

**Case References:**  
**LON/00BG/LVM/2018/0018**  
**LON/00BG/LVM/2019/0010**  
**LON/00BG/LVM/2019/0013**

**IN THE FIRST- TIER TRIBUNAL (PROPERTY CHAMBER)**  
**(RESIDENTIAL PROPERTY)**

**IN THE MATTER OF CANARY RIVERSIDE ESTATE, WESTFERRY CIRCUS, LONDON**  
**E14**

**IN THE MATTER OF VARIOUS APPLICATIONS UNDER SECTION 24(9) OF THE**  
**LANDLORD AND TENANT ACT 1987 FOR THE MANAGER TO BE DISCHARGED AND**  
**FOR THE APPOINTMENT OF A NEW MANAGER**

**Tribunal:** (1) Judge Amran Vance; and (2) Ms Marina Krisko, FRICS

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**ORDER DATED 16 SEPTEMBER 2019**

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In this Order the following definitions will be used:

**Estate** refers to those parts of Canary Riverside the Applicant, Mr. Alan Coates, was appointed to manage under clause 1 of the Management Order dated 12 April 2019

**Landlord** refers to Octagon Overseas Limited and Canary Riverside Estate Management Limited

**Management Order** refers to the management order dated 12 April 2019

**UPON** the Tribunal having ordered by paragraph 1 of the order dated 6 June 2019 that Mr. Coates will be discharged as the appointed manager with effect from 1 October 2019

**AND UPON** the Tribunal having determined by its decision dated 9 September 2019 to appoint Mr. Sol Unsorfer of Parkgate Aspen Limited as manager of the Estate in the place of Mr. Coates with effect from 1 October 2019

**AND UPON** the Tribunal being informed that: (a) Mr. Coates has complied with paragraph 8(b) hereinbelow; and (b) by 9 September 2019 Mr. Coates had served on all leaseholders a demand for the sums payable on 1 October 2019 under the Management Order.

**AND UPON** the Tribunal being satisfied that it is just and convenient in all the circumstances to vary the Management Order as provided for hereinbelow

**IT IS ORDERED THAT:**

1. Paragraph 1 of the Management Order is varied by substituting Mr. Unsdorfer of Parkgate Aspen Limited for Alan Coates MIBFM MIRPM of HML PM Ltd 94 Park Lane, Croydon, Surrey CR0 1JB, and Parkgate Aspen Ltd for HML PM Ltd with effect from 1 October 2019.
  
2. The Schedule to the Management Order shall be varied as follows:
  - (a) In paragraph 20 the fee of £231,150 plus VAT shall be substituted for £134,296 plus VAT.
  - (b) In paragraph 21 the words “and supervision” shall be deleted.
  - (c) In paragraph 22 the words “, the costs of which shall be included in the fee at paragraph 21” shall be substituted for the words “at the published charges provided by HML PM Ltd as varied from time to time and supervision”.
  - (d) In paragraph 26 “£200 plus VAT” shall be substituted for “175 plus VAT”.
  - (e) In paragraph 27A “£12,000 plus VAT” shall be substituted for “£6,000 plus VAT”.
  
3. For the avoidance of doubt:
  - a. Mr. Unsdorfer has the right to recover arrears of any monies owing to Mr. Coates under the Management Order accrued during Mr. Coates’ appointment;
  - b. Any liability to pay any sums alleged by the Landlord to be payable to the Landlord in connection with insuring the Estate during the period of Mr. Coates’ appointment and the pre-appointment debts specified at paragraph 4(f) of the Management Order are transferred to Mr. Unsdorfer;
  - c. Any liability to pay any of the followings sums which are alleged by the Landlord to be payable to the Landlord are transferred to Mr. Unsdorfer:
    - i. CW Irrigation Charges 2017: £12,202.96
    - ii. CW Irrigation Charges 2018: £13,150.51
    - iii. JB Leitch: £5,940
    - iv. Inenco: £50,155.74
    - v. CRC Allowance: £5,100

