

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : LON/00AS/F77/2024/0244

P:PAPERREMOTE

Property: 104A Field End Road Pinner Middlesex HA5

1RL

Applicant : Mr A Moussaioff

Respondent : Mrs R Broad

Date of Application : 19 March 2024

Type of Application : Determination of the registered rent under

Section 70 Rent Act 1977

Tribunal : Mrs E Flint FRICS

:

Date and venue of

Hearing

9 October 2024

remote on the papers

DECISION

This has been a hearing on the papers which has not been objected to by the parties. A face to face hearing was not held because, no-one requested the same and I determined that the matter could be dealt with on the papers. The documents that I was referred to were in an electronic bundle the contents of which I have recorded.

The registered rent with effect from 9 October 2024 is £8,400 per year.

Background

- 1. The landlord applied to the rent officer for registration of a fair rent of £10,500 per year for the above property.
- 2. The registered rent at the date of the application was £8,750 per year which had been registered by the rent officer on 24 February 2022 with effect from 28 April 2022.
- 3. On 14 March 2024, the rent officer registered a fair rent of £8,069 per year with effect from 28 April 2024.
- 4. The landlord objected to the registered rent on 19 March 2024.
- 5. The tribunal issued Directions on 15 August 2024. Written representations were received from the landlord and copied to the tenant, no representations were received from or on behalf of the tenant.

The Evidence

6. The property is a first floor flat above commercial premises, comprising three rooms, kitchen and bathroom/wc. The landlord confirmed that the property was unmodernised, the windows were single glazed and there was no central heating. He stated that two bedroom flats in the vicinity let for between £1,350 and £1,850 per month. There was a shortage of housing stock and a growing demand which had pushed up prices. He was of the opinion that the proposed rent of £10,500 per year reflected the condition of the flat and scarcity in the area.

The Law

- 7. When determining a fair rent the tribunal, in accordance with section 70 of the Rent Act 1977, must have regard to all the circumstances including the age, location and state of repair of the property. It also must disregard the effect of any relevant tenant's improvements and the effect of any disrepair or any other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property. The Tribunal is unable to take into account the tenant's personal circumstances when assessing the fair rent.
- 8. In Spath Holme Ltd v Chairman of the Greater Manchester etc Committee (1995) 28 HLR 107 and Curtis v London Rent Assessment Committee (1999) QB 92 the Court of appeal emphasised:

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 to that of a regulated tenancy, and

That for the purposes of determining the market rent, assured tenancy market rents are usually appropriate comparables; adjusted as necessary to reflect any relevant differences between the comparables and the subject property.

Valuation

- 9. In the first instance I determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today in the condition and on the terms considered usual for such an open market letting. I took into account the landlord's evidence and my own general knowledge of rents within Pinner and concluded that if the flat were in a purpose built block in the busy main road position it would let at £1,350 per month.
- 10. However, it was first necessary to adjust the hypothetical rent of £1350 per month to allow for the differences between the terms and condition considered usual for such a letting and the condition of the actual property at the valuation date, ignoring any tenant's improvements, (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title). I determined that the hypothetical rent should be reduced by £475 to reflect the of the flat over commercial premises, the access to the flat was via a rear entrance, the lack of modernisation, double glazing, central heating, carpets curtains and white goods and difference in terms and conditions.
- 11. This leaves an adjusted market rent for the subject property of £875 per month. I am of the opinion that there is substantial scarcity for similar properties in Greater London and therefore made a deduction of approximately 20% from the adjusted market rent to reflect this element. The uncapped fair rent is £700 per month (£8,400 per year).

Decision

- 12. The uncapped fair rent initially determined for the purposes of section 70, is below the maximum fair rent of £11,092.50 per year calculated under the Rent Acts (Maximum Fair Rent) Order 1999. Therefore, the rent will not be capped under the provisions of the Order.
- 19. Accordingly, the sum of £8,400 per year will be registered as the fair rent with effect from 9 October 2024 being the date of my decision.

Chairman: Evelyn Flint Dated: 9 October 2024

ANNEX - RIGHTS OF APPEAL

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 should be made on Form RP PTA available at https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber

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. Please note that if you are seeking permission to appeal against a decision made by the Tribunal under the Rent Act 1977, the Housing Act 1988 or the Local Government and Housing Act 1989, this can only be on a point of law.

If the First-tier Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).