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21 December 2018

London Residential Property First Tier Tribunal
10 Alfred Place
London
WC1E 7LR

BY EMAIL ONLY TO: rplondon@hmcts.gsi.gov.uk; Jacqueline.Benjamin@hmcts.gsi.gov.uk

Our ref: MD/IPM/PAL2.2
Your ref: LON/00BG/LVM/2018/0018

Dear Sirs

Canary Riverside Estate

We refer to the Tribunal's letter of 13 December 2018, whereby the Tribunal directed that the Applicant notify the Tribunal, the s.24 leaseholders and Freeths LLP "*whether it agrees to provide the documentation and information requested in the final two paragraphs of the first page of the [s.24 leaseholders'] letter of 12 December 2018 and, if not, the reasons for its refusal.*"

For completeness, the first page of the 12 December 2018 letter alleges that the fact that the present Application is brought by a tenant incorporated in the British Virgin Islands is somehow "*inappropriate*", and that the Application is not "*arms-length*" in respect of the landlord. This is a very serious allegation, on which the landlord may well have its own views – we note that the s.24 leaseholders initially refused to provide a copy of their 12 December 2018 letter to Freeths LLP when requested, and only provided a copy on the evening of 20 December 2018 after being directed to do so by the Tribunal. If the Landlord wishes to comment on the allegations, the Applicant may have further observations.

There is no direction to notify the Manager or his representatives in the above terms, opposition to the Application currently being driven by the s.24 leaseholders, but this response is also copied to the Manager's advisers.

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The letter requested (i) certified documentation that identifies the Applicant's beneficial owners and declares any connections that they may have with any company related to CREM and the Yianis Group, including Loft Style Properties; and (ii) disclosure in respect of whether the Applicant has paid its service charge.

As to the first point, we confirm that the Applicant is a properly constituted entity in its jurisdiction of incorporation. The sole director and beneficial owner is Mr Michael Destraz, a Swiss citizen who has no connection to CREM or the Yianis Group other than by virtue of the Applicant being a tenant at Canary Riverside. Mr Destraz has formed his own view of the performance of the Manager, particularly with regard to the waves of litigation in which he is engaged and for which he seems to expect the tenants of the Estate to pay.

We enclose with this letter incorporation documents for the Applicant, and confirmation of Mr Destraz' status as director and shareholder. The 12 December letter describes Loft Style Properties as "*acting for*" the Applicant in previous proceedings – this is a mischaracterisation of the situation; Loft Style Properties simply acts as an agent for a number of the tenants at the Canary Riverside Estate on a day-to-day basis, and was retained by the Applicant due to its familiarity with the Estate.

As regards the service charge, the level of the charges sought and the provision of materials to support their validity is a key factor in the present Application. Despite the Manager's unwillingness to provide materials that have been reasonably requested the Applicant has paid the most recent amounts sought. We attach a copy of a recent email from the Applicant's agent to the Manager reflecting this payment.

We respectfully consider that the documents provided with this letter meet the request made in the 12 December letter and therefore no further disclosure or explanation ought to be required of the Applicant pursuant to the direction of 13 December 2018.

At this point, we note that the majority of the correspondence that we have received to date has come from the "Residents' Association of Canary Riverside". This correspondence has been sent from an anonymous email address and the attached letters have been unsigned. If the matter is to proceed, and if the "Residents' Association of Canary Riverside" is to play a leading role, then the Applicant reserves its right to request disclosure as to the identities of those acting on its behalf and whom it represents, and its relationship with the Manager.

Yours faithfully

A handwritten signature in blue ink that reads "Joseph Hage Aaronson LLP". The signature is written in a cursive, slightly slanted style.

JOSEPH HAGE AARONSON LLP

Cc: Freeths LLP; "Residents' Association of Canary Riverside"; Downs Solicitors LLP