

Mr Daniel Broughton  
Portner and Jaskel  
Solicitors  
63/65 Marylebone Lane  
London W1U 2RA

Ms N K-Dit-Rawé  
3 Jefferson House  
11, Basil Street  
London SW3 1AX

**(By Recorded Delivery)**

Your ref: DB/DBR/22289/2

30 April 2006

Dear Mr Broughton

VISITOR TO THE SITE, PLEASE NOTE...

...that the ENTIRE CONTENTS of this letter represent **my NON-LAWYER** opinion / assessment.

My conclusions on breaches of various statutes and of the rules comprised under the Solicitors Code of Conduct are the outcome of my interpretation following desk research on these various materials.

Against this, I draw your attention to the 3 May 2006 reply from Portner and Jaskel (after this letter)

SEE ALSO THE FOLLOWING SECTIONS ON THE SITE: 'Notices by landlord', 'Freehold ownership', 'Headlessors', 'Owners identity' - FOR ADDITIONAL INFORMATION

**"Jefferson House, Basil Street, London SW3"**

### **S.5 L&T Act 1987- Notice by landlord**

While the 10 February 2006 "Notice" issued by your firm has now expired, I am nonetheless replying to your letter of 3 April 2006 in response to my letter of 30 March 2006.

#### **1 You provided a false and misleading description of the "property" in the S.5 "Notice by landlord"**

In my 30 March 2006 letter, I wrote:

*Given that, in the course of your previous correspondence (your letters of 6 and 14 March 2006) you have replied affirmatively to my question:*

*"My understanding of this is that the "Notice", refers to the building, as it stands now, in its entirety i.e. the whole of Jefferson House. Please confirm". (My letter of 3 March 2006),*

*It follows that the "disposal" being offered in the "Notice" for £120,000 is the Title for Lavagna Enterprises Limited, as it owns – as of 31 January 2006 (i.e. barely 10 days before you sent the "Notice"):*

- *one Title covering all the floors of Jefferson House, except the last floor and the roof*
- *one Title covering the airspace of Jefferson House which includes the Title for the penthouse flat, as well as associated parking space.*

*As you omitted to include pages one and two of the Title for Steel Services when you sent me the "Notice", I assume that you have, likewise, omitted to include the other above-mentioned Titles. Please, confirm.*

#### **Your reply of 3 April 2006:**

*"The disposal being offered, as per the content of the notice, is in respect of the interest held in the property by Steel Services Ltd and not any interest in the property that may be held by Lavagna Enterprises Ltd"*

Therefore, it is **not** as *"per the content of the notice"*.

In my 3 March 2006 letter to you, I extracted parts of the 10 February 2006 "Notice" you sent me, namely:

*"This notice...relates to the leasehold land and buildings known as Jefferson House 7 to 13 (odd) Basil Street, Chelsea, London SW3 ("the building")...*

*"The landlord has a leasehold interest in the building..." "the property" means the building"*

I followed this by stating: *"My understanding of this is that the "Notice", refers to the building, as it stands now, in its entirety i.e. the whole of Jefferson House. Please, confirm"*

In your reply of 6 March 2006, you stated *"I confirm the notice relates to the property known as Jefferson House, 11-13 Basil Street (odd), London SW3 1AX"*

As this address was different from that contained in the "Notice", in my reply of 11 March 2006, I asked you to confirm the address to which the "Notice" relates.

In your reply dated 14 March 2006, you stated that the address captured in your 6 March 2006 letter was a *"typographical error"* and you confirmed that the correct address was that captured in the 10 February 2006 "Notice" issued by your firm: *"7 to 13 (Odd) Basil Street, Chelsea, London"*.

**Hence, you confirmed that the "Notice" relates "to the building, as it stands now, in its entirety i.e. the whole of Jefferson House".**

In fact, although your client, 'Steel Services', had – **barely 10 days** – before you sent me the *"notice of disposal"* sold its headlease interest to Lavagna Enterprises Limited, the wording you used in the 10 February 2006 "notice" to describe *"the disposal"* is **identical** to the other 'so called' S.5 *"notice of disposal"* previously issued by your client:

- **22 December 1999** – Issued by Laytons solicitors: *"This notice...relates to the leasehold land and buildings known as Jefferson House 7 to 13 (odd) Basil Street Chelsea London SW3 ("the building")..."*
- **13 December 2000** – Issued by Laytons solicitors: *"This notice...relates to the leasehold land and buildings known as Jefferson House 7 to 13 (odd) Basil Street Chelsea London SW3 ("the Building")..."*

**Your comment in your 3 April 2006 reply:**

*"I would advise pages 1 and 2 of the title documents were deliberately omitted as our client is not required to provide this information. All other relevant information has been provided"*

**It is abundantly clear that your intention was to mislead.**

Judging from the date of the mortgage obtained from HSBC, point six, on page three (supplied by your firm), which states 31 January 2006, the copy of title NGL 373333 i.e. Steel Services was obtained just prior to your sending the "Notice".