4. The rights and liabilities of Mr. Coates under any contract entered into by Mr. Coates and/ or any HML group company in connection with the management of the Estate pursuant to powers conferred on Mr. Coates by the Management Order shall become the rights and liabilities of Mr. Unsдорfer with effect from 1 October 2019. Mr. Unsдорfer shall not be liable in the event that any costs incurred under such contract are determined by any court or tribunal as not being payable under the Management Order by the tenants.
5. With effect from 1 October 2019, Mr. Unsдорfer shall be substituted in place of Mr. Coates as applicant, claimant, defendant, respondent or other party (where applicable) in existing proceedings before the Tribunal as shown in Schedule A namely:
  - a. Case References where PDC Law are instructed: LON/00BG/LSC/2019/0014; LON/00BG/LSC/2019/0015; LON/00BG/LSC/2019/0016;
  - b. Case References where Downs LLP are instructed: LON/00BG/LSC/2019/0195, LON/00BG/LSC/2019/0161.
- 5A. Mr. Unsдорfer be added as an interested party to the proceedings with Case Reference LON/00BG/LSC/2019/0277.
6. Mr. Unsдорfer shall as soon as is reasonably practicable apply to be substituted as a party for Mr. Coates in existing proceedings before the county court as shown in Schedule A annexed hereto, namely:
  - a. Claim Nos E13YX460; E25YX250; E14YX421 (which have been transferred to the Tribunal and are referred to in paragraph 5(a) of this Order);
  - b. Claim Nos. F20YX088, F09YX345 (which have been transferred to the Tribunal and are referred to in paragraph 5(b) of this Order);
  - c. Claim Nos. F09YX319, F09YX339, F09YX333;
  - d. Claim Nos. E52YX225, E79YX821, E04YY685, E69YX049;
  - e. Claim Nos. D10CL312; D09YM227; HC-2019-000083/ PT-2019-000083.
7. For the avoidance of doubt, Mr. Unsдорfer is not required to be substituted as a party in the proceedings shown in Schedule B annexed hereto, namely: Claim No:

F00BM047; Claim No. IHQ/19/0324; the application dated 6 July 2019 in these proceedings; and the application to set aside the statutory demand dated 2 August 2019.

8. The mechanism for the handover of the management of the Estate from Mr. Coates to Mr. Unsdorfer shall comply with the Handover Checklist annexed hereto and subject to the following provisions:
  - a. Mr. Coates shall co-operate with Mr. Unsdorfer in relation to the handover of the management of the Estate and also in relation to all matters in connection with Mr. Coates' management of the Estate, including but not limited to any proceedings and liabilities for which Mr. Unsdorfer shall be liable by reason of Mr. Unsdorfer's appointment as manager.
  - b. Mr. Coates shall forthwith provide Mr. Unsdorfer with all relevant documents held by any solicitors instructed by Mr. Coates to which Mr. Coates is entitled in connection with: (i) existing proceedings referred to in paragraphs 5 and 6 above; and (ii) any contemplated proceedings in relation to the recovery of service charges or other debts, save for Claim No: F00BM047. The documents include (but are not limited to) court and/ or Tribunal orders and directions; pleadings; documents which have been disclosed and inspected; witness statements; and inter partes correspondence (including letters before action and pre- action correspondence); advice given by solicitors and/ or Counsel. In this paragraph "documents" include emails.
  - c. Until further order Mr Coates shall not close the bank account into which the tenants pay any sums demanded by Mr Coates pursuant to the Management Order. Mr Coates shall immediately take whatever steps are necessary to rescind any instructions given to the relevant bank or building society at which the said account is held to close the account with effect from 30 September 2019
  - d. Mr. Coates shall on 1 October 2019 transfer to Mr. Unsdorfer all service charge funds paid pursuant to the demands sent in September 2019 and payable on 1 October 2019. Thereafter, Mr. Coates shall every 7 days transfer to Mr. Unsdorfer any service charge funds received pursuant to the said demands since the last transfer to Mr. Unsdorfer until all funds received pursuant to said demands have been transferred.

