	**FIRST - TIER TRIBUNAL** **PROPERTY CHAMBER** **(RESIDENTIAL PROPERTY)**
Case Reference	**MAN/00BN/MNR/2026/0348**
Property	**D2803, The Fernley, Square Gardens, 2 Botanic Avenue, Manchester, Greater Manchester, M15 6LB**
Tenant	**Inga Law and David Law**
Tenant's Representative	**N/A**
Landlord	**Downing Living (First Street) Operator Limited Partnership Incorporated**
Landlord's Address	**c/o Downing Property Management Ltd, 5th Floor, 1 Old Hall Street, Liverpool, L3 9HF**
Landlord's Representative	**Downing Property Management Ltd**
Date of Application	**18 June 2026**
Type of Application	**Determination of an Open-Market Rent sections 13 & 14 of the Housing Act 1988**
Tribunal Members	**Judge L White** **Tribunal Member J Gittus MRICS**
Date of Decision	**16 October 2026**

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Rent Determined	**£630.00 per week**
Date the new rent takes effect	**27 June 2026**

REASONS FOR THE DECISION

Background

1. On 4 March 2026, the Landlord served a notice under Section 13 (2) (as amended) of the Housing Act 1988 which proposed a new rent of £630.00 per week in place of the existing rent stated in the notice to be £414.00 per week to take effect from 27 June 2026.

2. On 18 June 2026, under Section 13(4)(a) of the Housing Act 1988, the Tenants referred the Landlord's notice proposing a new rent to the Tribunal for determination of a market rent.

3. The Parties stated the tenancy commenced 28 June 2025 for 52 weeks. The rental period is weekly.

Allocation of Repairs between Landlord and Tenant.

4. As per section 11 of the Landlord and Tenant Act 1985.

Service Charges or furniture provided by Landlord (other than carpets and curtains and white goods specified below) and the costs relating to the same.

5. No service charges were identified as part of or separately from the rent.

6. The Tenants state the Property was fully furnished including all necessary appliances.

Liability for Council Tax

7. The Landlord is responsible for the payment of Council Tax in respect of the Property. The rent determined is inclusive of Council Tax.

Any other terms of the tenancy taken into consideration in determining the rent.

8. The rent includes utility bills.

Hearing

9. Neither party requested an oral hearing. The Tribunal has considered this case on the basis of the papers provided by the parties and its own knowledge and specialist expertise.

The Property

10. The Property is a 28th-floor, two-bedroom, two-bathroom furnished flat. It comprises two bedrooms, two shower bathrooms, an open-plan kitchen/lounge and a storage cupboard. The flat benefits from communal facilities including gardens, social areas, cinema room, dining/social space, work areas and gym. The parties disagree to some extent about the quality and practical value of those amenities.

11. The Property has a heating system with temperature controls. The Tenants state that there is no heating in either bathroom and that the heating in the bedrooms is capped at 18°C. There was insufficient evidence before the Tribunal to make a finding as to the precise form of the heating system. There was no evidence before the Tribunal specifying the type of glazing installed at the Property.

12. The Fernley at Square Gardens is situated within the First Street district, placing it directly inside the Mancunian Way in Manchester city centre. The property is well-located for urban convenience, with Oxford Road Station located just 0.4 miles away (approximately a 7-minute walk), providing rapid rail and tram connections across the region. Local cultural and leisure options are easily accessible. Additionally, major academic institutions such as Manchester Metropolitan University and the University of Manchester are located within a 6 to 10 minute walk.

Evidence

13. The parties completed the relevant MR1 (tenant) and MR2 (landlord) and MR3 (tenant's reply).

<u>The Tenant</u>

14. The Tenants contend that the proposed rent of £630 per week is substantially above the open market rent for the Property. In their application they stated that

the appropriate market rent was £21,528 per annum, equivalent to the existing contractual rent of £414 per week. In earlier correspondence with the Landlord, dated 15 June 2026, they had indicated that they would be prepared to pay £1,850 per month.

15. The Tenants rely upon rental evidence for other modern apartment developments in Manchester. In particular, they refer to Uhaus, where two-bedroom apartments were advertised from about £1,850 per month, and The Residences, Deansgate Square, where the material provided included a furnished two-bedroom, two-bathroom apartment of approximately 73 m² advertised at £1,880 per month (£434 per week). The Tenants say that those developments provide accommodation of an equivalent or higher specification and, in some instances, more extensive communal facilities. They particularly refer to facilities at Deansgate Square including a swimming pool, gym, sauna and tennis courts, and say that Uhaus provides additional facilities and services, including housekeeping.

16. The Tenants also refer in their MR3 to Sona House, where they say a two-bedroom apartment was available for £1,700 per month inclusive of bills. They contend that many of the properties relied upon as comparables include high-speed internet and that some provide an inclusive package comparable to that offered at the subject Property.

17. The Tenants further contend that the specification and amenities of the Property do not justify the premium asserted by the Landlord. They describe the furniture as basic contract furniture and criticise the quality of some of the white goods provided. They state that there is no heating in either bathroom and that the heating in the bedrooms is capped at 18°C. They also contend that the communal gym is relatively small for the number of apartments which it serves. They further rely upon disturbance from construction works associated with another building being constructed in front of the Property.

18. Overall, the Tenants' case is that properties of a similar or better standard, including properties with comparable or more extensive amenities, are available at rents materially below the £630 per week proposed by the Landlord.

