

EASTERN RENT ASSESSMENT PANEL

STATEMENT OF REASONS FOR THE DECISION OF THE COMMITTEE WHICH MET ON 26th SEPTEMBER 2003 TO DETERMINE A FAIR RENT IN RESPECT OF THE FARMHOUSE, LOWER WHITELEY FARM, FARMOOR, OXFORDSHIRE OX2 9NX

File Reference No.:	CAM/38E/F77/2003/0078
Landlord:	Mr RSJ Howse, Autumn Lodge, Farmoor, Oxfordshire OX2 9NX
Tenant:	Mr J Wilson
Existing Rent:	£600.00 per calendar month (registered prior to the introduction of the Rent Acts (Maximum Fair Rent) Order
Rent Proposed by Landlords:	£110.00 per week
Rent Determined by Rent Officer:	£8,976.00 per annum equating to £748.00 per calendar month (Capped for 1 st time at £8,471.00 per annum equating to £706.00 per calendar month under Rent Acts (Maximum Fair Rent) Order)
Rent Determined by Committee:	£720.00 per calendar month (Capped for 1 st time at £706.50 per calendar month under Rent Acts (Maximum Fair Rent) Order)
Members of the Committee:	Mr JR Morris (Chairman) Mrs HC Bowers MRICS Mr B Tyers
Clerk to the Committee:	Mrs R Viknaraja

The Property:

The property is a three storey semi detached house constructed of stone with the rear elevation rendered under a stone slate roof believed to have been built in the late 17th Century with a 1930s extension. The house comprises an entrance lobby off which is a cloakroom with wc and wash hand basin, hall with stairs rising to the first and second floors, two living rooms, a passage from one leads to a dining room and kitchen on the ground floor. On the first floor there are two bedrooms and a bathroom with wc and on the second floor there are two bedrooms and a wc. Three of the bedrooms have wash hand basins. There is mains water and electricity and drainage is by septic tank. There is a garden to the rear with access to the front of the house. There is no garage or hard standing for parking on the subject property but there is a yard in front of the house used in common with adjacent properties where vehicles may be parked. The property is situated at the end of a long driveway with four other properties and some farm buildings.

Condition:

The Committee inspected the property in the presence of the Tenant and Mr Barratt, the Landlord's representative. Externally the property was in fair condition, however, the windows were in need of refurbishment and redecoration. The roof had recently been overhauled by way of running maintenance. Internally the kitchen, cloakroom, bathroom and second floor wc were basic and dated. There was no central heating, hot water was provided by two immersion heaters and space heating was by open fires and Tenant's appliances. There

were an inadequate number of electric sockets for modern living. Carpets, curtains and white goods were not provided. There appeared to be commercial activities opposite the property with an area being used for waste disposal.

Law:

Attached to this Statement of Reasons is a resumé of the law applied by the Committee.

Open Market Rent

Neither party submitted comparables. The Committee using the experience of its members determined that a market rent for a property similar to the subject property in good condition with central heating, modern kitchen and bathroom, and let with carpets, curtains and white goods in a location without commerce on an Assured Shorthold Tenancy would be £1300.00 per calendar month. However the Committee considered that a global deduction of £500.00 per calendar month should be made in respect of the subject property for the condition of the windows, basic and dated kitchen and bathroom, the lack of central heating, insufficient electric sockets, the lack of any carpets, curtains or white goods and the location. It should be noted that this figure cannot be a simple arithmetical calculation and is not based specifically upon capital cost but is the Committee's estimate of the amount by which the rent would have to be reduced to attract a tenant.

Scarcity

It was decided that there is substantial scarcity of "... similar dwelling-houses in the locality..." in this case Oxfordshire, that are available for letting and a deduction would be made to reflect this of 10 %

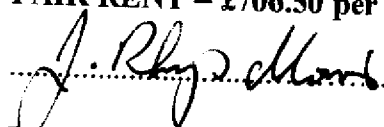
Committee's Calculations:

Open Market Rent:	£1,300.00 per week calendar month
Less global deduction	<u>£ 500.00</u>
	£ 800.00
Less Scarcity 10%	<u>£ 80.00</u>
	£ 720.00 per calendar month

'Uncapped' fair rent £720.00 per calendar month

The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent or the Fair Rent decided by the Committee which ever is the lower. The capped Fair Rent is calculated in accordance with a statutory formula using the existing rent as a base. The capped rent in this case is £706.50 per calendar month, which is lower than the Fair Rent assessed by the Committee and therefore the capped rent is to be registered.

FAIR RENT = £706.50 per week

 ...JR Morris, Chairman

Important Note:

This is a summary of the Committee's reasons for its decision. Should you require more detailed reasons, they can be supplied but only if a written request for such reasons is received by the Panel Office within 21 days form the receipt of this document. The papers will then be returned to the Chair for such detailed reasons to be prepared.

Caution: The Committee inspected the subject property for the purposes of reaching this decision. The inspection was not a structural survey and any comments about the condition of the property in this statement must not be relied upon as a guide to the structural or other condition of the property.