I separately obtained pages one and two of the NGL 373333 title. The first page states, under point 5:

*"(20.10.2004) As to the land edged and lettered X in green on the title plan only **the Air Space abutting and above the level of the surface of the roof of Jefferson House has been removed from this title"***

In addition to the above pages, other Land Registry records I have also obtained separately show the following:

- *"Agreement for lease of the air space above the roof of 7-13 Basil Street dated **15 September 2003** in favour of Steel Services Limited"*
- The parties involved in the granting of the *"leasehold...being Airspace of Jefferson House, 7-13 Basil Street, London SW3 1AX"*, on **10 October 2004** were Jefferson House Limited and Steel Services Limited. (The transaction is recorded as £110,000).

'**Airspace of Jefferson House**', is title BGL 51266, stating the owner as *"Steel Services, c/o of Martin Russell Jones"*

- On **10 August 2005**, BGL 54458, the penthouse flat, became a lessee of 'Airspace of Jefferson House'

Hence, on **three occasions** you made a false and misleading statement. Firstly in the "Notice" and secondly and thirdly by confirming that the "Notice" refers to "the whole of Jefferson House" as the Land Registry title BGL 51266 'Airspace of Jefferson House, 7-13 Basil Street, London SW3 1AX' is **not** included in the "Notice". Indeed, as stated on page one of the Land Registry title for NGL 373333 it "...has been removed from this title"

Not only have you provided in the "Notice" and your subsequent letters false and misleading information, the fact that you "**deliberately omitted**" to include the first two pages of the title when sending the "Notice", suggests that you have done this intentionally.

Furthermore, **just ten days before** you issued the "Notice", **Lavagna Enterprises Limited** was recorded on the Land Registry as having acquired the lessee's title from your client, Steel Services.

Hence, your "...may be held by Lavagna Enterprises Ltd" in your 3 April 2006 letter is rather amusing - or might it be that you are suggesting that the information held on the Land Registry is false?

Land Registry records indicate that in a £875,000 transaction recorded at **31 January 2006**, between Jefferson House Limited and Steel Services Limited, Lavagna Enterprises Limited became the superior headlessor.

(In the process, it became the lessee of Jefferson House Limited, the "freeholder" – and was recorded as such on each of the three titles for Jefferson House Limited - one of which is '11-13 Basil Street' - which you captured in your 6 March 2006 letter).

(According to Land Registry records) Lavagna Enterprises Limited is now the proprietor of (among others at Jefferson House) two lessees' titles.

- The first one is NGL 373333, which is Steel Services Limited.
- The second one is BGL 51266, 'Air space abutting and above the level of the surface of the roof', which includes the penthouse flat, title BGL 54458 (with associated title for a parking space).

## **2 In – intentionally - providing a false and misleading description of the property being for "disposal" you have committed breaches of statutes as well as of the Rules of the Solicitors Code of Conduct**

- **Landlord and Tenant Act 1987, Section 5 (2):**

*"A notice under this section must –*

*(a) contain particulars of the principal terms of the disposal proposed by the landlord, including in particular -*

*"(i) the property to which it relates and the estate or interest in that property proposed to be disposed of"*

"Deliberately omitting" to include pages one and two of the Land Registry title for NGL 373 333 which, among others, had the effect of supplying a list of flats - **without the name of Steel Services, nor the address showing anywhere on the pages supplied** – does not amount to compliance with the above section of the Landlord and Tenant Act 1987.

Hence, I consider your assessment that "our client is not required to provide this information" as wholly incorrect.

Furthermore, I draw your attention to the following:

- The Rules and Principles of professional conduct comprised in The Guide to the Professional Conduct of Solicitors - **Rule 26.01** – "Solicitors selling property"

***“...solicitors must comply with the Property Misdescriptions Act 1991 and regulations made under it”***

▪ **Property Misdescriptions Act 1991**

*“An Act to prohibit the making of false or misleading statements about property matters in the course of estate agency business and property development business”*

*(5) For the purposes of this section—*

*(a) "false" means false to a material degree,*

*(b) a statement is misleading if (though not false) what a reasonable person may be expected to infer from it, or from any omission from it, is false...*

Considering that I:

- a member of the public – was able to uncover the above mentioned information;
- wrote you on two occasions asking you to confirm that the *“Notice refers to the building, as it stands now, in its entirety i.e. the whole of Jefferson House”*

I suggest that you will not be able to use **Section (5) 2 of the Property Misdescriptions Act 1991**, **“Due diligence defence”**- as it states:

*“A person shall not be entitled to rely on the defence provided by subsection (1) above by reason of his reliance on information given by another unless he shows that it was reasonable in all the circumstances for him to have relied on the information, having regard in particular—*

*(a) to the steps which he took, and those which might reasonably have been taken, for the purpose of verifying the information, and*

*(b) to whether he had any reason to disbelieve the information”.*

As I understand it, **local weights and measures officers** are responsible for enforcing the Property Misdescriptions Act 1991. (It ‘seems’ that, in this instance, the Property Misdescriptions Act 1991 takes precedence over the Fair Trading Act 1973 and Consumer Protection Act 1987)

In relation to point 7 of the 10 February 2006 “Notice” issued by your firm:

