

## **EASTERN RENT ASSESSMENT PANEL**

### **STATEMENT OF REASONS FOR THE DECISION OF THE COMMITTEE WHICH MET ON 26<sup>th</sup> JULY 2004 TO DETERMINE A MARKET RENT IN RESPECT OF 22 MILL WAY BREACHWOOD GREEN, HITCHIN, HERTFORDSHIRE SG4 8PE**

File Reference No.: CAM/26UG/MNR/2004/0053

Landlord: Mr PR Lall, 29 Bull Pond Lane, Dunstable, Beds LU6 3BH  
Tenant: Mr R Hall & Ms JE Keeney  
Existing Rent: £500.00 per calendar month  
Rent Proposed by Landlords: £572.00 per calendar month  
Rent Determined by Committee: £520.00 per calendar month

Members of the Committee: Mr JR Morris (Chairman)  
Mr GRC Petty, FRICS  
Mr R Rehann

Clerks to the Committee: Ms J Peck & Ms J Zaman

#### **The Property:**

The property is a two storey mid-terraced house constructed of brick under a tile roof built constructed in the late 1950s early 1960s. The house comprises a hall with stairs rising to the first floor, living room, dining room and kitchen on the ground floor and three bedrooms and bathroom on the first floor. Space heating is by open fires in the living room and dining room. The fire in the living room has a back boiler, which could potentially provide hot water but is not used by the Tenant. Water is heated by an immersion. The property has mains electricity, gas, water and drainage. The property is let part furnished. Outside there are three stores and a garden to front and rear. A passageway provides access from the front to the rear of the property. There is no off road parking but street parking outside the property is unrestricted. The property is situated in village location about three miles from Luton.

#### **Condition:**

The Committee inspected the property in the presence of the Tenant. Externally the property is in fair condition. The gutters and down pipes are serviceable but showing signs of deterioration. The chimney flashings appear to need attention and there is damp in the ceiling in bedroom 3 which may emanate from defective flashings or flashing. The Tenant has fitted a door to the passageway, which gives security and reduces draughts. Internally the kitchen would be basic but for the Tenant's improvements (additional cupboards and worktop) notwithstanding the Landlord having provided a cooker and fridge/freezer. Both kitchen and bathroom are dated. The bathroom toilet has a high level cistern, the washbasin is cracked and the bath is cast iron with enamel stained and in poor condition. The Landlord's furniture is of insignificant rental value.

#### **Law:**

Sections 13 and 14 of the Housing Act 1988 apply.

#### **Open Market Rent**

##### ***Parties' submissions:***

The Landlord made submissions regarding the administration costs of the particular property, mortgage repayments not being in line with rental values, unauthorised alterations by the tenant. The Landlord also submitted that his assessment of rent was correct by compiling a list of rental values for 27 different properties in the wider area and deducing an average asking rent. The tenant stated that nothing had been done to the property since the last increase and therefore the proposed rent could not be justified.

##### ***Committee's Decision:***

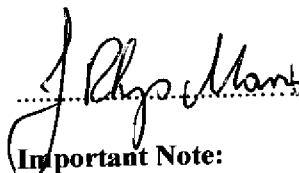
The Committee assess the market rent for the subject property by reference to rents of comparable properties i.e. those that are the same or as similar in as many aspects as possible as the subject property and where there are differences the Committee makes allowances. The Landlord adduced a

list of rental values for 27 properties however none of these were direct comparables. The Landlord submitted the most comparable property in the list was 40 Enderby Road, Luton which was a three bedroom semi detached house with white goods, gas central heating, double glazed and off road parking with an asking rent of £700 per calendar month. The Committee noted the submission and using the experience of its members determined that a market rent for a property similar to the subject property, taking into account its location, in good condition with central heating, modern kitchen and bathroom, and let with carpets, curtains and white goods on an Assured Shorthold Tenancy would be £650.00 per calendar month.

However the Committee considered that a global deduction of 20% (£130.00 per calendar month) should be made in respect of the subject property due to the dated kitchen and bathroom, the lack of central heating, carpets and curtains and the disrepair in particular the damp in bedroom 3 and the chimney flaunchings. The Committee disregarded the works of the Tenant namely the flooring and coverings, kitchen units and passageway gate. 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.

#### **Market Rent for subject property £520.00 per calendar month**

The Committee determined that in accordance with section 14 (1)(a) and (b) Housing Act 1988 the rent should commence from the beginning of the period of the Tenancy and having taken account of section 14 (7) Housing Act 1988, determined that the increased rent should take effect from the 1<sup>st</sup> July 2004.

 ..... 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 from 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.