FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**MAN/00BW/OAF/2025/0017**
Property	**:**	**397 St Helens Road, Leigh WN7 3PQ**
Applicants	**:**	**ALBERT DAVID EVANS and PATRICIA IRENE EVANS**
Representative	**:**	**Adcocks Solicitors Limited**
Respondents	**:**	**PERSONS UNKNOWN**
Representative	**:**	**N/A**
Type of Application	**:**	**Section 27(5) of the Leasehold Reform Act 1967**
Tribunal Members	**:**	**H. Lewis FRICS; Valuer Chair** **J. Gallagher MRICS**
Date of Decision	**:**	**20th April 2026**

DECISION

The Tribunal determines that the total price to be paid, in accordance with section 27 (5)(a) of the Leasehold Reform Act 1967, for the freehold interest 397 St. Helens Road, Leigh WN7 3PQ is £35.00 (thirty five pounds)

The Tribunal determines that the amount of pecuniary rent payable in accordance with section 27 (5)(b) of the Leasehold Reform Act 1967 is £14.82.

BACKGROUND

1. The application relates to the freehold interest in the premises of a house known as 397 St. Helens Road, Leigh WN7 3PQ.

2. The Tribunal has received an application under sections 21(1)(cza), 21(2) and 27(5) of the Leasehold Reform Act 1967 ("the Act"). The application arises following an application made to the County Court for a Vesting Order in the case of a missing Freeholder. The application is dated 18/02/2025.

3. On the 4th June 2025 District Judge Syed sitting at Wigan, Wigan and Leigh Courthouse, Darlington Street, Wigan, WN1 1DW ordered that the Applicants may apply to the First-tier Tribunal (Property Chamber) for the determination of the price payable for the Freehold interest in accordance with Section 27(5) and Section 9 of the Act. The court also declare itself satisfied that the application met the 'qualification' criteria'

4. The Tribunal is provided with a bundle of documents extending to 149 pages in support of the application including; witness statements, title registers and plans, lease, conveyances, Court Orders, application form, various correspondence and a valuation calculation.

5. The applicants through their legal advisers set out the relevant history as:

   5.1 The applicants are registered joint proprietors of the leasehold estate in 397 St Helens Road, Leigh WN7 3PQ. The applicants also purchased the intermediate leasehold interest insofar as it relates to the subject property by way of a transfer dated 26th November 2024. The applicants are proposing to purchase the freehold interest by exercising their rights under sections 21(1), 21(2) and 27(5) of the Leasehold Reform Act 1967.

   5.2 The Notice of Claim required to make a claim in accordance with the Act cannot be served on the respondent in accordance section 8 of the Act because they cannot be found.

   5.3 The applicant in his witness statement sets out the steps taken to locate the respondent and these are detailed in the particulars of claim made to the county court on 7th February 2024, paragraphs 12 to 19.

5.4 As a consequence, the county court on 4th June 2025, being satisfied at the attempts made to locate the respondent, and by virtue of Section 27(1) of the Act, ordered that the matter be transferred to the First-tier Tribunal (Property Chamber) for the purpose of determining the amount of the appropriate sum to be paid into court under section 27 (5) of the Act.

The Law

6. Section 27(5) of the Act provides:

   The appropriate sum which in accordance with Section 27(3) of the Act to be paid in to 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

The Property and Lease

7. The property is 397 St Helens Road, Leigh WN7 3PQ. The applicants are the leasehold registered owners of the house.

8. The Headlease is dated 26 November 1946 for a term of 999 years from 30 September 1946 at a Ground Rent of £14.17s.0d (£14.85) pa, which extends to 6 properties (£2.47 each). The Underlease is dated 23 May 1947, for a term of 999 years (less the last 10 days) from 30th September 1946. The ground rent is stated as £5.6s.8d.

9. The Applicants have subsequently purchased the Head-leasehold interest in the property by way of a transfer dated 26th November 2024 in the sum of £75. The unexpired term is therefore 920.61 years.

10. Accordingly, whilst the applicants have only held the head lease for a period of less than 2 years, the requirement for leaseholders to own their property for two years before initiating a statutory lease extension or purchasing the freehold (enfranchisement) was abolished on 31st January 2025.

11. The property has not been inspected and we rely on the witness statement of both applicants and the expert valuer's report as to its description. We are advised that it comprises of a traditional style, two storey, semi-detached house, originally built around 78 years ago. The accommodation comprises: Living Room, Kitchen, 3 Bedrooms, Bathroom with WC, driveway to single Garage, garden areas to front and rear. Extensive photographs of both interior and exterior of the property form part of the expert valuers report at appendix 4.

12. The Tribunal is advised that the property has been well maintained and improved and is in good decorative order throughout. Further, the site is considered to be fully developed and in keeping with the adjoining and neighbouring properties.

The Valuation Basis

13. The Tribunal have first considered the valuation basis to be adopted. To be valued under section 9 (1), the house and premises must be within the financial limits specified under s.1 (1)(a), 1(5) or 1(6) of the Act, it must be at a low rent within s.4 (1) of the Act and the rateable value of the house and premises on 31 March 1990 must be £1,000 or less in Greater London or £500 elsewhere.

14. The historic Rateable Value is required to determine the valuation basis (original or special) in accordance with Section 9 of the Act. The Tribunal is provided with details of the enquiries made to establish the Rateable Value of the property. It has not been possible for the Applicants to establish the Rateable Value on the Relevant Date. However, the Applicants state within their signed Witness Statements that they have received a letter (copied to the Tribunal at appendix 2 of the valuers' report) from the water supplier United Utilities confirming that the supplier's last recorded Rateable Value was £174 in February 1982. It is reasonable to assume therefore that as at 31/03/1990 the rateable value would not have exceeded £500 and is assumed to be the Rateable Value prior to the introduction of Council Tax in 1993.