***“This notice constitutes an offer by the landlord to dispose of the property...”***

I draw your attention to **“Application of right of first refusal in relation to contracts – Amendment 89. – (1) After section 4 of the Landlord and Tenant Act 1987”**

*“(a) references to a disposal of any description shall be construed as references to a contract to make such disposal*

*(b) references to making a disposal of any description shall be construed as references to entering into a contract to make such disposal”*

Considering the above evidence and the fact that in your 3 April 2006 letter you stated:

*“The disposal being offered... is in respect of the interest held in the property by Steel Services Ltd and not any interest in the property that may be held by Lavagna Enterprises Ltd”*

I conclude that you have, likewise committed another breach under this Act – **as you offered, in the “Notice”- and subsequently confirmed on two occasions - the “leasehold interest” for “the whole of Jefferson, as it stands now, in its entirety” for the sum of “£120,000” – and have subsequently gone back on this offer.**

On this subject of contractual commitment, I also draw your attention to the **Solicitors Code of Conduct**

**Rule 18.01 “Definition of undertaking”** which states:

*“An undertaking is any unequivocal declaration of intention addressed to someone who reasonably places reliance on it and made by:*

*(a) a solicitor or a member of a solicitor’s staff in the course of practice...”*

**Rule 18.09 “Undertaking on behalf of clients”** which states:

*“A solicitor will be held personally liable to honour an undertaking given 'on behalf of' anyone unless such liability is clearly disclaimed in the undertaking itself”*

Considering:

- that the 10 February 2006 “Notice” starts with: *“We Portner and Jaskel as agents for Steel Services Ltd (“the landlord”) give you notice as follows:”*
- your two subsequent, adamant confirmations of 6 March 2006 and 14 March 2006 that the “Notice” *“refers to the building, as it stands now, in its entirety i.e. the whole of Jefferson House”*

suggests that this rule might be of relevance in this instance.

### **3 Indications are that, in your 10 February 2006 “Notice” you have also provided false information as to the ownership status of your client, ‘Steel Services’**

The 10 February 2006 “Notice” states:

*“We Portner and Jaskel as agents for Steel Services Ltd (“the landlord”)...”*

*“1. This notice...relates to the leasehold land...”*

*“2. The landlord has a leasehold interest in the building...”*

*“3. The landlord intends to sell the leasehold interest in the property...”*

A reasonable person is likely to conclude from this that Steel Services is the “headlessor”.

A reasonable person is likely to conclude further confirmation of this from the first page of the title (you “deliberately omitted” to include) for Steel Services, NGL 373 333 which states that Steel Services owns the “leasehold land”.

This has been the consistent description from the time that Steel Services was registered on the Land Registry i.e. since 21 November 1996 when “the head leasehold interest” was “transferred from Acrepost to Steel Services – an associated company of Acrepost Ltd”. (The source of the quote is the 21 November 1996 letter to “The Lessees” from “Laytons of Carmelite, solicitors to Steel Services”) (Acrepost was a subsidiary of Langhaven Holdings, of which Mr Patrick May O’Connor was one of the directors).

**Contradicting evidence:**

- In a Central London county court claim, for £1,532.50, that your firm filed on behalf of Steel Services against the then elderly Leaseholder of flat 12, on **26 February 2002**, you described **Steel Services** as the “**freehold owner**”.

(In case you have forgotten, I enclose a copy of the 26 February 2002 county court claim <sup>1</sup> I also enclose a copy of your preceding correspondence to this elderly Leaseholder, dated **28 January 2002** <sup>2</sup> stating among others:

*"...unless we are in receipt of the aforementioned sum [£1,337.50] by 4.00 p.m. on Thursday **31 January** next proceedings shall be issued against you to recover without further notice. Should our client company be obliged to commence proceedings in addition to the costs we will seek interest on the above sum at the rate of 8% per annum until payment"*

I will add that I know the details of the case, leading me to the conclusion that, evidently, your firm is also unaware of the following Civil Procedure Rule: *"The courts expect litigation to be started as a last resort after attempts have been made to settle the dispute by negotiation or other means"*)

- In his letter of **5 October 2004** (attached <sup>3</sup>), addressed *"To All Lessees of Jefferson House"*, Mr **Barrie Martin**, Martin Russell Jones, specifically identifies **Steel Services** as *"the freeholder"* as he wrote:

*"We have been informed by the solicitors acting for the freeholders of the above, Steel Services Limited..."* [The letter header states *"Jefferson House"*]

- As indicated by Mr Barrie Martin, evidently, the solicitors acting for Steel Services – which, according to Land Registry records, are now Cawdery Kaye Fireman & Taylor (page two of the title that you *"deliberately omitted"* to include) are also of the opinion that Steel Services is the *"freeholder"*

It seems to me that the various breaches of statutes, as well as rules of the Solicitors Code of Conduct identified above are relevant in this instance, including

- **Landlord and Tenant Act 1987, Section 5 (2):**

*"A notice under this section must –*

*(a) contain particulars of the principal terms of the disposal proposed by the landlord, including in particular -*

*"(i) the property to which it relates and the estate or interest in that property proposed to be disposed of"*

#### **4 Considering events – overall - I also hold the view that your firm has committed a breach of the following Rules and Principles of professional conduct comprised in the Guide to the Professional Conduct of Solicitors**

