

RENT ASSESSMENT PANEL FOR SCOTLAND

**HOUSING (SCOTLAND) ACT 1988 SECTION 25 (1)
REGISTER OF RENTS DETERMINED UNDER
STATUTORY ASSURED TENANCIES**

REFERENCE NO.

RAC/EH1/A46

APPLICATION RECEIVED

31 May 2007

ADDRESS OF PREMISES

15/5, 493 Lawnmarket, Edinburgh, EH1 2PB

TENANT

Ms P Verity

LANDLORD

P&C Hunter

AGENT

McKay Norwell
5 Rutland Square
Edinburgh
EH1 2AX

RENTAL PERIOD

Monthly

DATE TENANCY COMMENCED

1 May 1998

DESCRIPTION OF PREMISES

Fifth floor attic flat in building of stone and slate construction circa 1650, part double glazed comprising open plan living area and kitchen, bedroom and bathroom.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN

Mr R Handley LLB

PROFESSIONAL MEMBER

Mr R Buchan BSc FRICS

LAYMEMBER

Mrs I Kitson

PRESENT RENT

£ 250.00 p.c.m. (£ 3000.00 p.a.)

RENT DETERMINED BY RAC £ 450.00 p.c.m. (£ 5400.00 p.a.)

DATE CONSIDERED

21 August 2007

DATE DETERMINATION TAKES EFFECT

1 June 2007

R Handley

Chairman of Rent Assessment Committee

16/9/07

Date

RENT ASSESSMENT COMMITTEE

HELD ON: 21 AUGUST 2007

PROPERTY: 15/5 JAMES COURT, 493 LAWNMARKET, EDINBURGH

STATEMENT OF REASONS

Introduction

This is an application by Ms P Verity (the Tenant) to the Rent Assessment Committee for the determination of a rent under the Housing (Scotland) Act 1988 (the Act). The Landlords are Mr Paul Hunter and Mr Christopher Hunter. The original rent paid by Ms Verity was £3,000.00 per annum. The rent applied for was £8,400 per annum.

Preliminary Matters

A Hearing was arranged to be held immediately after the inspection. Although the Landlords had initially intimated that they did not wish to attend the Hearing, Mr Paul Hunter attended at 15/5 James Court, Edinburgh ("the dwellinghouse") at 9.50 am and requested that he be allowed to attend the Hearing and the inspection. Ms Verity confirmed she had no objection to these requests.

The Documentation

The Committee had the following documents before it: Form AT4, Form AT2, letters of 16 January 2006, 2 April 2007 and 14 June 2007 all on behalf of the Landlords from McKay, Norwell Solicitors (with enclosures), and various letters written by Ms Verity and the Landlords.

The Inspection

Mr Robert Shea, Clerk to the Rent Assessment Committee, introduced the Committee to Ms Verity and to Mr Hunter. Ms Verity and her friend

were both present throughout the inspection and the Hearing, as was Mr Hunter and his solicitor.

The Dwellinghouse

The dwellinghouse is an attic flat in a six storey block of flats. The dwellinghouse was built in the 17th Century and is entered by a communal stair in James Court. The dwellinghouse comprises a small entrance hall, an open plan living, dining and kitchen area, a small bathroom, a separate WC and a double bedroom.

The external walls are stone and appear to be in a fair condition. The roof is slated. Ms Verity advised the Committee that some slates appeared to have come loose - she had recovered them from the guttering. The windows are single glazed, apart from the windows in the bedroom which are double glazed. Ms Verity confirmed that the windows were watertight.

There is no central heating. Hot water is provided by an electric heater. The interior is most unusual, retaining a great degree of character with some boarded and some unlined masonry walls, uneven boarded floors, an unusual small bathroom and a separate WC with an unusually high ceiling.

Most of the furniture is supplied by Ms Verity. The landlords have supplied 2 sideboards, a cooker and a washing machine

No services are provided by the Landlords.

The kitchen area

The kitchen area has a sink, a cooker and a washing machine (all supplied by the Landlords). Ms Verity advised the Committee that the area around the sink required to be sealed to prevent water ingress and that a tap in the sink leaked. She also told the Committee the washing machine (supplied by the Landlords) was not working and required to be repaired/replaced.

