



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

Case Reference : **LON/OOAM/MNR/2023/0357**

Property : **169 Banister House, Homerton High Street, London E9 6BW**

TenantS : **Mr Adalberto Lonardi & Mr Pedro Aramburu Stuart**

Landlord : **Mr Simon Reece**

Date of Objection : **15th March 2023**

Type of Application : **Determination of a Market Rent sections 13 & 14 of the Housing Act 1988**

Tribunal : **Mr D Jagger MRICS**

Date of Summary Reasons : **31st October 2023**

DECISION

The Tribunal determines a rent of £1,653.75 per calendar month with effect from 3rd April 2023.

SUMMARY REASONS

Background

1. On the 31st August 2023 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £2,000 per month in place of the existing rent of £1,575 per month to take effect from 3rd September 2023.

2. On the 15th August 2023 under Section 13(4)(a) of the Housing Act 1988, the Tenant referred the Landlord's notice proposing a new rent to the Tribunal for determination of a market rent.

Inspection

3. The Tribunal did not inspect the property but considered this case on the basis of the papers provided by the parties.

Evidence

4. The Tribunal has consideration of the written submissions provided by the landlord and tenant together with a comparable evidence, photographs and floor plan.

Determination and Valuation

5. In the agreement there is a clause on the first page of the agreement clause 1 Terms of the Tenancy. It states, *The Landlord and Tenant may renew this contract for a term to be fixed and agreed mutually at the time of renewal and may, at that time, vary any terms and conditions contained herein and there will be a 5% cap on the rent increase for an additional 12 months.*

6. So the first thing the Tribunal must decide is: should this clause be considered, when calculating the rent in accordance with the Act. The rent review clause provides a clearly set out mechanism to determine the rent and surely it was what each party contemplated when a rent review takes place. The Tribunal must be obliged to take into consideration this clause in the agreement. Clause 1 must be a relevant consideration in the calculation of the rent review and cannot be put to one side. For these reasons the Tribunal will carry out two calculations and the lesser of the two will be the new rental figure.

7. Firstly, having consideration of the parties' comparable evidence together with our own expert, general knowledge of rental values in the Homerton area, we consider that the open market rent for the property in its current condition would be £1,850 per month. From this level of rent we have made no adjustments in relation to condition.

8. The 5% capped increase provides a rental figure of £1,653.75 per month.
9. The Tribunal determines a rent of £1,653.75 per calendar month.

Decision

10. The Tribunal therefore determined that the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy governed by the relevant clause in the agreement was £1,653.75 per calendar month.

11. The Tribunal directs the new rent of 1,653.75 to take effect on the 3rd September 2023. This being the date set out in the Landlord's Notice of Increase and the Tribunal was satisfied that a starting date of that specified in the Landlord's notice would cause the tenant undue hardship.

Chairman: Duncan Jagger MRICS

Date: 31 October 2023

APPEAL PROVISIONS

These summary reasons are provided to give the parties an indication as to how the Tribunal made its decision. If either party wishes to appeal this decision, they should first make a request for full reasons and the details of how to appeal will be set out in the full reasons. Any subsequent application for permission to appeal should be made on Form RP PTA.