



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

Case Reference : **LON/00AC/F77/2025/0004**

Property : **151a Friern Park, London N12 9LR**

Tenant : **Mr & Mrs D Gray**

Landlord : **AJ Properties Ltd.**

Date of Objection : **11 November 2024**

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

Tribunal : **Mrs S Phillips MRICS Valuer Chair
Mr C Piarroux Lay Member**

Date of Reasons : **24 March 2025**

DECISION

The sum of £756.00 per month will be registered as the fair rent with effect from 24 March 2025, being the date, the Tribunal made the Decision.

FULL REASONS

Background

1. On 10 September 2024 the Landlord applied to the Rent Officer for registration of a fair rent of £1,400.00 per month for 151a Friern Park, London N12 9LR (the subject property).
2. The rent was previously registered on 12 April 2022 at £680.00 per month with effect from 12 April 2022. On 14 October 2024 the Rent Officer registered a fair rent of £755.00 per month with effect from 14 October 2024. This rent appears to have been the rent determined under section 70 of the Rent Act 1977 and was below the capped rent as provided for by The Rent Acts (Maximum Fair Rent) Order 1999.
3. By an email dated 11 November 2024 the Landlord objected to the rent determined by the Rent Officer and the matter was referred to the First-tier Tribunal.
4. The Tribunal issued Directions on 16 January 2025 setting out the timetable and the steps the parties were required to take in preparation for the determination of this case.

The Law

5. When determining a fair rent the Tribunal, in accordance with section 70 of the Rent Act 1977 (the Act), had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded 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.
6. In *SpathHolme 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
 - (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).
7. The Rent Acts (Maximum Fair Rent) Order 1999 (the 1999 Order) provides the framework that places a ceiling on the maximum rent that can be registered. The calculation is based upon a formula that applies an increase in the monthly United Kingdom Index of Retail Prices to the previously registered rent.

Evidence

Tenant's Submissions

8. The Tenant provided written submissions to the Tribunal via the completed Reply Form.
9. The Tenant commented on the work that they had undertaken to the property over the years including installation of central heating, a new kitchen, a new shower room, a new WC and associated decorating and flooring in the rooms as well as a new double-glazed rear door and double-glazed window for the bathroom.
10. There was also mention of a damp issue in the kitchen and bathroom which has not been resolved despite reporting it to the Landlord.

Landlords' Submissions

11. The Landlord provided written submissions to the Tribunal via the completed Reply Form.
12. The Landlord stated when the VOA undertook the market rent assessment the starting rent was too low for a 2-bedroom flat. Comparable information the Landlord had located showed £1,700 to £1,800 per month for a two-bedroom flat in the area. The Landlord also commented that a deduction of £360 should not have been made by the VOA for the lower standard of the property.

Inspection

13. The Tribunal inspected the property on 24 March 2025. The property is a one-bedroom flat in a Victorian house conversion. It is of brick and

tiled roof construction. The property includes one bedroom together with a separate living room and kitchen-diner as well as a separate toilet and shower room.

14. The wooden front door leads into a small hallway which is laid with vinyl.
15. Off the hallway is the living room which is of a large size with a large double glazed bay window. The room is carpeted and contains a fire place (we do not know if this is a working fireplace or not).
16. The bedroom is a large size able to house a double bed and associated bedroom furniture including two wardrobes and two sets of drawers. There is also a set of double-glazed doors that lead out into the garden area.
17. The hallway then drops down by a couple of steps with a separate WC located off it before leading into the kitchen and dining area which is to the rear of the property. The WC is a tiled room containing a sink and toilet.
18. The kitchen-diner contains a good amount of cabinet and worktop space, together with a six-person dining table and chairs. It contains built in ovens, a hob, fridge freezer and washing machine. There appeared to be signs of damp and mould in one of the corners of the room.
19. At the rear of the property the shower room is located which is tiled on the walls and floor and contains a shower and sink with cabinet, a separate tallboy and radiator. It has wooden flooring, and the small window is double-glazed.
20. More generally the property benefits from central heating throughout and double-glazed windows and rear door. The front door is wooden. The common areas are vinyl flooring with a communal front door with a dated intercom system.

Determination and Valuation

21. The Tribunal initially needs to determine 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 that is considered usual for such an open market letting. In doing this, the Tribunal will consider the rental value of the property and will not consider the personal circumstances of the Tenant, as that is not a factor envisaged by the Act.

22. Whilst the Landlord provided commentary on the market rents for a two-bedroom flat in the area, this is a one-bedroom flat, so the comparable evidence is not appropriate. Having consideration of our own expert, general knowledge of rental values in the area, the Tribunal consider that the open market rent for the property in good tenable condition would be in the region of £1,500 per month.
23. From this level the Tribunal then adjusts the market rent to reflect the condition of the property as well as adjusting the figure to disregard any tenant improvements to the property. The full valuation with adjustments is shown after paragraph 24.
24. The next aspect to be considered is the issue of scarcity. The Tribunal was not provided with any specific evidence on this issue. However, the issue of scarcity is considered on the basis of the number of properties available to let and considering the demand for such properties and over a really large area. Neither party provided any specific evidence in respect of scarcity. Therefore, using our knowledge and experience we consider that in the wide geographical area of Greater London there is an imbalance between supply and demand and this impacts upon rental values. Accordingly, we make a deduction for scarcity of approximately 20%. The full valuation is shown below.

Market Rent		£/month £1500
<i>Less</i>		
Tenant installed kitchen) 7%	
Tenant installed bathroom & WC) 7%	
Tenant installed central heating) 7%	
No curtains or carpets provided) 5%	
No white goods provided) 5%	
Tenant installed double-glazed rear door & bathroom window) 3%	
Tenant decoration liability) 3%	
		Total: <u>£555</u>
		<i>Leaves: £945</i>
<i>Less</i>		
Scarcity	approx. 20%	<u>£189</u>
		£756

25. The Tribunal determines a sum of £756.00 per month for the open market rent value of the property.

Decision

26. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, was £756.00 per month. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £830.50 per month. The calculation of the capped rent is shown on the decision form. In this case the lower rent of £756.00 per month is to be registered as the fair rent of this property.
27. **Accordingly, the sum of £756.00 per month will be registered as the fair rent with effect from 24 March 2025 being the date of the Tribunal's decision.**

Chairman: Mrs S Phillips MRICS

Date: 24 March 2025

APPEAL PROVISIONS

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 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.

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