- 1.1 Rules and principles of professional conduct comprised under 1.01 Practice Rule 1 (basic principles)
  - 1.1.1 Principle (a) - independence and integrity
  - 1.1.2 Principle (d) - repute of solicitors' profession
  - 1.1.3 Principle (e) - standard of work

Rule 12.02 of the Solicitors Code of Conduct:

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<sup>1</sup> 26 February 2002, Central London County Court claim filed by Portner and Jaskel against the then elderly leaseholder of flat 12, Jefferson House, Basil Street, London SW3 1AX

<sup>2</sup> 28 January 2002 letter from Portner and Jaskell to the then elderly Leaseholder of flat 12 Jefferson house

<sup>3</sup> 5 October 2004 letter *"To All Lessees of Jefferson House"* from Mr Barrie Martin, Martin Russell Jones

*"A solicitor must not act where the instructions would involve the solicitor in a breach of the law ..."*

## 5 Your client, and you "as agent" for your client, issued the 10 February 2006 "Notice" with malicious intent

Taking the following into consideration:

- Your client, and you "as agent" for your client, issued the 10 February 2006 "Notice" for an asset your client had sold just - 10 days previously - to Lavagna Enterprises.
- Yet, the description of the "disposal" in this "Notice" is a carbon copy of the previous 'so called' notices issued on 22 December 1999 and 13 December 2000 i.e. at the time when your client had the headlease interest for the whole of Jefferson House – (based on Land Registry records).
- Following the extortionate service charge demands (confirmed by the Leasehold Valuation Tribunal in its 17 June 2003 report), the filing of a false claim against 11 leaseholders (representing 14 flats) in West London County on 29 November 2002, the recent further 'carving out' of Jefferson House, etc., etc., I suspect that the current ownership profile of the flats is unlikely to meet Part 1, S.1. (2) of the Landlord and Tenant Act 1987 that:

*(2) "...this Part applies to premises if – ( c ) "the number of flats held by such tenants exceeds 50 per cent of the total number of flats contained in the premises"*

These factors lead me to wonder whether I was the sole recipient of this latest "Notice".

Whether or not I was the sole recipient, it is abundantly clear that **this "Notice" was issued with malicious intent**, namely, to get me (and perhaps other leaseholders) to incur costs pursuing it.

Then, as happened with the 13 December 2000 "Notice", issued by Laytons solicitors, the "offer" would be withdrawn. On this occasion, the excuse given was because we, the lessees, had highlighted that, contrary to the statement in the "Notice", no annex was attached. No doubt, this time, a similar excuse would have been used, perhaps stating "incomplete information" (as you "deliberately omitted" to include pages one and two of the title).

The difference with the 13 December 2000 "Notice" is that it was a pretence at going through the motion of S.5 of the L&T Act 1987. Indeed, although the "offer" was withdrawn, change of ownership nonetheless took place – as captured on the Land Registry records for Steel Services, NGL 373333

*"1 June 2001 - RESTRICTION:... pursuant to clause 6.7 of an Agreement dated 26 July 2001 made between (1) Steel Services Ltd (2) Canso Properties Ltd and (3) Patrick May O'Connor"*

(This "restriction" remained on the title for at least two years. By April 2004, Canso Properties and Patrick May O'Connor had been removed).

To further dissuade lessees from contemplating the "offer" the typical 'tricks' were used, namely claims of additional payments *"the proposed purchaser will pay to the landlord an additional £75,000 [in relation to a planning application]... The property is also subject to the burden of on-going litigation. The landlord has been served with an application for an injunction seeking to restrain the landlord from implementing the current planning permission... and damages"*

These 'terrible burdens' were further emphasised by Mr Andrew Ladsky in the identical letter of 25 January 2001 he sent to the lessees e.g.

*"You are therefore, paying a sum, which will be close to or in excess of £10,000 to take on a series of complex and costly obligations without obtaining any financial advantage..."*

*"...you should also consider the further payment to the landlord..."*

*"...the tenants must purchase the property with the burden of ongoing litigation which has serious implications both in terms of the costs and damages that could follow."*

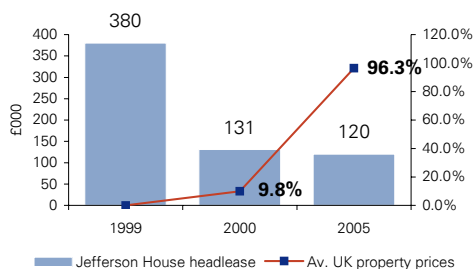
Etc., etc., etc. No doubt, your client can supply you with a copy of this letter.

To these 'typical tricks' must be added issuing this (and prior) "notice" just before Christmas – thereby reducing lessees' ability to respond.

