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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 11th 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: 1st..., 2nd..., 5th... and 7th... 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