<u>The Landlord</u>

19. The Landlord contends that the proposed rent of £630 per week reflects the open market value of the Property and is, in fact, below its open market rental value.

20. The Landlord relies upon the nature and specification of the Property and the wider Square Gardens development. The Property is a modern furnished two-bedroom, two-bathroom apartment, which the Landlord describes as

approximately 71.1 m², with open-plan living accommodation, fitted kitchen, smart television, temperature control and secure access. The Landlord also relies upon the communal facilities available to residents, which include a gym, cinema room, dining and social spaces, work areas and communal gardens.

21. The Landlord places particular reliance upon the inclusive nature of the letting. Its correspondence states that the rent includes utilities, Wi-Fi, 24-hour reception and contents insurance, together with the use of the communal facilities. The Landlord's position is therefore that comparisons with other apartments must take account not simply of the headline rent but also of the services and amenities included within that rent.

22. The Landlord maintains that its current pricing is consistent with open market rents, whether comparison is made with properties where bills are included or with properties where they are payable separately. The Tenants dispute that assertion and contend that their comparable evidence demonstrates materially lower rents for accommodation of an equivalent or higher standard.

23. In support of its position, the Landlord relied upon six lettings of comparable properties within the development at £705 per week, with the tenancies commencing in September 2026. The Landlord relied upon those transactions as evidence of rents actually being achieved for comparable accommodation.

Determination and Valuation

24. The Tribunal considered the rental evidence provided by both parties. The Tenant relied upon two screenshots from Rightmove. The first related to Uhaus, where two-bedroom apartments were advertised at rents from £1,850 per month, with accommodation available from approximately 64 m². The second related to The Residences, Deansgate Square, where a furnished two-bedroom, two-bathroom apartment of approximately 73 m² was advertised at £1,880 per month.

25. The Tribunal has taken those comparables into account. They demonstrate that modern two-bedroom accommodation with communal facilities was being marketed in the Manchester city-centre market at rents below the rent proposed for the subject Property. However, the Tribunal gives them limited weight when determining the precise market rent. They are evidence of asking rents rather than achieved rents, and the Uhaus evidence is expressed only as being “from” £1,850 per month and “from” 64 m². Further, neither comparable is within the subject development and differences in location, specification, floor level, services and facilities limit the extent to which a direct comparison can be made.

26. By contrast, the Landlord produced evidence of six properties which had been let at £705 per week, with tenancies commencing in September 2026. The Tribunal considers that evidence to be particularly relevant because it concerns actual lettings rather than advertised rents and provides evidence of rents which tenants were prepared to agree in the market.

27. The Tribunal regards the Landlord's evidence of six actual lettings as the most persuasive evidence before it of the rental value of comparable accommodation. However, it does not adopt the figure of £705 per week without adjustment. Those lettings commenced in September 2026, approximately three months after the relevant valuation date, and the Tribunal is required to determine the rent which could reasonably have been obtained for this Property on 27 June 2026. The Tribunal has also made allowance for the particular characteristics of the Property and the matters raised by the Tenants concerning its specification, heating arrangements, furnishings and communal facilities.

28. The considerably lower figures relied upon by the Tenants provide a useful cross-check, but are advertised asking rents for accommodation in other developments rather than evidence of achieved rents for apartments within Square Gardens. For the reasons given above, the Tribunal attaches less weight to that evidence than to the Landlord's evidence of actual lettings.

29. Drawing all of the evidence together and applying its own knowledge and experience of the rental market, the Tribunal determines that the rent at which the Property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, on the statutory assumptions, was £630.00 per week.

30. Accordingly, pursuant to section 14 of the Housing Act 1988, the Tribunal determines that the rent payable for the property is £630.00 per week.

Open-Market Rent **£630.00 per week**

Undue hardship

31. The new rent takes effect from the date specified in the Landlord's Notice of Increase unless that would cause undue hardship to the tenant. In cases of undue hardship, the Tribunal has a discretion to fix a later starting date up to the date a Tribunal makes its determination.

32. The Tenants have asked the Tribunal to fix a later starting date in this case. The Tenants contend that the rent determined by the Tribunal would cause undue

hardship if it were to take effect from the date specified in the Landlord's notice. The Tribunal has considered that contention.

33. The burden is upon the Tenants to satisfy the Tribunal that the statutory test of undue hardship is met. Although the Tenants have stated that the increased rent would be unaffordable, no documentary evidence has been provided in support of that assertion. In particular, the Tribunal has not been provided with evidence of the Tenants' income, expenditure, savings, liabilities or other financial circumstances from which it could properly assess the effect of the increased rent.

34. The Tribunal accepts that an increase in rent may place an additional financial burden upon a tenant. However, financial difficulty or an assertion that the increased rent would be unaffordable is not, without supporting evidence, sufficient to establish undue hardship. The Tribunal must be satisfied on the evidence before it that the statutory test is met.

35. In the absence of supporting financial evidence, the Tribunal is not satisfied that the Tenants have discharged the burden of establishing that undue hardship would be caused by the new rent taking effect from the relevant date.

36. Accordingly, the Tribunal is not satisfied that the new rent taking effect from the date specified in the notice would cause the Tenants undue hardship and declines to fix a later date pursuant to section 14(7) of the Housing Act 1988.

Decision

37. Pursuant to section 14 of the Housing Act 1988, the Tribunal determines the market rent for the Property to be £630.00 per week with effect from 27 June 2026

APPEAL PROVISIONS

If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision. Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this statement of reasons (rule 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013) stating the grounds upon which it is intended to rely in the appeal.