



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

**Case Reference** : LON/00AL/F77/2023/0370.

**Property** : 28 Majendie Road, London SE18 7QB.

**Applicant** : Mr. and Mrs. R. G. Ingate.

**Representative** : In person.

**Respondent** : Mountview Estates Plc

**Representative** : In person.

**Type of Application** : Rent Act 1977 (“the Act”) reasons for the determination of the fair rent of a property following an objection to the rent registered by the Rent Officer

**Tribunal Member(s)** : Tribunal Judge Aileen Hamilton-Farey.

**Date of Decision** : 24 January 2024.  
Date of Reasons: 1 March 2024.

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REASONS FOR THE DECISION

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1. By an RR1 dated 28 August 2023, the landlord made an application to re-register the rent of the subject property. At the time of the application the rent passing under the tenancy was £203.50 per week effective from 16 November 2021. The landlord sought an increase to £244.00 per week. No service charges are payable under the tenancy.
2. On 16 November 2023 the Rent Officer registered a fair rent of £256.00 per week.
3. The tenant objected to that rent on 17 October 2023, and said that the increase was unsustainable. The matter was referred to this tribunal for a determination. Prior to the referral to the tribunal the Rent Officer has explained the basis of the rent increase mechanism, referring to the Maximum Fair Rent Order and suggesting that the market rent for the property in its existing condition would be £415.38 per week.
4. The tribunal sent directions to the parties on 22 November 2023, requesting them to suggest any discrepancies in the Register, and providing copies of any comparable rents that they would wish the tribunal to consider. Neither party produced any comparables, and neither party suggest that the rent register details were incorrect.
5. I also confirm to the parties the basis which this tribunal must take into consideration, that is that any rent is based on a market rent for a similar property, with deductions made for any differences between such a tenancy and the subject one. In addition, the tribunal must take into consideration 'scarcity' ie the imbalance in the market due to a scarcity of available properties to rent. In addition, the tribunal must apply the Maximum Fair Rent Order calculation, with the result that the registered fair rent will be the maximum of whichever is the lower between the adjusted market rent and the maximum fair rent. The rent that might be set by the tribunal might be higher or lower than that set by the Rent Officer but commences with the existing fair rent when the application to re-register is made, in this case £203.50.
6. The rent for this property is subject to capping under the Maximum Fair Rent Order because the rent had been registered previously.

**Representations:**

7. None were received.

**Inspection**

8. The property was not inspected, and the tribunal used the documents provided to it.

## The law

9. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, must have regard to all the circumstances including the age, location and state of repair of the property, but excluding any personal circumstances of either the landlord or tenant. The tribunal must also disregard the effect of (a) any relevant tenant's improvements and (b) the effect of any disrepair or other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property. In this case, no evidence was provided of disrepair were provided, but significant improvements had been carried out by the tenant during the tenancy, that must be disregarded when carrying out the valuation of the property.
10. Case law informs the Tribunal.
  - a. That ordinarily a fair rent is the **market rent** for the property discounted for 'scarcity' (i.e., that element, if any, of the market rent, that is attributable to there being a significant shortage of similar properties in the wider locality available for letting on similar terms - other than as to rent - to that of the regulated tenancy) and
  - b. That for the purposes of determining the market rent, assured tenancy (market) rents are usually appropriate comparables. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).

## Consideration and Valuation

11. The tribunal must therefore consider that if this property came to the market (without any tenants' improvements) what would a willing tenant pay.
12. Without any evidence from the parties, I must rely on my own knowledge and experience of rental values in the area.
13. On this basis I find that a market rent for a similar property, fully modernised and with the usual white goods, carpets and curtains found in such a tenancy would be **£530.00**.
14. However, the property is not in the condition that would be found in an open market letting, for example the tenant has a liability to decorate the property internally, and no white goods, carpets or curtains are provided as part of the tenancy. The tribunal therefore makes a deduction of 20% of the market rent to reflect those differences. This results in an adjusted market rent of **£424.00 per week**.

15. The tribunal is then required to make further adjustments to reflect the scarcity of properties in the Greater London area. In this case a deduction of 20% was made, resulting in a **fair rent of £340.00 per week.**
16. The final step is for the tribunal to carry out the valuation required by the Maximum Fair Rents Order. The calculation for this is appended to the decision and resulted in a fair rent of **£256.00 per week.** The tribunal is required to register the lower of the rent calculated using the MFR or the fair rent shown in 17 above. The tribunal therefore registers the rent for this property at **£256.00 per week with effect from 24 January 2024.**

Name: Ms. A. Hamilton-Farey  
Date 1 March 2024.

## **RIGHTS OF APPEAL**

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28 day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.