



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

Case Reference : **LON/00AW/LBC/2025/0692 (1) & 0693 (2)**

Property : **(1) Flat 159 Chelsea Cloisters, Sloane Avenue,
London SW3 3DR
(2) Flat 883 Chelsea Cloisters, Sloane Avenue,
London SW3 3ES**

Applicant : **Realreed Limited**

Representative : **Mr Edward Blakeney, Counsel instructed by
Keystone Law**

Respondent : **Inna Windsor, also known as Franken**

Representative :

Type of Application : **Determination of alleged breach of covenant**

Tribunal Members : **Judge Dutton
Miss M Bygrave MRICS**

**Date and venue of
Hearing** : **10 Alfred Place, London WC1E 7LR on 6th July
2026**

Date of Decision : **27 July 2026**

DECISION

DECISION

Pursuant to section 168(4) of the Commonhold and Leasehold Reform Act 2002 the Tribunal determines that the Respondent has breached the terms of her leases in respect of the two properties for the reasons set out below.

BACKGROUND

1. On 15th December 2025 the Applicant, Realreed Limited, the landlord of the properties at 159 and 883 Chelsea Cloisters made application to the Tribunal for an order that there had been a breach of the terms of the Respondent's leases.
2. The Respondent is the leaseholder of the flats for the respective properties having become the registered proprietor of Flat 159 on 1st October 2002 and the registered proprietor of Flat 883 on 25th February 2012.
3. Directions were issued in this case on the 20th February 2026 where the two cases were ordered to be dealt with together under the Tribunal Procedure Rules. The Respondent has failed to comply with the directions and has played no part in these proceedings.
4. The Applicant filed a bundle of documents for both flats, which were pretty much the same save for some different photographs. In that bundle were copies of the applications and the accompanying annex, witness statements of Mr Ralph Tween and Mr Anthony Farrell, the second having also made an additional witness statement on 3rd July to which we will return, some correspondence and a number of photographs of females said to have visited the flats in the period to October 2025. There was also some correspondence with the Respondent and in addition, we were able to see at the hearing clips from the CCTV showing people visiting both flats.
5. We were provided with copies of the leases for both flats, which are in all material terms identical save for dates. They are for terms of 125 years from 24th June 1985.

HEARING

6. As we have said above, Mr Tween and Mr Farrell both made witness statements and attended the hearing to give evidence. In addition, on the day before the hearing we received from Mr Blakeney a skeleton argument and a bundle of authorities. The matter came before us for hearing on 6th July 2026 and we were asked to admit the additional witness statement of Mr Farrell dated 3rd July 2026. We were willing to do so, it having been sent to the Respondent. However, it seems that the photographs, which accompanied the witness statement had not been so provided and we felt it would be inappropriate to allow those in evidence in that case.
7. In the bundle we were provided with a statement of case on behalf of the Applicant, which set out the procedural position and the background confirming the terms of the lease said to be in breach. The relevant terms of the lease were recited and we will set those out in due course. The basis of the Applicant's case is that there are three distinct breaches of the leases. The first is that the flats are being used for

prostitution and escort services which amounts to an immoral user contrary to paragraph 2 of the 5th schedule. In addition, it is said, that this user amounts to a nuisance, disturbance, damage, annoyance of misery to the landlord or the occupiers, which is also contrary to paragraph 2 of the 5th schedule. The use of the flats for paid sex work and escort services amounts to a business use and is contrary to the prohibition on business use to be found at paragraph 15 of the 5th schedule and contrary to the requirements for residential use only to be found in paragraph 1(o) of the 6th schedule.

