

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

**Case reference** KA/LON/00AP/MNR/2019/0078

Flat B, 63 Broad Lane, London N15 **Property** 

4DJ

Landlord **Dream Move Lettings Ltd** 

Mr Davide Golia **Tenant** 

Market rent determination in Type of application :

accordance with section 14 of the

**Housing Act 1988** 

Judge P. Korn (Chairman) Tribunal members

Mr K Ridgeway MRICS

**Date of decision** 20th September 2019

**Date of Reasons** 24th October 2019

#### **REASONS FOR DECISION**

#### **Decision of the tribunal**

The FTT determines the rent to be £1,150.00 per calendar month, with effect from 20<sup>th</sup> September 2019.

### **Background**

- 1. On 15<sup>th</sup> July 2019 the First-tier Tribunal ("**FTT**") received an application from the Tenant referring a notice proposing a new rent under his assured periodic tenancy of the Property.
- 2. The notice, which was served under section 13(2) of the Housing Act 1988 ("**the Act**") and was dated 8<sup>th</sup> July 2019, proposed a rent of £1,150.00 per month with effect from 11<sup>th</sup> August 2019.
- 3. The Tenant sent written representations to the FTT. Neither party requested an oral hearing.
- 4. The Tenant has an assured periodic tenancy of the Property, and the tenancy is dated 11<sup>th</sup> June 2018.

## Inspection

- 5. The FTT inspected the Property on 20<sup>th</sup> September 2019 in the presence of the Tenant. The Property is a small one-bedroom first flat with a kitchen-diner above a parade of shops and opposite a school. It is on a busy road but there is some parking available.
- 6. The FTT found the common areas leading to the Property to be in poor decorative condition, but the interior of the Property itself was in good condition. Heating was from electric wall heaters. The white goods in the kitchen apart from the fridge belonged to the Landlord.

### The Law

7. In accordance with the terms of section 14 of the Act, the FTT is required to determine the rent at which it considers the Property might reasonably be expected to let in the open market by a willing landlord under an assured tenancy on the same terms as the actual tenancy ignoring any increase in value attributable to tenant's improvements and any decrease in value due to the tenant's failure to comply with any terms of the tenancy. The FTT is also required to take into account the condition of the Property, save to the extent that any disrepair is due to the Tenant's failure to comply with any terms of the tenancy.

#### Valuation

- 8. The starting point is to determine the rent which the Landlord could reasonably be expected to obtain for the Property in the open market in the condition considered usual for a modern letting ("**the initial valuation**"). As the parties had not offered their own evidence on this point, the FTT used its general knowledge of property values in the area of N<sub>15</sub>.
- 9. Using its general knowledge of market rental levels for comparable properties in the area of N15, the FTT arrived at an initial valuation of £1,200.00 per month.
- 10. Adjustments then needed to be made to this initial valuation to take into account the actual condition of the Property.
- 11. Applying these principles to the Property, the FTT considered that it was appropriate to deduct £50.00 per month to reflect the lack of formal central heating but that otherwise no deductions were needed.
- 12. Accordingly, the current market rent for the Property is £1,150.00 per calendar month.

Name: Judge P Korn Date: 24<sup>th</sup> October 2019