



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

Case Reference : **LON/00AP/F77/2024/0038**

Property : **78C Grand Parade, Green Lanes,
London N4 1DX.**

Tenant : **Ms. J. C. Warne.**

Landlord : **Costa Apollo Limited.**

Date of Objection : **19 December 2023.**

Type of Application : **Section 70, Rent Act 1977**

Tribunal : **Valuer Chair, Aileen Hamilton-Farey.**

**Date of Summary
Reasons** : **2 April 2024**

DECISION

**The sum of £1,038.00 will be registered as the fair rent with effect
from 2 April 2024 being the date the Tribunal made the Decision.**

REASONS FOR THE DECISION

Background

1. Following an objection from the Tenant to the determination of a fair rent by the Rent Officer, the Tribunal has made a determination under the provisions of the Rent Act 1977.

Inspection

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

Evidence

3. The Tribunal has considered the written submissions provided by the parties, as well as the Rent Officer's conference notes. The tenant says that no furniture was provided as part of the tenancy, and that the property is in a poor state of repair. She also says that the landlord is responsible for repairs and redecorations, but no redecoration has been carried out to the property by the landlord, and that she has replaced a carpet. The landlord did not provide any evidence to suggest that repairs and improvements had been carried out during the tenancy, and accepts that no furniture was supplied as part of the tenancy. It should be noted that the rent register does not identify that this is a furnished tenancy.

4. For clarification the tenancy is one where the landlord is obliged to carry out repairs and redecoration to the structure of the building (for example roof, windows etc), to have all gas and electrical safety inspections undertaken, and I do not therefore consider these matters to fall within the definition of service charge. The tenant is obliged to keep the property in good condition, and if necessary redecorate internally. The usual open market letting which is used for comparables prohibits the tenant from carrying out redecoration without permission and it is for this reason that adjustments are made from open market letting rental figures.

The Application

4. By an RR1 dated 19 September 2023 the landlord sought an increase in the rent. At the time of the application the registered rent was £762.50 per month inclusive of any service provided.

5. On 15 November 2023 the Rent Officer Service registered a new rent at £1,010.00 per calendar month with effect from that date, including £18.25 per month for services. At that time the Rent Officer considered the market rent at £1,600 per calendar month, from which the statutory deductions should be made.

6. By an email dated 19 December 2023, the tenant objected to the rent set and the matter was referred to this tribunal.

7. The tribunal issued directions on 6 February 2024 that requested the parties provide details of any comparable properties that they wished the

tribunal to consider, and any other details of the property that should be taken into consideration. No representations were received from either party, except those made by the tenant as part of the objection.

9. This tribunal considers that the rents in this locality have risen since the last registration and that a market rent for a fully refurbished, modernised property with white goods, carpets and curtains would attract a rent of £2,200.00 per calendar month.

10. However, the subject property is not in the condition, nor has it the same amenities as an open market letting and the tribunal must therefore make adjustments to the market rent to reflect those differences.

11. First of all the tribunal adjusted the market rent to reflect the terms of the tenancy, that is the tenant's obligation to decorate internally, and deducted 5% from the starting rent for this purpose.

12. The tribunal then made a deduction of 10% to reflect the lack of furnishing, carpets, lack of modernisation, and the current condition of the property (lack of insulation, roof leak).

13. Finally the tribunal then had to consider the level of scarcity to be deducted from the rent to reflect the imbalance of supply and demand for properties of this type in the Greater London Area, and made a deduction of 20%.

Determination and Valuation

14.

Market Rent		per month £2,200.00
<i>Less</i>		
Terms of tenancy and lack of recent Modernisation approx. 15%		(£ 330.00)
		<u>£1,870.00</u>
<i>Less</i>		
Scarcity	approx. 20%	(£ 374.00)
	Adjusted market rent:	£1,496.00

15. The Tribunal determines that the fully adjusted market rent for the subject property would be **£1,496.00 per calendar month**. However, the tribunal must then carry out the calculation using the Maximum Fair Rent

Order, a copy of that valuation is attached to the decision. The application of the MFR produced a rental of **£1,038.00 per calendar month**.

14. The tribunal is therefore required to register whichever of the two valuations produces the lowest rent. In this case the MFR produces the lower figure of £1,038.00 per calendar month. This is therefore the rent that has been registered with effect from 2 April 2024.

Decision

14. The tribunal registers the Maximum Rent for the subject property at £1,038.00 with effect from 2 April 2024. This figure is inclusive of service charge of £18.25.

Chairman: Aileen Hamilton-Farey Date: 2 April 2024.

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 request for full reasons should be made within a month. Any subsequent application for permission to appeal should be made on Form RP PTA