8. The statement of case goes on to expand upon the legal principles relied upon by reference to Woodfall: Landlord and Tenant, which was included in the authority bundle provided to us. Reference is also made to cases which also appeared in the bundle and which we will refer to in due course. Having set out these matters, the conclusion to the statement of truth, which was prepared by Counsel, is that the application sought should be granted.
9. In the bundles we had witness statements from Mr Farrell and Mr Tween. Mr Farrell's first witness statement is to be found at page 147 of the bundle and confirms that he is employed by Realreed Limited and is responsible for night security at Chelsea Cloisters having had that job since 2018. He confirmed that his duties included monitoring the use of apartments at night time to ensure that the occupants of the 650 plus apartments are safe and do not experience nuisance from other flats. He told us in his witness statement that he had been aware that the Respondent had been using the flat for the purposes of prostitution for a number of years and he has sought to identify the occupants during that time. However, the statement focuses on matters that occurred in 2025 and he sets those out in some detail in the witness statement. These record that over a period of time there are a number of people attending the Property and that some, for example a woman named Kang, appears to advertise her services as an escort and also as a prostitute. He speaks also in his witness statement to drug use and the problems that smoking of cannabis causes to the enjoyment of others in the building. We have noted the details of the attendances at the flats as set out in his witness statement, which is dated 13th March 2026 and also his updated statement dated 3rd July and confirms that issues are still continuing notwithstanding that these proceedings have been commenced.
10. Mr Tween is also employed by the Applicant as Head of Security, a position he has held since 2021. His duties include the monitoring of the use of the apartments, but this appears to be during the day. He confirmed that the Applicant had been suspicious of the activities of use of the apartments and began investigating those. There was a review of CCTV footage and emails between the overnight staff and management caused by triggering behaviours in that there were frequent comings and goings usually of men, often late at night, who stay for relatively short periods of time and did not appear to know the name of the person that they were visiting. He sets out in some detail at paragraph 10 of his witness statement the comings and goings to which he referred.
11. In evidence at the hearing Mr Farrell confirmed his witness statement and the dealings that he had had with people visiting the Property. He confirmed that he recognises and knew the Respondent and her son Max. He told us that the Property, as a whole, was to an extent let as a hotel. Three hundred rooms were on

a short-term basis which were handled by Chelsea Cloisters Services Limited. Chelsea Cloisters Management Limited appear to service these apartments which are the subject of these proceedings. He confirmed that there had been rare occasions when fighting had occurred but that smoking of what appeared to be cannabis was quite frequent. He confirmed also that the CCTV cameras were clearly marked but this did not appear to cause problems to those coming and going. He also confirmed that there had been a Channel 4 documentary concerning problems at the Property, but this did not relate to this Respondent.

12. He was asked by the Tribunal how he was able to show that some of the escorts were actually using the subject property and he was able to show adverts which set out the postal code for the Cloisters.
13. We also heard from Mr Tween at the hearing who confirmed that he was the Security Manager carrying out work during the day where Mr Farrell was the night time representative. He confirmed that he would get profiles from Mr Farrell, which were stored in a file and updated to the directors. He confirmed that the CCTV was of very good quality and there was no doubt in his mind that you could clearly see people entering and leaving the two flats on a fairly regular basis. He also confirmed that the profiles that Mr Farrell had discovered relating the use of premises by escorts matched those CCTV pictures, which were available. He confirmed that the problems with these flats have been ongoing since 2021 when he started. He became apparent to the Applicants that despite requests for these activities to cease that was not going to happen and the proceedings were then commenced. He also confirmed that he had sent emails to the Respondent, but she had not communicated with him.
14. Asked whether the Police had been instructed about the use of drugs he said they had but was not able to provide any crime number.
15. We then had the opportunity to review some of the CCTV images. Apparently, there were at least 60 CCTV clips of people coming and going to Flat 159 in the period July to November of 2025 and some 30 clips going to Flat 883 in the period 22nd September to the end of October. Some specific CCTVs images were viewed by us and did indeed show the comings and goings of men and women to the two apartments often late at night.
16. At the conclusion of the evidence, Mr Blakeney made submissions along the lines of his skeleton argument. He drew our attention to the contents of the statement of case, which he had prepared and referred to the website profiles it would seem of at least three women who were offering sexual services from the flats. This was put to the Respondent by the solicitors for the Applicant, but she did not respond in any meaningful way and as we have indicated above, has played no part in these proceedings.
17. The lease which we have considered relates to apartment 883 Chelsea Cloisters, but as we have indicated above, the lease for 159 is materially the same. In the lease there are a number of matters which we are directed to observe. The first is an obligation at clause 2 upon the lessee to observe and perform the covenants, conditions and restrictions specified in the 5th and 6th schedules in the lease. Moving to those schedules we find under paragraph 1(b) the following wording:

“Where the doing of any act or thing is prohibited by these regulations there shall also be implied a regulation that no lessee shall allow or permit such act or thing to be done.” At paragraph 2 of this schedule is to be found the following wording: *“No apartment may be used for any unlawful or immoral purposes and the lessee shall not do any act or thing which may become a nuisance, disturbance, damage, annoyance or misery to the landlord or the occupiers of any other part of Chelsea Cloisters.”*