The living area

The living area has a double window which overlooks The Royal Mile and has distant southerly views over the city. Ms Verity advised the Committee that a number of lights and electrical sockets throughout the dwellinghouse were not working properly.

The bathroom

A small bathroom is situated off the entrance area and contains a small bath and a wash hand basin. A window overlooks the rear of the property. The tenant claims that she has to be careful to avoid water penetrating the flat below and it was evident that the bathroom is in need of upgrading.

The bedroom

A double bedroom is situated off the entrance hall. Two single windows overlook the rear of the house.

The Hearing

The Chairman advised both parties that the Committee were aware of the nature of the difficulties which had previously arisen between the parties - the documentary evidence before the Committee provided relevant details. However he reminded both parties that the duty of the Committee was to determine a rent in accordance with the appropriate legislation.

The Committee asked Mr Hunter if he wished to explain why he sought an increase in rent. Mr Hunter told the Committee that he was not aware of any similar flats in Edinburgh available for a rental of £250 per month. He advised that he owned another property in James Court. This was a two bedroomed property which had been improved. The rental for this property was £700 per month. He accepted that the rental sought for the dwellinghouse (£700 per month) was "a little high" and suggested that a rent of £570 might be appropriate. He also provided the Committee with details of other properties in Edinburgh.

Ms Verity submitted that she knew a number of other flats which were rented for £250 per month. She produced a letter from a tenant in a flat in Jacksons Close (off the Royal Mile). The author of this letter confirmed he paid £250 in rent per month. She also drew the attention of the Committee to a newspaper article dated January 2005 stating that 1 bedroom flats in the Lawnmarket were letting for £480 to £600 per month.

The landlord countered the evidence of the 3 flats in the same block by saying that these were regulated tenancies.

Decisions and Reasons

In determining the rent for the dwellinghouse the Committee took account of the documents previously referred together with the comments and submissions made by both parties.

Due to the close proximity of other properties, the Committee was unable to view the roof. However the Committee found no evidence of water ingress from the roof. The electrical wiring system is dated and it was clear that a number of light fittings and electrical sockets do not function properly. The windows were in a good condition and appear to be watertight. However the Committee were of the view that the dwellinghouse was in need of upgrading and routine maintenance and that its present condition would have an impact on its rental value.

In relation to the properties referred to by both parties at the Hearing, the Committee considered that they were of limited assistance to the Committee. The Committee had little information about the condition of these properties or of the nature of the relevant tenancy agreements.

The Committee noted that the dwellinghouse was located within a popular historic area of Edinburgh. Shops, churches, hotels, restaurants, bars and places of interests to tourists (including Edinburgh Castle and Holyrood Palace) are all located in close proximity to the dwellinghouse. The dwellinghouse has a prestigious address being near the Supreme Courts and the City Chambers and is not far from the Scottish Parliament building. A good bus service is available and Waverley Railway Station is nearby. All these factors would be likely to affect the rental value of the dwellinghouse.

The Committee noted (from information in various property publications) that a double bedroomed flat in Advocates Close (off the Royal Mile) was available for a monthly rental of £600. However this property had the benefit of a lift and had good storage space. This flat was furnished. Another furnished flat also located in the Old Town, was available for a monthly rental of £600. This was a first floor flat with a "luxury kitchen".

Applying their knowledge and experience of current rents of comparable property in the area, as well as having regard to the age, character and

locality of the dwellinghouse in question and to its state of repair, the Committee was of the opinion that a property similar to the dwellinghouse would be available on the open market for rent of around £550 per month.

However this would be the rent payable for a modernised furnished flat with central heating and in a satisfactory condition. The dwellinghouse was largely unfurnished. It requires rewiring. The kitchen area, the bathroom and the WC require upgrading. The uneven floor boards require remedial works.

The Committee was of the opinion that a deduction of £100 per month should be made from the open market rent to reflect the present condition of the dwellinghouse. Consequently the Committee determined that a reasonable open market rent for a similar dwellinghouse in a similar condition in this locality would be (in terms of section 25 of the Act) £450 per month (£5400 per year).

The Committee decided that the increase in rent should take effect from 1 June 2007 being the date indicated in the AT2 Form which had been served on Ms Verity.

..... **R Handley** Chairman

..... 11 SEPTEMBER 07 Date