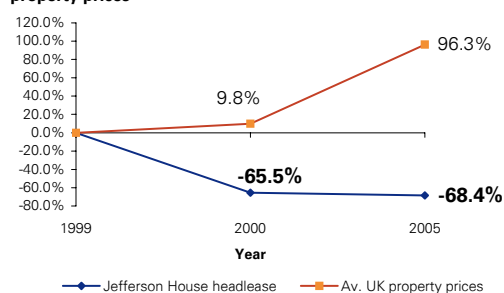
By contrast, the sole purpose of this 10 February 2006 was clearly to give me (and perhaps other leaseholders) the 'run around' – and the "offer" price of £120,000 was the 'carrot dangled' to induce pursuing the "offer".

Looking at the "offer" price in the last three "Notices" (December 1999, December 2000 and February 2006), it is fascinating to see how the price of a "headlease" for a block of flats in Knightsbridge has tumbled over the last six years – especially when compared with average UK property prices.

Jefferson House headlease value in "notices" v. Av UK property prices



Percentage change value Jefferson House headlease v. Av. UK property prices



Note: Average UK property prices sourced from the Office of the Deputy Prime Minister statistics

## 6 Your client has committed criminal offences by not offering me 'first refusal'

Your client has sold:

- the leasehold interest title NGL 373333, Steel Services Limited, without offering me 'first refusal' under S.5 of the Landlord and Tenant Act 1987
- the 'Airspace of Jefferson House', title BGL 51266, without offering me 'first refusal' under S.5 of the Landlord and Tenant Act 1987.

I draw your attention to **Section 10A. – (1) of the Landlord and Tenant Act 1987:**

*"Offence of failure to comply with the requirements of Part I"*

*"A landlord commits an offence if, without reasonable excuse, he makes a relevant disposal affecting premises to which this Part applies" (i.e. Part of the Landlord and Tenant Act 1987)*

*"(a) without having first complied with the requirements of section 5 as regards the service of notices on the qualifying tenants"*

*"(2) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 5 on the standard"*

Hence, this type of offence is categorised as "criminal".

## 7 Your client's actions amount to highly material breaches of covenants in my lease

My lease states:

5 – "The lessor hereby covenants with the lessees"

"5 (1) to maintain repair..."

*“5 (1) (a) the roofs...chimney stacks gutters...”*

Omitted from these are

*“...repairing and renewing the television and radio receivers installed on the building...”*

which are covered under the Fourth Schedule, section 10.

The outcome of these transactions between your client and Lavagna Enterprises – **which were not communicated to me** - is that **your client no longer has control of the roof as it is now in the hands of a superior headlessor.**

**It cannot therefore keep within its covenants** *“to repair maintain the roofs...chimney stacks gutters...”*

In addition, these transactions also have highly material implications in relation to other covenants in my lease, given that the penthouse flat is under the control of Lavagna Enterprises. In particular:

5 – *“The lessor hereby covenants with the lessees”*

*“5 (1) to maintain repair...”*

*“5 (1) (b)...water pipes electric cables and wires and supply lines...upon the building...”*

*“5 (1) (c) the boiler and heating and hot water apparatus...”*

*“5 (1)(d) the passenger lifts lift shafts and machinery...”*

*5 (2)(4) “To insure and keep insured the building...and in case of destruction of or damage to the building or any part thereof so as to make the same unfit for habitation and use... to lay out all monies received in respect of such insurance ... in rebuilding and reinstating the same...”*

**Hence, the outcome of these transactions is that your client cannot perform the proper management of the building as detailed in my lease.**

In case you dismiss this as ‘immaterial’, I draw your attention to the case of **Kintyre Ltd v Romeomarch Property Management Ltd** in which the Land Registry Adjudicator dismissed the application to register the lease, because:

*“The roof space was required for the proper management of the roof...”*

And endorsed the Leasehold Valuation Tribunal determination (LON/ENF/1177/04)

*“...that the maintenance of the roof itself, or any structure placed upon the roof, such as an aerial, depends upon the proper management of the airspace”*

**In conclusion, in relation to your final comment in your 3 April 2006 letter:**

*“I can be of no further assistance to you and would recommend you seek independent legal advice...”*

I return the advice and suggest that you – and your client – seek legal advice.

Yours sincerely

N K-Dit-Rawé

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Business name or residential address 65 Marklebone Lane  
London  
Postcode complete in full W1U 2R1A

Reference

DK 4863 8304 0GB

Barcode label to top left of package

# PORTNER AND JASKEL

SOLICITORS

(incorporating David Baker & Co)

Our ref: DB/DBR/22289/2

Your ref:

Date: 3<sup>rd</sup> May 2006

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Dear Ms K-Dit-Rawe

**Matter: Steel Services Ltd**

Thank you for your letter dated the 30<sup>th</sup> April 2006, the content of which I have noted with interest.

Oh dear! What in particular? How? In what way?

Whilst your letter is irrelevant in places, misguided in others and incorrect in parts you are of course free to pursue whatever course you so wish should you feel further action is required.

How gracious to give me permission

Yours sincerely

  
**Daniel Broughton**

= HAS NOT ADDRESSED A SINGLE POINT IN MY LETTER of 30 April 06

I WONDER WHY... considering (to use a leaseholder's expression about his own landlord) that its client "...*seem to have turned intimidatory litigation into an industry*"

(Even girlfriends can end-up...