18. In addition, at paragraph 15 of the 4th schedule there is a restriction that says as follows: *“No apartment may be used for any trade or business or for any public meetings and no sale may be held in any apartment.”* Under the 6th schedule containing the lessee’s covenants at 1(o) is the following wording: *“Not to use the demised premises or permit the same to be used for any purpose whatsoever other than as a self-contained private dwelling for residential purposes only.”*
19. It is said that the Respondent has breached these conditions. It was also said by Mr Blakeney that the Respondent must have known what was happening, which is the Applicant’s primary case, or in the alternative was wilfully blind to this and or allowing flats to be so used. We were taken to passages in Woodfall where initially we were directed to paragraph 11:254 where the definition of permit and/or suffer was included and it was stated *“that permit means one of two things; either to give leave for an act which would without that leave could not legally be done or to abstain from taking reasonable steps to prevent the act where it is within the man’s powers to prevent it.”* A reference was also made to the case of *British Petroleum Pension Trust Limited v Behrendt* (1986) 18HLR42 and *Realreed Limited v Cussens* [2014]1WLR275 where it was said that the use of flats for prostitution purposes amounted to an immoral user. Although the case of *Realreed v Cussens* was essentially a cost case the Judge had found that the two flats when sublet had been used for prostitution and that the leases imposed on the tenant absolute obligations and they should not be and therefore in the case of each lease the tenant was in breach of her covenant.
20. Insofar as the nuisance and annoyance matters are concerned, again Mr Blakeney referred us to Woodfall, this time to paragraph 11:252 where *the word nuisance was construed in the sense in which it was understood under general law, that is to say an inconvenience materially interfering with the ordinary comfort physically of human existence not merely according to dated modes and habits of living and annoyance at a wider term than nuisance which is anything that disturbs his reasonable peace although it may not appear to amount to physical detriment to comfort.* Detriment was also referred to.
21. As to business use, again Woodfall provided assistance in this regard and at paragraph 11:261 the covenant for use of a private dwelling was reviewed, which included the use of property for holiday lets, including Airbnb, and at Woodfall 11:263 the covenant not to carry on a trade or business was also referred to and *extends to anything which is an occupation as distinguished from a pleasure. It went on to say that payment is not essential to constitute a business; nor does payment necessarily make that a business which without payment would not be a business.* In particular Mr Blakeney relied on the following wording to be found in the *Florrant v Horev* where it was said *“The reason for the wide interpretation to be put on restrictive covenants of this kind is as Allrod LJ said in Lewis v*

Weldcrest [1978] 1 WLR 1120, because such covenants are designed to preserve the amenities of residential premises and neighbourhoods and if the word “business” is not given as wide a meaning as possible, the purpose of this covenant could be readily defeated.” This said Mr Blakeney covered the position with the use of these flats for prostitution and for escort work. In the case of *Glass v Kencakes Limited*, this was also a question relating to forfeiture of the lease and relief from forfeiture that premises being used for prostitution, although the tenant was ignorant of such use.

22. It was Mr Blakeney’s submission that there was incontrovertible evidence of immoral use. Clearly there had been no attempt by the Respondent to prevent this user and the Respondent had also failed to participate in these proceedings. His view was that there had been clearly established user of the flat for prostitution/escort work and although these allegations were put to her, she did not respond in any meaningful way. As far as the nuisance was concerned, this he said was not only a nuisance to the Applicant, but also to other occupiers and there were logs of complaints made by leaseholders concerning a fight and drug use. The proceedings have been taken to deal with the damage to the Applicant’s status and that the evidence was all one way with no explanation and too much of a coincidence regarding the use of both flats and the evidence both photographic and CCTV which he said supported this.

DECISION

23. We are satisfied that on the balance of probabilities that the Applicant has made its case. The evidence of both Mr Tween and Mr Farrell was honestly given and showed a usage of the flats for what we find was both for Escorts and prostitution. The adverts of two of the women recounting the services they could provide and showing the post code of the Property was damning. The CCTV evidence that we viewed showed a number of men visiting the flats usually late at night and staying for shortish periods, consistent with the use alleged. It seemed according to the evidence of Mr Farrell that the men visiting often did not know the name of the female they were hoping to meet, suggesting something of a fleeting “relationship”. This in our finding supports the allegation of immoral user.
24. We cannot believe that the Respondent was not aware of the usage to which her flats were being put, the more so as it seems her son attended the Property and was known certainly to Mr Farrell. She presumably received some recompense for this, and the business use would therefore be made out.
25. As to nuisance, there is clear evidence that there was drug usage and that some of the women using the flats were acquiring drugs which would be a nuisance to the Landlord and others living/using the Property for lawful means.
26. Accordingly, based on the evidence before us and the lack of involvement of the Respondent we find that breaches of the leases, as alleged by the Applicant, have occurred as provided for at s168(4) of the Commonhold and Leasehold Reform Act 2002

Judge: Andrew Dutton

A A Dutton

Date: 27 July 2026

ANNEX – RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-Tier at the Regional Office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional Office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28-day time limit, such application must include a request to an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (ie give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.