

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	LON/00AH/MNR/2023/0069
Property	:	78 Long Lane, Addiscombe, Croydon, CRO 7AP
Applicant (Landlord)	:	Mr Eraldo Linton & Mrs Valarie Linton
Representative	:	Streeter Marshall LLP
Respondent (Tenant)	:	Mr Ian Diboll
Representative	:	None
Type of application	:	Section 70 of the Rent ACT 1977
Tribunal members	:	Mr D Jagger MRICS
Venue	:	Paper determination
Date of Reasons	:	3 rd July 2023

DECISION

Decision of the tribunal

(1) The Tribunal determines that the rent that the property in its current condition as at the 1st March 2023, being the starting date for the new rent, might reasonably be expected to achieve in the open market under an assured tenancy is **£1700 per month**

Background

- 1. The tenants have lived in the property as assured periodic tenants since 11th June 2015 with an agreement of that date.
- 2. On the 23^{rd} January 2023 the landlord's solicitors Streeter Marshall LLP served a notice pursuant to section 13(2) of the Housing Act 1988 seeking to increase the rent from £1,200 to £2,000 per month, being an increase of £800 effective from 14th April 2023.
- 3. By an application dated 28th March 2023, the tenant referred that notice to the Tribunal for a determination of the market rent. The Tribunal issued Directions for the conduct of the matter on 11th April 2023. Subsequently, the tenant requested an extension of time in order to comply with the Directions. This request was refused.
- 4. The Tribunal considered the matter suitable for a determination on the papers and therefore a hearing was not necessary. The parties did not disagree with this arrangement.

The Evidence

5. The parties prepared a helpful bundle of evidence which includes a background to the case, the two applications, the directions, the tenancy agreement, completed rent appeal statements. A schedule of photographs and a list of Rightmove comparable evidence and more about this is stated below.

Inspection

6. The Tribunal did not inspect the property and relied on the information provided by the parties, Rightmove, Goggle Street Maps and its expert knowledge. The property is an ex local authority mid terrace house built during the 1950s and is in a busy road convenient to local amenities.

7. The accommodation comprises three bedrooms, living room, dining room kitchen and bathroom. There is central heating. There is a rear garden and dilapidated garage. The property has an EPC Rating of D63 and is stated to be 118m2.

The Law

8.. The rules governing a determination are set out in section 14 of the Housing Act 1988. In particular, the Tribunal is to determine the rent at which the property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, subject to disregards in relation to the nature of the tenancy (i.e. it being granted to a "sitting tenant") and any increase or reduction in the value due to the tenant's improvements or failure to comply with the terms of the tenancy. In the absence of any evidence to the contrary, the Tribunal has proceeded on the basis that the landlord is responsible for repairs to the structure, exterior and any installations pursuant to section 11 of the Landlord and Tenant Act 1985 and the tenant for interior decoration.

The valuation

- 9. Having carefully considered all the evidence the Tribunal considers that the rent that would be achieved in its current condition with reasonably modern kitchen and bathroom fittings, modern services and central heating, white goods supplied by the landlord would be **£2000** per month. This valuation is based upon the comparable evidence supplied in the documents. The Tribunal has also utilized its own professional judgement and experience rather than specific market transactions.
- 10 We now need to adjust this rental figure in order to take account of its current condition. In order to determine this, the Tribunal found the photographic evidence very helpful. Using its own expertise, we consider that a deduction of 15% (£300) should be applied to take into consideration the damp and mould issues, collapsed fence panels, overgrown leaning trees and dilapidated garage. This reduces the rental figure to £1,700 per month.
- 10 The average rate for rental properties in the Croydon area has gone up every quarter since the end of 2019, according to the online property portal Rightmove. The rent increases are due to not enough properties coming to the market to meet demand and the number of homes for rent is 46 per cent below 2019 levels. This puts this decision in context with the current rental market.

- 11. The Tribunal has been provided with a copy of the tenancy agreement, which incorporates the usual repair obligations.
- 12. The Tribunal received no evidence of hardship and, therefore, the rent determined by the tribunal is to take effect from 1st March 2023.

D Jagger MRICS Valuer Chair

3rd July 2023

<u>Rights of appeal</u>

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).