"...*in a court battle over a floor-length sheepskin coat and two paintings*" (Reference to Mr Andrew Ladsy in the Sunday Times article <[http://www.timesonline.co.uk/article/0,,2088-1817225\\_2,00.html](http://www.timesonline.co.uk/article/0,,2088-1817225_2,00.html)>)

Flat 35  
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Basil Street  
London SW3 1AX  
Aladsky@aol.com  
020 7 589 7853

See my  
comments  
attached.

25 January 2001

To the residents of Jefferson House

M.S. DIT. RAWE

Dear Sir or Madam,

You are doubtless aware that the head lease of Jefferson House is for sale. I have seen three letters written to you by your residents association and feel that it would be appropriate to clarify matters as I am an interested party.

1. If you choose to vote to acquire the head lease you should be aware that the money that you pay in no way extends the lease of your property, nor are you acquiring the freehold. You are therefore, paying a sum, which will be close to or in excess of £10,000 to take on a series of complex and costly obligations without obtaining any financial advantage in terms of the value of your property whatsoever. In addition to the above sum you should also consider the further payment to the landlord detailed in his offer letter which could raise the cost of a share in the head lease to an amount approaching some £20,000 per flat.

2. In their letter of the 11<sup>th</sup> January the residents association have discussed a figure which is confusing. It is unclear how they could have arrived at a sum for works without having undertaken a formal costing exercise but it should be made clear that the costs of any additional floor on the property will NOT be borne by the residents which the association are suggesting and no surcharge will be made in relation thereto. (In fact, a new floor by virtue of additional area will reduce every flats service charges.) Any general works required to the building will be carried out in co-operation with all the tenants and following a proper report, if necessary. !!  
All tenants are, of course, protected by the Landlord and Tenant Acts to ensure those carrying out any works do so reasonably and at the best possible price. Furthermore, as I own flats 34+35 I pay 17% of the building charges and I should assure you it is in my interest to keep any costs as reasonable as possible.

3. In the offer letter from Laytons dated December 13, 2000, the tenants must purchase the property with the burden of ongoing litigation, which has serious implications both in terms of the costs and damages that could flow. I would earnestly suggest that before

even considering your decision you seek urgent legal advice in respect of not only the other terms of the purchase but also in respect of this term. This litigation could impose upon those participating, and in addition to the acquisition costs, a serious financial burden which is yet to be determined.

Lastly, your residents association (chaired by a gentleman who does not even live here) have made little secret of their desire to control the block but I would venture to suggest they are involving you in a costly and disadvantageous arrangement which will only result in delays and bureaucracy for every tenant in the building and which ultimately offers no benefit at all.

I would be delighted to meet anyone who so wishes for a discussion and of course you are welcome to contact me at the above telephone number at any time.

Yours sincerely

*Andrew Ladsky*

Andrew Ladsky

## My comments in relation to Mr Andrew David Ladsky's letter to me of 25 January 2001

1 "... take on a series of complex and costly obligations...further payment to the landlord..."

**A typical tactic widely used by landlords to stop lessees from pursuing the offer.**

The reason the offer is made is a pretence at complying with legislation. As can be seen from the 14 May 2001 and 25 May 2001 letters from the person heading the Residents Association, the offer was withdrawn from residents

As can also be seen from the Land Registry record for the 'Leasehold' (Title # NGL373 333) (obtained on 10 October 2001) a **change in the ownership took place on 1 June 2001**, stating:

"Restriction:.... (1) Steel Services (2) Canso Properties (3) Patrick May O'Connor"

In a communication dated 21 November 1996, Laytons of Carmelite, solicitors, London EC4Y 0LS, informed leaseholders that the head leasehold interest had been transferred from Acrepost Limited to Steel Services Limited – an "associated company of Acrepost Limited".

My lease is from Acrepost. At the time that Langhaven Holdings was dissolved in 1994, Acrepost was reported in the accounts as a subsidiary of Langhaven Holdings

The accounts for Langhaven Holdings at the time that it was dissolved identify the following individuals as current / past directors: **Patrick May O'Connor**; Martin Vosper Walford; Peter James Bennett, and John Brendan O'Connor, company secretary

Note also that:

- **Steel Services** became the '**Leasehold**' owner on 22 November 1996 (see e.g. the Land Registry record at 1 June 2001; the 22 Nov 96 Property Register record)
- That in her identical letter to 2 residents, of 11 October 2001, **Ms Ayesha Salim, CKFT, identifies Mr Andrew Ladsky as "our client"**
- CKFT were the acting solicitors for Mr Arthur Ladsky in the **1996 TSB Bank v Arthur Ladsky High Court case**. Mr Arthur Ladsky was a director of **Combined Mercantile Securities** - and (based on Companies House records), so was Mr Andrew Ladsky
- Since October 2002 the 'landlord's solicitors' communication and dealings I have had have been with CKFT; either Mr Lanny Silverstone or Ms Ayesha Salim
- At the **29 Oct 02 pre-trial hearing** Leasehold Valuation Tribunal when Mr Andrew Ladsky was asked by Mr JC Sharma, Chair, what his interest was in the proceedings, he replied: "**I am just a tenant**". However, throughout the four-day hearing **Mr Ladsky was a member of Steel Services party**, holding frequent discussions with: Mr Warwick, Steel Services' counsel, Mr Brian Gale, Steel Services surveyor and Ms Joan Hathaway, Martin Russell Jones, 'managing' agents for the block

2 "... how they could arrive at a sum for works without having undertaken a formal costing..."

