

**LEASEHOLD VALUATION TRIBUNAL for the
LONDON RENT ASSESSMENT PANEL**

LANDLORD AND TENANT ACT 1985 S.27A

LON/00AM/LIS/2004/0017

Address: 5 King Edwards Road
London
E9 7SG

Applicants: Lemon Land Ltd

Respondents: Spokane Trading Limited

Hearing date: 23 July 2004

Members of the Tribunal: Mr. S. Shaw (Legal Chairman)
Mr. M. Taylor JP FRICS IRRV
Mr. J. J. Tomalin

Decision of Leasehold Valuation Tribunal

Preliminary

1. This is an application made by Lemon Land Ltd for a determination of liability to pay service charges in respect of the premises at 5 King Edwards Road, London E9 7SG. The application is dated 10 May 2004 and seeks a determination in respect of the service charge years ending 31 March 2002 and 31 March 2003. 5 King Edwards Road is an industrial building converted in 1997 into 65 units together with basement car parking. In the year 2000/2001 19 units were constructed on the roof of that building. A head-lease was granted by the applicants to Spokane Trading Ltd, which company is the respondent to this application. Directions were given by the Tribunal on 19 May 2004 and a hearing of the application took place before the Tribunal on 23 July 2004. On that occasion the applicant was represented by Mr James Thornton, of the Property Advisers and Development Consultants, Hurford Salvi Carr. The respondents were represented by Paul Edward Summers of the Solicitors Herbert Reeves & Co. The dispute is in respect of the service charges in relation to the 19 units referred to above.

parties were able to reach agreement on these matters also.

3. We were therefore invited by the parties simply to record, without making any independent determination of our own, the agreement reached between them on the 8 issues listed in the schedule. We therefore record that agreement, by reference to the same issues, as follows:

- (i) the sum of £18,463.59 for the year ending 31 March 2002 was reasonably incurred by the applicant and will be paid, together with interest as provided for in the lease, by the respondents within 21 days of 23 July 2004
- (ii) it has been agreed by the respondents that they will pay this sum together with the interest provided for in the lease, within 21 days from 23 July 2004
- (iii) the respondents have accepted that they are liable for the service charge referred to in this paragraph. The applicants have agreed with them that they, the applicants, will not raise any demands covering any earlier period than that already invoiced
- (iv) the parties have agreed in respect of interest:
 - (a) the sum of £18,463.59 will be paid together with interest as provided for in the lease, within 21 days of 23 July 2004, as already mentioned above
 - (b) the sum of £5281.54 relating to the service charge for the year ending 31 March 2003 will be paid in the same fashion as referred to at (a) above

The next two items under this head are not strictly covered by the service charge periods referred to in the application, but the Tribunal agreed, on the invitation of the parties, simply to record their agreement in this regard, which was:

- (c) for all sums demanded for the period up until 30 September 2003, interest will be payable up until the date of payment, in accordance with the terms of the lease
- (d) in respect of all sums due from 1 October 2003, where no demand has yet been made, subject to payment of those sums within 35 days of 23 July 2004, no interest will be charged. In default of payment by that date, interest will be charged in accordance with the terms of the lease.

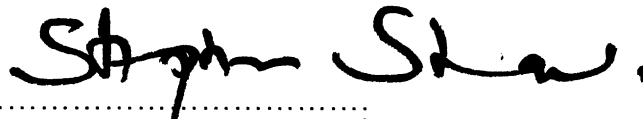
- (v) It was confirmed by the respondents that the reasonableness of the accounts charged for the period referred to in this paragraph is accepted by the respondents and agreed.
- (vi) This item in the issues was likewise agreed by the respondents.
- (vii) & (viii) These two items are taken together. We re-iterate that these items are also not covered by the application, nor within the jurisdiction of the Tribunal, and we are merely recording the accommodation which has been reached by the parties for their assistance.

As to this, the parties have agreed that the respondent, will within a period of 21 days from 23 July 2004, instruct an independent building surveyor, at the respondent's cost, to investigate, and subsequently report upon the water ingress and damage referred to at issues (vii) and (viii) (and make such report available to the applicant). Furthermore the respondent undertakes to use its best endeavours to resolve the issues referred to at paragraphs (vii) & (viii) of the schedule of issues.

- 4. It merely remains for us to record that the Tribunal was much assisted by the sensible manner in which the parties co-operated with each other at the hearing, and we hope that it may now be possible for them to resolve all issues between them by consent.

CHAIRMAN.....

DATE.....


23.7.04