



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

Case Reference : **LON/00AG/F77/2024/0227.**

Property : **Flat 60 Sheringham Street, St. Johns
Wood Park, London NW8 6RB.**

Tenant : **Mrs. F. Khamnei.**

Landlord : **Dorrington Residential Limited
Represented by Savills.**

Date of Objection : **9 May 2024.**

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

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

**Date of
Reasons** : **18 October 2024.**

DECISION

The sum of £9,690.00 per quarter will be registered as the fair rent with effect from 18 October 2024 being the date the Tribunal made the Decision.

REASONS FOR THE DECISION

Background

1. The Rent Officer Service registered a rent for the subject property of £8,640.00 per quarter inclusive of service charge of £93.89 per quarter, effective from 10 April 2024. In an RR1 dated 5 March 2024 the landlord sought to increase the rent from £9,122.50 per quarter to £10,947.00 per quarter, both sums inclusive of service charge. Having received the new registered rent, the landlord objected to the rent and the matter was referred to this tribunal.

2. The tribunal issued directions on 18 July 2024, these requested that the parties provided details of comparables on which they wished to rely in support of their case, and to say whether they wished the tribunal to have a hearing and inspect the property. Neither party requested a hearing or inspection, and neither party produced comparables on which they wished to rely. The landlord's representatives did make written (undated) representations to say that rents for assured shorthold tenancies had seen an increase of 7.5% and that in their view the rents under the Rent Act 1977 were out of step with actual rents. They also said that there was no scarcity, there being a large number of properties available to rent in their view.

3. On the basis that neither a hearing nor an inspection was requested, the tribunal determined that it would consider the rent on the papers provided. These included the initial RR1, the previous rent register, the current rent register, the Valuation Office calculations and comparables, as well as the correspondence from the landlord's agent.

Evidence

6. Neither party supplied any comparable evidence. As mentioned above the landlord's agents supplied a written submission. The tribunal must therefore use its own knowledge and experience of lettings in the Greater London area as a starting point.

Determination and Valuation

7. The tribunal considers that a market rent for a similar sized property in the locality would be £5,000 per quarter. In the tribunal's view this would be for a fully refurbished and modernised property with parking, 24 hour porter and modern communal areas. Neither party has suggested that the subject property has been refurbished to this level, or have these amenities, and therefore the tribunal considers that adjustments should be made from the market rent to reflect these differences.

- A deduction of 5% to reflect the difference in terms between a protected tenancy and an assured shorthold.

- A deduction of 15% to reflect the lack of white goods, carpets, curtains (or modern floor finishes), lack of parking, porter, and general lack of modernisation.
- A deduction of 20% to reflect the element of ‘scarcity’ as defined in the Rent Act 1977.

8. The full valuation is shown below:

Market Rent per quarter:	£15,000.00
<i>Less</i>	
5% for different tenancy terms:	<u>£ 750.00</u>
	£14,250.00
Less 15% to reflect lack of modernisation, Parking, portorage and white goods/carpets Or curtains.	<u>£ 2,137.50</u>
	£ 12,112.50
Less scarcity @ 20%	<u>£ 2,422.50</u>
<u>Gross rent:</u>	£ 9,690.00

The tribunal determines that the adjusted market rent for the subject property is £9,690.00 per quarter.. This is inclusive of the service charge of £93.89 per quarter.

9. Having carried out the above calculation, the tribunal is then required to calculate the Maximum Fair Rent using the statutory formula. A copy of the calculation is appended to the decision and produced a MFR of **£12,609.50**.

10. The rent payable by the tenant is the lower of either the MFR (£12,609.50) or the adjusted market rent (£9,690.00), and therefore the Tribunal determines that the fair rent for the property is **£9,690.00 per quarter, inclusive of service charge, with effect from 18 October 2024.**

Chairman: Aileen Hamilton-Farey

Date: 18 October 2024.