

**MITRE HOUSE LONDON SW3 SERVICE CHARGE BUDGET
FOR THE YEAR ENDED 31 DECEMBER 2014**

<i>Items of expenditure</i>	<i>Actual 2012</i>	<i>Budget 2013</i>	<i>Forecast 2013</i>	<i>Budget 2014</i>
	£	£	£	£
General Repairs	1,458	2,000	500	500
Cleaning Contract (including common part windows)	2,480	2,500	2,574	2,765
Drain and Gutter Cleaning	130	250	260	300
Door Entry System Maintenance & Repairs	227	250	227	230
Lifts - Contract and Repairs	984	2,500	1750	1,500
Lift Telephone	241	300	241	230
Fire Equipment Maintenance & Repairs	330	325	302	195
Lift & Common Parts Electricity	546	1000	546	650
Insurance	2,204	2,320	2,250	2,250
Sundries/Trust tax	238	85	100	110
Health and Safety Assessments	-	500	480	450
Professional Fees	-	500	-	750
Auditors Fees	2,060	1,150	650	650
Managing Agents Fees	4320	4,320	4,320	4,320
Total Cost of Services	15,072	18,000	14,200	14,900
<i>Reserve Fund for Major Non-Annual Expenditure</i>	8,965	9,000	8,500	8,500
Total Annual Expenditure	24,037	27,000	22,700	23,400

2014 Service Charge & Reserves' Demands TOTAL £23,400



MITRE HOUSE MANAGEMENT LIMITED

(REPRESENTING THE NINE LEASEHOLD OWNERS OF MITRE HOUSE)

124 KINGS ROAD • CHELSEA • LONDON SW3 4TP

EMAIL: MANAGEMENT@MITREHOUSE.ORG • WWW.MITREHOUSE.ORG

TELEPHONE +44 (0)207 589 7502 MBL: +44 (0)798 33 33 543

1st January 2014
(sent 15 December 2013)

To all Leaseholders **Mitre House**
124 Kings Road
Chelsea, London
SW34TP

Our Ref: Management Contract & proposed fees of £4320 for 2014

Dear Lessee

Mitre House Management Limited
MITRE HOUSE, 124 KINGS ROAD, LONDON SW3 4TP

Proposed Renewal of MHML Management for year ending 31 December 2014

The letter provides notice of our intention to again use the facilities and personnel of Mitre House Management Limited (MHML 'Management') for the management of Mitre House for a period of 12 months until 31st December 2014.

The contract will be reviewed towards the end of 2014 and if appropriate consider a one year renewal.

For the avoidance of doubt we confirm that this contract is not a Qualifying Long Term Agreement under s.20 of the Landlord and Tenant Act 1985.

Please let me know if you have any queries.

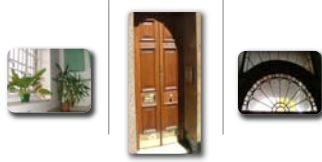
Yours sincerely,

Paul Brown-Constable
Mitre House Management Limited
Mitre House,
124 Kings Road,
Chelsea,
London SW3 4TP



MAINTAINING MITRE HOUSE

DIRECTORS • PAUL BROWN-CONSTABLE • SEGAR KARUPIAH • DIMA INTERNATIONAL LIMITED • MICHELE SIGG HILLGARTH
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To All Lessees
Mitre House, 124 Kings Road
London SW3 4TP

Friday 13th December 2013

RE: Mitre House Update and Service Charge Application + Ground Rent (where applicable).

Please find attached the Service Charge/Reserves for first quarter 2014 and Ground Rent Demands where relevant.

Also attached is the Budget for 2014 and the first of three Section 20 Notices re: Internals/Externals 2014

The Service Charge Accounts for 2013 will be published in mid February 2014 and will show a continuing saving for Lessees with an admittedly small but worthwhile refund evidencing yet again Management's good housekeeping and economies despite reducing quarterly demands by 46% since the same period two years ago.

