



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL
PROPERTY)**

Case reference : **LON/00BK/MNR/2020/0052**

Property : **Flat 2 Calico Court, Marine Street, London,
SE16 4AZ**

Applicant : **Mr Zevelakis and Ms Roesink**

Representative : **In Person**

Respondent : **Hyde Housing Association**

Representative : **Ms D Jones**

Type of application : **Market Rent under s13 & 14 of the Housing
Act 1988**

Tribunal member(s) : **Mr A Harris LLM FRICS FCI Arb
Mr O Miller BSc**

**Date and venue of
hearing** : **17 September 2020**

Date of decision : **17 September 2020**

REASONS FOR THE DECISION

Decisions of the tribunal

- (1) The tribunal determines that the market rent is £1440.00 (one thousand four hundred and forty pounds) per calendar month.
- (2) The tribunal makes the determinations as set out under the various headings in this decision.

The application

1. The applicant seeks a determination pursuant to section 13 & 14 of the Housing Act 1988 following the service of a notice by the landlord proposing a rent increase to £1560.00 per month.

Background

2. On 10 February 2020 the landlord served a notice of rent increase proposing a new rent of £1560.00 per month in place of the existing rent of £1410.00 per month. The starting date for the new rent would be 1 April 2020.
3. On 18 March 2020 the tenants, Mr Zevelakis and Ms Roesink, made an application to this tribunal challenging the increase.

The property

4. The subject property is a ground-floor self-contained flat with a terrace and 1 living room with integrated kitchen, bathroom and 2 bedrooms.
5. The application shows that the flat is equipped with an electric cooker and a fridge freezer.
6. Under the terms of the tenancy the tenant is to keep the interior of the property and contents in at least as good and clean condition and repair as at the commencement of the tenancy, fair wear and tear excepted. The landlord is responsible for repairs under sections 11 and 12 of the Landlord and Tenant Act 1985.

The tenant's evidence

7. The tenants made written representations opposing the increase which they say seems unjustified, arbitrary, and unreasonable. There has been no increase in property value, facilities or service received since 2018 when the rent last increased. There were delays in repairing the cooker and boiler. Drug dealing occurs outside the building which has been reported to Crime Stoppers. The proposed rent does not seem to align to open market rent -20% and the proposed rent of £1950 per month is based on open market rents of properties with a significantly higher value and having a concierge, second bathroom, a gym and are furnished.
8. The tenants have provided a list of comparables taken from Rightmove.

9. A two-bedroom flat in Spa Road Bermondsey was available to let at £1863 per month.
10. Two, 2-bedroom flats were available to let in Parker Building, Freda Street London Bridge at £450 per week.
11. A two-bedroom flat was available to let at £425 per week in Freaan Street.
12. A two-bedroom flat was available to let in Dickens Estate Canada Water at £1700 per month.
13. The tenant says their research has found that the Government, Rightmove and Zoopla all agree there is an annual decrease in rents below inflation.

The landlord's case

14. For the landlord, Ms Jones submitted a written witness statement. In exhibit B it states that the flat is a two-bedroom flat and Jones Lang Lasalle reported a market rent of £1950 per month. The research on which that figure is based has not been retained.
15. Schedule of properties taken from Rightmove was however included.
16. A two-bedroom flat in Sun Passage SE16 was available to rent in March 2020 at £2000 per month. The flat has two bedrooms and two bathrooms.
17. A two-bedroom flat in Spa Road Bermondsey described as a beautifully presented bedroom two-bathroom modern apartment with other benefits including a lift bike storage private balcony and wood flooring was available at £1998 per month.
18. A two-bedroom flat in Jamaica Road was let sometime after May 2020 at £1975 per month. The flat is described as a two double bedroom apartment.
19. A two-bedroom flat in Pullman building rather high was available to let in May 2020 at £1907 per month it is described as having two bedrooms are large open plan-reception/kitchen private balcony and modern bathroom.
20. A two-bedroom flat in Prospect House, Sun Passage SE16 was let sometime after April 2020 at £1900 per month described as having two bedrooms two bathrooms and in a modern building which forms part of this Bermondsey spa development.
21. A further two-bedroom flat in Sun Passage was available in May 2020 at a rent of £1898 per month described as having a modern bathroom, open plan kitchen/living space private balcony and walk-in storage.
22. In summary the comparables are all located in close proximity to Calico Court. The values range from £1898 per month to £2000 per month and therefore support the view that the achievable market rent is £1950 per month.

The Law

23. The Tribunal must first determine that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.
24. The Housing Act 1988, section 14 requires the Tribunal to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
25. In so doing the Tribunal, is required by section 14(1), to ignore the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act. Any improvements made during the previous regulated tenancy are no longer disregarded.

Valuation

26. The tribunal has considered the rental evidence put forward by both parties. The tribunal also uses its own knowledge and experience.
27. The tribunal considers that if let in the open market on the terms of the tenancy, the flat would achieve a rent of £1800 per calendar month. The tribunal then deducted the 20% discount for the intermediate tenancy to arrive at a rent of £1440 per month.

Effective date

28. Under s14 (7) of the Housing Act 1988 the effective date of the decision would normally be the date shown on the application unless there is hardship to the tenant.
29. On the evidence submitted by the tenant, the tribunal does not find evidence of hardship and therefore the effective date of the decision is 1 April 2020.

Name: A P Harris LLM FRICS FCI Arb
Valuer Chair

Date: 3 November 2020

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 a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

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).