

EASTERN RENT ASSESSMENT PANEL

SUMMARY STATEMENT OF REASONS FOR THE DECISION OF THE COMMITTEE WHICH MET ON 20th OCTOBER 2005 TO DETERMINE A FAIR RENT IN RESPECT OF 71 LOWER QUEENS ROAD, BUCKHURST HILL, ESSEX IG9 6DS

File Reference No.:	CAM/22UH/F77/2005/0126
Landlord:	Registered Holding Ltd, 163, 165 Hoe Street, London E17 3AL
Landlord's Agent:	B Bailey & Co, 118-1209 Cranbrook Road, Ilford, Essex IG1 4LZ
Tenant:	Mr Charles McGranghan
Existing Rent:	£80.50 (uncapped £101.25) per week
Rent Proposed by Landlords:	None proposed
Rent Determined by Rent Officer:	£89.00 per week (£102.00 per week uncapped under the Rent Acts (Maximum Fair Rent) Order) 1999)
Rent Determined by Committee:	£89.00 per week, (£101.00 per week uncapped under Rent Acts (Maximum Fair Rent) Order 1999
Members of the Committee:	Mr Adrian Jack (Chairman) Mr Frank JamesFRICS Ms Cheryl St Clair MBE BA
Clerk to the Committee:	Ms Jenna Peck

Summary reasons:

The Property:

The subject property is a semidetached house on a suburban side street. On the ground floor there is one living room at the front, with the kitchen and small utility room in the back. There is no central heating, save for one radiator in the kitchen. The kitchen fittings are the tenant's, save for a cupboard. Upstairs are three bedrooms and a separate bathroom and toilet. The bathroom and toilet fittings are supplied by the landlord but are old. The carpets and curtains are the tenant's.

Condition:

The committee inspected the property on the morning of 20th October 2005 in the presence of the tenant. The landlord did not attend. There is a little cracking in the property. The cracking is decoratively unattractive, but does not otherwise yet interfere with the tenant's enjoyment of the property. There are very few electric sockets in the property.

Open Market Rent

Neither party produced comparables, so the committee used its own local knowledge. In our judgment a similar property in good condition with carpets, curtains and a modern kitchen and bathroom would let on the open market at £200.00 per week.

Adjustments to the open market rent

The property is in fair condition, apart from the cracking. The landlord did not provide the kitchen at the property. The bathroom is old. The landlord does not provide carpets, curtains

or white goods. There is no central heating. The tenant has the responsibility for internal repairs. These matters clearly require an adjustment of the £200.00 per week figure.

A 37 per cent reduction is in our judgment appropriate to reflect all the matters above. It should be noted that this figure cannot be a simple arithmetical calculation and is not based 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

The committee first considered whether there was any evidence of scarcity at all. The committee applied its own knowledge of local conditions and took the view that, although there was a plentiful supply of up-market accommodation, the demand for modest accommodation in the area still exceeded supply. In our judgment a 20 per cent adjustment was appropriate to reflect the degree of scarcity.

The committee took as the area of Epping Forest, Waltham Forest, Harlow and Redbridge as the appropriate area for considering scarcity.

Committee's Calculations:

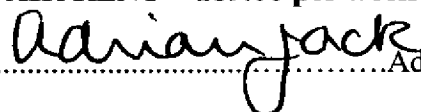
Open Market Rent:	£200.00 per week
Less global deduction	<u>£ 74.00 per week</u>
	£126.00 per week
Less Scarcity 20%	<u>£ 25.00 per week</u>
	£101.00 per week

SAY £101.00 PER WEEK

Capping

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. In this case the capped rent is £89.00, which is lower than the rent found by the Committee.

FAIR RENT = £89.00 per week


.....Adrian Jack, Chairman

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 these reasons must not be relied upon as a guide to the structural or other condition of the property. Except for the determination of the fair rent, any statement as to the rights and obligations of the landlord and tenant is not binding on any other court or tribunal and the parties should take their own legal advice.