in a person in accordance with this section, the payment into court of the appropriate sum shall be taken to have satisfied any claims against the tenant, his executors, administrators or

assigns in respect of the price payable under this Part of this Act for the acquisition of the freehold in the house and premises.

Section 9 Purchase price and costs of enfranchisement

(1) Subject to subsection (2) below, the price payable for a house and premises on a conveyance under section 8 above shall be the amount which at the relevant time the house and premises, if sold in the open market by a willing seller, (with the tenant and members of his family . . . not buying or seeking to buy) might be expected to realise on the following assumptions:—

(a) on the assumption that the vendor was selling for an estate in fee simple, subject to the tenancy but on the assumption that this Part of this Act conferred no right to acquire the freehold, and if the tenancy has not been extended under this Part of this Act, on the assumption that (subject to the landlord's rights under section 17 below) it was to be so extended;

(b) on the assumption that (subject to paragraph (a) above) the vendor was selling subject, in respect of rentcharges . . . to which section 11(2) below applies, to the same annual charge as the conveyance to the tenant is to be subject to, but the purchaser would otherwise be effectively exonerated until the termination of the tenancy from any liability or charge in respect of tenant's incumbrances; and

(c) on the assumption that (subject to paragraphs (a) and (b) above) the vendor was selling with and subject to the rights and burdens with and subject to which the conveyance to the tenant is to be made, and in particular with and subject to such permanent or extended rights and burdens as are to be created in order to give effect to section 10 below.

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.
If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision.

Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this decision to the person making the application (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rule 2013).

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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).