Southern Rent Assessment Panel File Ref No.

CHI/00ML/MNR/2005/0142

Rent Assessment Committee: Summary reasons for decision.

Housing Act 1988

# Address of Premises were

The Committee members

Flat 7 Crescent Mansions

Princes Crescent Brighton BN2 3RB RTA Wilson LLB

RA Wilkey JP FRICS FICPD

JK Morris

# 1. Background

On 18<sup>th</sup> October 2005 the tenant of the above property referred to the Committee a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.

The landlord's notice, which proposed a rent of £750.00 per month with effect from 1<sup>st</sup> November 2005, is dated 9<sup>th</sup> September 2005.

The tenancy is a periodic tenancy which commenced in October 1993. The current rent is £400 per month.

## 2. Inspection

The Committee inspected the property on 23<sup>rd</sup> November 2005 and found it to be in poor condition.

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#### 4. Evidence

The committee received written representations from the landlord and tenant and these were copied to the parties.

Neither party requested a hearing at which oral representations could be made.

#### 5. The law

In accordance with the terms of section 14 Housing Act 1988 the Committee proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.

In so doing the Committee, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

In coming to its decision the Committee had regard to the evidence supplied by the parties and the members' own general knowledge of market rent levels in the area of Brighton and Hove and concluded that an appropriate market rent for the property would be £700.00 per month, assuming that the property was in good order and ready for letting. However the Tribunal found that the property was not in good order and ready for letting in such a way as to achieve a rent of £700.00. Therefore it was necessary to adjust the rent of £700.00 to allow for the differences between the condition considered usual for such a letting and the condition of the actual property. The Committee considered that a deduction of £100.00 was necessary.

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Lack of a modern bathroom and kitchen	£50.00
Lack of carpets and curtains	£20.00
Lack of modern decorations	£20.00
Lack of white goods	£10.00
	£100.00

## 5. The decision

The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £600.00 per month.

This rent will take effect from 1<sup>st</sup> November 2005 being the date specified by the landlord in the notice of increase.

Chairman	signed	
	RTA Wilson LLB	
Dated	23 <sup>rd</sup> November 2005	

This document contains a summary of the reasons for the Rent Assessment Committee's decision. If either party requires extended reasons to be given, they will be provided following a request to the committee clerk which must be made within 21 days from the date of issue of this document.

Accordingly the sum of £475.00 per cal month registered/confirmed as the fair rent with effect from 23<sup>rd</sup> November 2005 being the date of the Committee's decision.

Chairman	signed
	RTA Wilson LLB
Dated	23 <sup>rd</sup> November 2005

This document contains a summary of the reasons for the Rent Assessment Committee's decision. If either party requires extended reasons to be given, they will be provided following a request to the committee clerk at the Panel Office which must be made within 21 days from the date of issue of this document.

CHI/00ML/MNR/2005/0142

Rent Assessment Committee: Extended Reasons for Decision.

Housing Act 1988

#### Address of Premises:-

The Committee members were:-

Flat 7 Crescent Mansions

Princes Crescent

Brighton BN2 3RB

RTA Wilson LLB
RA Wilkey JP FRICS FICPD
JK Morris

### 1. Background

On 18<sup>th</sup> October 2005 the tenant of the above property referred to the Committee a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.

The landlord's notice, which proposed a rent of £750.00 per month with effect from 1<sup>st</sup> November 2005, is dated 9<sup>th</sup> September 2005.

The tenancy is a periodic tenancy, which commenced in October 1993. The current rent is £400 per month.

## 2. Inspection

This is a self-contained, older style purpose built flat situated on the second floor of a detached three-storey building. The building has a flat roof and the elevations are cement rendered and painted. The property is located in a mixed, predominantly residential area with restricted parking on high ground about 3/4 mile from Brighton town centre shopping facilities and main line railway station.

The Tribunal formed the opinion that the flat is part of an unattractive block which is being maintained in an indifferent manner. External decorations are wearing and external maintenance is required.

The accommodation is not well arranged and was very fully furnished and intensively occupied at the time of the inspection. There is an entrance hall, kitchen, bathroom/WC, two bedrooms and a living room which was used as a bedroom. The fittings were generally dated, internal decorations soiled by use and several parts of the flat were affected by condensation, reflecting the manner of occupation.

#### 3. Evidence

The committee received written representations from the landlord and tenant and these were copied to the parties.

Neither party requested a hearing at which oral representations could be made.

#### 4. Consideration

In accordance with the terms of section 14 Housing Act 1988 the Committee proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.

In so doing the Committee, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

With the benefit of our collective knowledge and experience of open market rents generally in the area, we concluded that the rent for the subject property, let on an assured shorthold tenancy in the open market, in good modern letting condition, would be £700 per calendar month. By "good modern letting condition" we mean what a prospective tenant would expect to find in this locality in a property available to be let on the open market. The property would be in good structural and decorative order both inside and out. It would have a modern central heating system, hot water in the kitchen and bathroom, and would have modern clean carpets and curtains. It would also have modern white goods such as a cooker, and fridge.

The adjustments below take account of the differences between such a property and the one that we are considering, and allow for the effect that we feel those differences would have on the rent on the open market.

When properties are let on the open market in this area, it is usual for the landlord to include modern floor coverings and curtains. These items in the subject Property are worn and outdated. We made an adjustment of £20 per month to allow for this difference. This adjustment reflects the amount of the reduction in rent that we believe a prospective tenant would expect to negotiate on the open market because of the poor condition of these items.

In just the same way the kitchen and the bathroom in this property are not of the standard that would be expected of a property in good modern letting condition. We similarly considered that a prospective tenant for this property on the open market would expect to pay £ 50 per month less rent because of the inferior nature of these facilities.

We found that the white goods in the subject property in particular the cooker and fridge where in poor condition and coming to the end of their useful life and we considered that a tenant would expect to pay £10 per month less for the inferior nature of these items against a identical flat which had the benefit of modern white goods.

Finally we made a deduction of £20 per month because of the poor condition of the exterior and interior of the property. This deduction reflects our view of the sort of reduction that would be likely on the open market to deal with this point.

#### 5. The Decision

The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £600.00 per month made up as follows:-

Optimum Rent	£700 per month
Less deductions for:-	
Modern bathroom and kitchen	£50 per month
Modern carpets and curtains	£20 per month
Modern decorations	£20 per month
Modern white goods	£10 per month
Total Deductions	£100 per month
Total Rent	£600 per month

This rent will take effect from 1<sup>st</sup> November 2005 being the date specified by the landlord in the notice of increase.

Signed

Chairman

RTA Wilson LLB

Dated 5<sup>th</sup> January 2006