- e. Mr. Coates shall by 23 September 2019 send out a letter to those on whom demands have been served notifying them as to how payments to Mr. Unsdorfer should be made from 1 October 2019.
  - f. Mr. Coates shall provide to Mr. Unsdorfer as soon as practicable and in any event no later than 5 November 2019 electricity readings to enable any billing adjustments to be made for the period 1 July 2019 to 30 September 2019
  - g. Mr. Coates shall submit the VAT Return for the period ending 30 September 2019 and, if applicable, for the period ending 31 December 2019.
  - h. In the event, that any VAT is payable by Mr. Coates in the period ending 31 December 2019, it shall be paid by Mr. Unsdorfer to Mr Coates within 5 working days of receipt of the VAT demand. Any VAT refund received by Mr Coates/HML PM Ltd shall be paid to Mr. Unsdorfer within 5 working days of receipt.
9. Mr. Coates shall provide a copy of his interim report to the Tribunal on 4 October 2019 but it will not include details of any VAT return for the period ending 30 September 2019 or, if applicable, for the period ending 31 December 2019, and a final report on 17 January 2020.
10. The following provisions apply to Mr. Unsdorfer:
- a. Mr. Unsdorfer shall co-operate with Mr. Coates with the handover of the management of the Estate and also in relation to all matters in connection with Mr. Coates' management of the Estate, including but not limited to any proceedings and liabilities for which Mr. Unsdorfer or Mr. Coates shall be liable.
  - b. Mr. Unsdorfer shall notify Mr. Coates of his decision as to the ownership of the Gator by 24 September 2019.
  - c. Mr. Unsdorfer shall arrange for VAT registration to be effective from 1 October 2019.
  - d. In the event, that any VAT is payable by Mr. Coates in the period ending 31 December 2019, it shall be paid by Mr. Unsdorfer to Mr Coates within 5 working days of receipt of the VAT return.

- e. Mr. Unsdorfer shall not give disclosure or inspection of, or provide, documents to any party, person, company or other entity (including the Landlord and any person believed to be associated with the Landlord) which are confidential and/or subject to legal professional privilege or common interest privilege unless ordered by the court, or by agreement of the relevant parties.
11. Mr. Coates may, subject to any further order, rely on the indemnity contained in paragraph 4(j) of, and be entitled to disbursements as per paragraph 27 of the Schedule to, the Management Order subject to the following:
- a. It is limited to costs and disbursements of Mr. Coates dealing with handover to Mr. Unsdorfer and any other matters with which he is required and/or authorised to deal by virtue of this order, including co-operating with Mr. Unsdorfer in connection with proceedings and liabilities for which Mr. Unsdorfer shall be liable by reason of Mr. Unsdorfer's appointment as manager.
  - b. Mr. Coates' professional fees are capped at £192 plus VAT per hour.
  - c. HML PM Ltd will issue invoices for work done on a monthly basis which will include a full narrative. The invoices shall be payable to HML PM Ltd.
  - d. For the avoidance of doubt, the Tribunal may by further order determine that Mr Coates is not entitled to rely on the aforementioned indemnity in respect of any particular matter.
12. Mr. Coates shall be given notice of any application to the Tribunal in connection with the Estate which relates to his period of appointment as manager.
13. The Landlord and any tenant may by 30 June 2020 may make a reasonable request for further information and/ or raise reasonable queries on the closing accounts. Mr. Coates shall reply to any such requests as soon as reasonably practicable and in any event no later than 31 September 2020. The Landlord and any tenant may apply to the Tribunal for further directions in the event that they consider Mr. Coates' reply is unsatisfactory.

14. By 23 September 2019, the Landlord shall provide a copy of this order attached to the Management Order as a consequence of the replacement of Mr. Coates as Tribunal Appointed Manager” to the Land Registry, and shall request that a copy of the said schedule shall be retained by the Land Registry on its system for the same title numbers as set out in paragraph 7A of the Management Order so that a copy is obtainable by third parties. The Landlord shall copy Mr. Unsdorfer into that correspondence and provide forthwith any response from the Land Registry.
15. This Order shall be attached to the Management Order.
16. The parties have liberty to apply in respect of any matter in connection with the period of Mr. Coates’ appointment as manager and this order, including for the purposes of enforcement.