See:

The letters from the person who was running the Residents Association:

- 18 Dec 2000 letter to me: "...Mr Ladsky...wishes all this to be done at a cost... possibly as much as £1 million..."
- 11 Jan 2001 to residents: "*The Residents' Association has been contacted by this resident who has described himself as a property developer...he proposes to carry out extensive work to the block... the total costs of the work (estimated to be at least £300,000)...*"
- 31 Jan 2001 to residents – following the 25 Jan 2001 letter I and other residents received from Mr Ladsky: "*The minimum sum of £350,000 for repair to the block came from Mr Ladsky himself. He quoted this figure twice – on 27 November and 30 December 2000...Residents cannot be charged for the building of a new floor on the roof...works to a building cannot be carried out without a proper report and estimates. Mr Ladsky is incorrect in suggesting that this is not a legal requirement.*"

And consider that the condition **survey was only completed** by Mr Brian Gale at the **end of February 2002**

Consider also that:

- **the 17 June 2003 determination was never implemented (the implication was a £500,000 reduction – including the contingency fund)**

## My comments in relation to Mr Andrew David Ladsky's letter to me of 25 January 2001

- Instead, 'Steel Services' – Martin Russell Jones opted to **appoint Mansell, another contractor** – without issuing a Landlord & Tenant Act 1985 S.20 Notice
- This announcement was only made by **Mr Barrie Martin**, Martin Russell Jones, on **2 August 2004** – who stated a sum which is **still a lot more than the LVT determination** (although he attempted to disguise it), as well as strong indications that more would be demanded at a later stage
- **2 August 2004** is the date at which the **last** of the 11 valiant residents listed on the 29 Nov 2002 West London County Court claim '**capitulated**' in **Wandsworth County Court**. The 2 August 2004 order from this court and the 26 August 2003 order from Wandsworth County Court indicate that this valiant resident ended-up paying as much as the original sum demanded (see Courts section)

2 *"...it should be made clear that the costs of any additional floor on the property will NOT be borne by the residents...works required to the building will be carried out in co-operation with all the tenants and following a proper report, if necessary"*

Note the *"if necessary"*

See:

- The 17 June 2003 determination by the LVT
- My surveyor's 31 July 2003 assessment of the determination

**See also** – and consider the subsequent denials about the construction of a penthouse flat

**Mr Brian Gale:**

- In his Expert Witness report, dated 13 December 2002 Mr Brian Gale, wrote under Section 4 -1.4 - *"I am able to categorically state that the Specification makes NO provisions for any construction of an additional floor nor any future requirement in the building to create a penthouse flat"*

**Ms Hathaway:**

- Her letter to me of 26 March 2002: *"Your suggestion that the appointment of professional advisors is in any way connected with any planning application is incorrect"*
- Her 30 August 2002 letter to me: *"We are informed that there is no intention to build the penthouse at the current time"*

And in the context of all of this:

- Consider that when the works started in September 2004, so did the construction of the penthouse flat
- See the **photographs** I have taken of the roof from the back of the building: in **July 2002** and on **24 September 2005**
- Consider how Mansell Construction – Mr Brian Gale describe the works they are doing in the notice placed in the main entrance at the start of the works:

*"General repair and refurbishment of the main structure of Jefferson House, 11 Basil St, to include cutting out of spalled and defective brickwork and replacing to match, **replacing asphalt roofs**, redecoration externally, redecoration of internal common areas, replacement of lift"*

A funny way of *"replacing asphalt roof"*? Maybe it's a question of economy with words as they headed this *"Brief description of work"*.

*"All the tenants are, of course, protected by the Landlord and Tenant Acts..."*

**To which Mr Ladsky should have added:** *"which neither I, nor my aides - and even the courts could care less about"*

See:

- Mr **Lanny Silverstone, CKFT**, letter to me of 7 October 2002 (received on 10 October) in which he **threatened to forfeit my lease** and contact my mortgage lender unless I paid the total sum demanded by 10 a.m. on 14 October 2002
- **My 7 requests to Ms Joan Hathaway / CKFT, between August 2002 and January 2003** for a copy of the priced specifications: 11 August 2002, 16 September 2002, 17 October 2002, 12 January 2003.

## My comments in relation to Mr Andrew David Ladsky's letter to me of 25 January 2001

- To these must be added my letters to the LVT of 22 October 2002 and 25 November 2002 on which I copied MRJ / CKFT.
- And requests by other leaseholders over the same period:

**Leaseholder G's** letter of 3 August 2002; the 3 September 2002 letter from **Leaseholder K's solicitors**

The 19 October 2002 letter from **Leaseholder M**, the 28 October 2002 letter from **Leaseholder K** the 20 October 2002 email from **Leaseholder C** – all sent to the LVT and on which, therefore MRJ was automatically copied.