Both the Internals' & Externals' works will be executed mid to late summer 2014, and by doing both together will not only guarantee better economies but also incur less disruption to Lessees during the anticipated 8-10 week schedule.

Relevant Section 20 Notices will be issued, the first of which is attached allowing Lessees 30 days (+15) for comment.

Lessees will then be invited, on presentation of the second Section 20 notice (1st February 2014) to present their own quote, if so desired, for doing both sets of works simultaneously following exactly the same, correct specifications and requirements as Management's retained Surveyor outlines in his report and to Management's sensible affordable budget.

The third and final Section 20 will then make Management's final report, no later than 15th March 2014.

As of 1st January 2014, those Lessees at present subletting or wishing to, must apply to Management for the appropriate Licence to Sublet and supply the usual relevant Lessee/Tenant emergency contact details and Tenant references.

We would draw attention to strict Lease requirements that flooring in flats be properly carpeted where appropriate most especially where flats are sublet. Acoustics within non carpeted flats can become extremely noisy, loud and anti-social, the results of which are not experienced by absentee subletting Lessees, but by live-in residents and indeed their tenants.

Management will insist that both these requirements, Licence to Sublet and carpeting are fully adhered to in 2014, failing which, legal notices will be issued to offending Lessees after three months in March 2014.

As will no doubt be appreciated, there is little point in having a smart new interior if the communal areas, including the lift, are accidentally damaged by incoming or outgoing sublet tenants or indeed new Lessees. At present, Management have little or no recourse to, nor any details of, Lessees' sublet tenants. This will no longer be tolerated nor indeed will be uncarpeted bare wooden flooring with its unavoidable noise pollution experienced by neighbouring residents and most significantly all originating from sublet/non-resident flats.

To those that celebrate it, a very Happy Christmas, and to those that survive it, an equally healthy & wealthy New Year! The www.mitrehouse.org CD compilation is now available on Amazon, iTunes and Spotify. It's a hoot...and would make an imaginative and highly individual Christmas gift. All profits will go towards the Internals/Externals budget...!

The Directors / MITRE HOUSE MANAGEMENT LTD



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1st January 2014
(sent 15 December 2013)

To all Leaseholders **Mitre House**
124 Kings Road
Chelsea, London
SW34TP

Our Ref: Budget / Date: 1 January 2014

Dear Lessee,

Mitre House Management Limited

MITRE HOUSE, 124 KINGS ROAD, LONDON SW3 4TP

SERVICE CHARGE BUDGET FOR YEAR ENDING 31 DECEMBER 2014

Please find attached a copy of the service charge budget for the year ending 31 December 2014.

Also enclosed is a Service Charge/Reserves Application and Ground Rent where applicable, for your percentage for the period 25 December 2013 - 25 March 2014.

Thanks to careful husbandry of expenditure during 2013, which will be continued diligently by Management, there is no increase anticipated in either Service Charge nor Reserve's demands during 2014.

Obviously, if anticipated and scheduled works required during 2014 exceed sensible budgeting, a revised Budget would be required to be issued and additional funds collected.

At present, both Internals & Externals will be executed mid to late summer next year 2014 with a maximum total budget of £95,000 which will come from Reserves. In the unfortunate situation of Externals costing more than budgeted for (£70,000), Lessees will be informed as to additional funds required. The Internals are budgeted for a maximum total outlay of £25,000 and will amply cover the minimum requirements and as many cosmetic improvements as the budget will permit.

Should you have any further questions or comments, please do not hesitate to contact me.

Yours sincerely

on behalf of Mitre House Management Limited
Mitre House,
124 Kings Road,
Chelsea,
London SW3 4TP



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To All Lessees
Mitre House, 124 Kings Road
London SW3 4TP

25th March 2014

RE: Mitre House Update and Service Charge Application + Ground Rent (where applicable).

Please find attached the Service Charge/Reserves for second quarter 2014 and Ground Rent Demands where relevant.