15. Having considered the application and witness statements together with 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.

16. The Tribunal proceeds to adopt the three-stage approach under section 9(1) valuation methodology which requires the following:

    (i) The capitalised value of the rent payable under the tenancy from the date of service of the Notice of the Tenant's Claim until the original term date

    (ii) The capitalised value of the section 15 rent payable from the original term date until the expiry of the 50 year extension,

    (iii) The value of the landlord's reversion to the house and premises after the expiry of the 50 year extension, on the basis Schedule 10 to the Local Government and Housing Act 1989 applies to the tenancy.

    Consideration is also given to the relevance, if any, of:

    (iv) The value of the landlord's right under section 17 to determine the 50 year extension for redevelopment purposes

(v) The effect of any new easements and restrictive covenants in the conveyance and

(vi) The value of the other rights under the extended lease extinguished on the acquisition of the freehold

17. The valuation date is the date of the application to the County Court confirmed as 18/02/2025. The Tribunal therefore adopts this as the appropriate valuation date.

The Premium

18. The Tribunal is required to determine the premium payable for the Freehold Interest, calculated in accordance with section 9 of the Act. Section 9 sets out the premium to be paid to enfranchise and the valuation basis to be adopted. The valuation date adopted is the 18th February 2025 being the date of the application to the County Court, therefore, the term remaining as at the valuation date is 920.61 years.

19. To support the application, the Tribunal is provided with a report and valuation calculation prepared by Mr Geoffrey Bates FRICS, consultant chartered surveyor and valuer for Adcocks solicitors who prepares a valuation in accordance with section 9(1) of the Act. Mr Bates report includes a declaration confirming qualification and experience and complies with the requirements of Rule 19 of the Tribunal Procedure (First-Tier Tribunal)(Property Chamber) Rules 2013.

20. Mr. Bates capitalises the ground rent for the remainder of the term, 920.61 years, at a capitalisation rate of 7% to arrive at £76. Mr Bates adopts a nil value for the first reversion to a modern ground rent and a nil value for the ultimate reversion, which occur in 970.61 years. However, following acquisition of the head lease on 26th November 2024, this does not relate to the interest now being purchased.

21. The interest to be valued is the Freehold of the property, which is held, along with five other properties being 389 to 399 St Helens Road. The Ground Rent is £14.85 pa which, apportioned between the six properties, equates to £2.47 pa each, assuming the rent is apportioned equally. As such the ground rent to be capitalised is £2.47.

22. The Tribunal agrees that there is no value to the reversionary interest and agrees that 7% is a robust an appropriate capitalisation rate reflecting that the ground rent is low and fixed for the entirety of the term. Accordingly, the value of £2.47 ground rent for the remainder of the term, 920.61 years, at a capitalisation rate of 7% is £35.00

23. Accordingly, the Tribunal determines the premium to be paid by the applicants for the freehold interest in the property is **£35.00 (thirty five pounds).** The Tribunals valuation calculation is at appendix (i).

Pecuniary Rent

24. The pecuniary rent payable in accordance with section 27(5)(b) of the Act has been calculated in accordance with the six-year limitation period. The Applicants confirm that ground rent has not been collected or demanded since around the years 2014-2016. Accordingly, the ground rent payable is £2.47 per annum, equating to £14.82 for the six-year limitation period.

Signed: J H Lewis; FRICS
Valuer Chair of the First-tier Tribunal
Date: 20th April 2026

Appeal Provisions

25. If the parties is dissatisfied with this decision, they may appeal to this Tribunal for permission to appeal to the Upper Tribunal (Lands Chamber). Any such appeal must be received within 28 days after these written reasons have been sent to the parties (Rule 25 of the Tribunal Procedures (First Tier Tribunal Property Chamber Rules 2013.

Appendix (i)

Enfranchisement Price **£ 35**

Term 1

Valuation Date	18-Feb-2025
Lease Start Date	30-Sep-1946
Term (years)	999.00
Lease End Date	6-Oct-2945
Unexpired Term (years)	920.61
Ground Rent (p.a.)	£ 2.47
Capitalisation Rate (%)	7.00

Term 2

Entirety Value	£ 220,000
Site Value (%) of MV	35
S15 GR Rent % of Site Value	5.25
Cap / Def Rate (%)	5.25
Years	50

Reversion

Standing House Value	£ 220,000
% of SHV for Assured Tenancy	0
MV of House on Assured Tenancy	220,000
Years to	970.61
Deferement Rate (%)	5.25

Term

Ground Rent	£ 2.47	p.a.	
YP for 920.61 yrs @ 7%	14.2857		**£ 35**

Term 2

Entirety Value	£ 220,000		
Site Apportionment @ 35%	£ 77,000		
Modern Ground Rent @ 5.25%	£ 4,043	p.a.	
YP for 50 yrs @ 5.25%	17.5728		
	£ 71,047		
PV of £1 in 920.61 yrs @ 5.25%	0.0000		**£ -**

Reversion 2

Market Value of Standing House	£ 220,000

	£		
@ 0% for Assured Tenancy	220,000		
PV of £1 in 970.61 yrs @ 5.25%	0.0000	**£**	**-**

Enfranchisement Price (excluding costs) **£ 35**