- Ms Hathaway's letter to me of 16 December 2002 and her letter of 20 January 2003 to the LVT
- Point 14 of the 17 June 2003 LVT report which states: "*Ms Hathaway... maintained that Ms Dit-Rawé had seen the specification... but was unsure as to whether this had been a priced version*"
- The same damning evidence is found in **Mr Brian Gale's** 24 February 2003 report, under point 2.04: "...the **un-priced or priced Specification... has been... freely available for all lessees to view**"

Consider – and see – that Mr JC Sharma had told residents at the **29 Oct 2002 LVT pre-trial hearing** that if we paid the sum demanded, the Tribunal would not be able to assist us. We were given a leaflet (on the site) which, on page 5 states:

**"...a recent Court of Appeal case ruling (Daejan Properties Limited v London Leasehold Valuation Tribunal) determined that LVTs only have the jurisdiction to decide the reasonableness of disputed service charges that are still unpaid..."**

**In other words, we were told to NOT PAY until the Tribunal had issued its determination and it had been implemented** (in line with Landlord & Tenant legislation – and our lease)

Consider that:

- Precisely **one month later**, on 29 November 2002, **Ms Joan Hathaway** filed a **claim against 11 residents in West London County Court** – under a '**Statement of Truth**':

*The Claimant believes that the facts stated in this Claim Form are true*  
*I am duly authorised by the Claimant to sign this statement*  
*Full name: Joan Doreen Hathaway*
- The first day of the substantive hearing took place **4 months later** on 13 March 2003.
- The Tribunal issued its decision on 17 June 2003 i.e. **7 months after** Ms Hathaway filed the claim in West London County Court
- CKFT's 23 May 2003 application to the Court for a Case Management Conference reads:

**"The Claimant has obtained judgment or settled proceedings against all Defendants, except the following: 1<sup>st</sup>..., 2<sup>nd</sup>..., 5<sup>th</sup>... and 7<sup>th</sup>... Defendants"**

Hence, **this took place BEFORE the LVT had issued its 17 June 2003** determination.

Consider:

- The terms of my lease, Clause (2) (c) (i) "*The amount of the Service Charge payable by the Lessee for each financial year... shall be calculated by dividing the aggregate amount of the costs expenses and outgoings... by the aggregate of the rateable value (in force at the end of such year) of all the flats in the Building*"
- In addition to the terms of my lease, consider point 64, on page 15 of the LVT determination "*...the Respondent and **other tenants (NB: !!!) could not be forced to contribute** in the case of improvements and/or works not determined as reasonable by the Tribunal..."*
- See also that, by then, **I had written 5 letters to the West London County Court** informing it that it could not proceed with the action because the Tribunal was dealing with exactly the same claim (see courts section on the site)

## My comments in relation to Mr Andrew David Ladsky's letter to me of 25 January 2001

- In the 17 July 2003 letter to Judge Wright, Mr Lanny Silverstone, CKFT, wrote that he was contacting the LVT "...to invite the LVT to make a determination of the specific amount reasonable for Ms Rawé to pay in respect of the service charges". I was provided with a copy of this 17 July 2003 letter to the LVT which states: "Our client's Council has advised us that the LVT was asked to make a determination of the specific amount of the service charge payable by the tenant of flat 3, Ms Dit-Rawé...".
- To this the LVT replied on 21 July 2003 "It is not the duty of the Tribunal to assess the particular contribution payable by any specific tenant but only to determine the reasonableness, or otherwise of the service charges as a whole to go on the service charge account **from which no doubt you can assess the proportion for that particular tenant**"

This clearly demonstrates that the LVT views the calculation of the service charges payable by individual lessees as being based on a **fixed global sum to which the relevant fixed percentage share is applied** - as the norm/ understands the terms of the lease as such - which indeed it is.

- Seeing how West London County Court handled the case, I opted to accept 'Steel Services' offer of 21 October 2003 and paid a total of £6,350 **in full payment of the sum demanded for the major works** - even though I did not owe this sum. This **consent order** was endorsed by West London County Court on 1 July 2004.
- In **October 2004** I received **another demand** from Martin Russell Jones for **£14,500 - with no explanation whatsoever**. And another in **November 2004** for **£15,000 - likewise, with no explanation whatsoever**
- Consider also that the **2003 year-end accounts for Jefferson House** - certified by Pridie Brewster (Middx TW1 3SZ) **DO NOT reflect the LVT determination**.
- Pridie Brewster said (15 April 2005 letter) to be unaware of the LVT action. And what have they done since? **Nothing!**

**THIS is Mr Ladsky's interpretation of:** "All the tenants are, of course, protected by the Landlord and Tenant Acts..."

3 "...the burden of ongoing litigation..."

A`false claim

"This litigation could impose...a serious financial burden..."

Mr Ladsky wanting to ensure that residents get the message

3 "...ultimately offers no benefit at all".

Strange that! If that is the case, how come he is so keen?

"...to contact me at the above telephone number at any time"

How about calls in succession - in the middle of the night - as Mr Ladsky made to the person who was running the Residents Association?

See e.g.

her letter to me of 14 Jan 2001 and of the same date to Mr Ladsky

her letter to me of 16 Jan 2001 and 31 Jan 2001