The Service Charge Accounts for YE2013 are attached and show a continuing saving for Lessees with an admittedly small £1188 but worthwhile surplus evidencing yet again Management's good housekeeping and economies despite reducing quarterly demands by 70% since the same period two years ago.

If any Lessee requests their share of the surplus (£132 each) then Management will refund to all Lessees as is their/your legal right. If no request is made within 30 days, we will leave it all (£1188) in Reserves.

Both the Internals' & Externals' works will be commenced 1st September 2014, and some Internals over the course of the summer months. The anticipated schedule for both will be 15 weeks max and hopefully much shorter.

The relevant second Section 20 Notice is attached showing the various quotes.

Despite Management's invitation to Lessees to advise a supplier they wished to also be tendered, none was forthcoming, but as time is not critical we also attach the Surveyor's Specifications which those Lessees wishing to forward to their preferred supplier can utilise and follow to the letter and advise Management of their quote. Within 36 days please, ie by latest 1st May 2014 after which Management cannot entertain further discussion.

The third and final Section 20 will then make Management's final report, no later than 15th June 2014.

Those Lessees subletting and/or have uncarpeted floors are reminded of Management's previous advice:

As of 1st January 2014, those Lessees at present subletting or wishing to, must apply to Management for the appropriate Licence to Sublet and supply the usual relevant Lessee/Tenant emergency contact details and Tenant references.

We would again draw attention to strict Lease requirements that flooring in flats be properly carpeted where appropriate most especially where flats are sublet. Acoustics within non carpeted flats can become extremely noisy and anti-social.

Management repeat that both these requirements, Licence to Sublet and carpeting are fully adhered to in 2014, failing which, legal notices will be issued to offending Lessees after three months, March 2014.

That deadline is now reached and unless flats subletting/uncarpeted comply, they will be in receipt of Solicitor's letters.

As will no doubt be appreciated, there is little point in having a smart new interior if the communal areas, including the lift, are accidentally damaged by incoming or outgoing sublet tenants or indeed new Lessees. At present, Management have little or no recourse to, nor any details of, Lessees' sublet tenants. This will no longer be tolerated nor indeed will be uncarpeted bare wooden flooring with its unavoidable noise pollution experienced by neighbouring residents.


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**To All Lessees
Mitre House, 124 Kings Road
London SW3 4TP**

15th June 2014

RE: Mitre House Update and Service Charge Application + Ground Rent (where applicable).

Please find attached the Service Charge/Reserves for third quarter 2014 and Ground Rent Demands where relevant.

In response to media pressure to help save the planet, we're emailing the Demands. If you require the old fashioned way, please request we send you printed paper versions, which is your legal right to do so.

Management will oblige, as indeed we hope will all Lessees in paying promptly as works are approaching fast and every penny counts seeing as no additional funds are being requested of lessees for the Internals/Externals!

Management's final report on works contractor was advised as promised on 15th June 2014, 30 minutes late.

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To All Lessees
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3rd September 2014

RE: Mitre House Update and Service Charge Application + Ground Rent (where applicable).

Please find attached the Service Charge/Reserves for the final fourth quarter of 2014 and Ground Rent Demands where relevant.

Please note that scaffolding commenced on schedule (Sunday 31st August) and consequently various contractual works pre-payments etc including those from our Surveyor have had to be paid.

Management have been legally advised to make sure that sufficient funds are in place to fully cover the balance of the £105,000 works budget as well as having adequate Reserves in place for any unexpected External works contingencies or other contingencies which may arise between now and the 2015 Demands.

As such these September Quarter Demands include the full £2000 additional funding required as notified on the 22nd June 2014 Section 20 Notice.

December Quarter (2014) Demands are not payable until mid January 2015 and some may not be paid and received into the Service Charge Reserves until early February 2015 or even later which is fiscally unacceptable in case of any emergency expenses at Mitre House.

In response to media pressure to help save the planet, we're emailing the Demands. If you require the old fashioned way, please request we send you printed paper versions, which is your legal right to do so. Flats 4 and 9 have requested so.

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