



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

Case reference : LON/00BG/LBC/2026/0006

Property : Flat 53, 187 East India Dock Road,
London, E14 0EF

Applicant : Hawksmoor Wren Limited

Representative : In person

Respondent : Susanne Garry

Representative : Evergreen Properties

Type of application : An allegation of breach of covenant:
Section 168(4) Commonhold and
Leasehold Reform Act 2002

Tribunal member(s) : Ms S Beckwith MRICS
Mr M Pearce MRICS

Date and venue of hearing : 19 June 2026 at 10 Alfred Place, London
WC1E 7LR

Date of decision : 13 July 2026

Amended on : **3 August 2026**

AMENDED DECISION

We exercise our powers under Rule 50 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 correct the clerical mistake, accidental slip or omission at paragraphs 10, 15, 55 and 61 of our Decision dated 13/07/2026. Our amendments are made in bold red type. We have corrected our original Decision because of typographical errors.

Decisions of the tribunal

- (1) The Tribunal finds that the Respondent has not breached Clause 3(9) of the Lease.
- (2) The Tribunal finds that the Respondent has not breached Clause 3(10) of the Lease.
- (3) The tribunal finds that the Respondent has breached Clause 3(14) of the Lease.

The application

1. The Applicant seeks a determination under section 168(4) of the Commonhold and Leasehold Reform Act 2002 (“the 2002 Act”) that the Respondent has breached various covenants contained in the Lease:
 - 1) Clause 3(9) – Use not as "private residence only"
 - 2) Clause 3(9) – Insurance
 - 3) Clause 3(10) and Sixth Schedule Regulation 4 – Unauthorised external attachment
 - 4) Clause 3(10) and Sixth Schedule Regulation 12 – Unauthorised parking
 - 5) Clause 3(9) – Nuisance/annoyance
2. The tribunal issued directions on 11 March 2026 providing for the exchange of witness statements of facts, statements of case, legal submissions and any other documents upon which the parties wished to rely.

The background

3. The Applicant is the freeholder of 187 East India Dock Road, a purpose built 14 storey block of flats. It is also known as the Fusion Building (“the Building”).
4. The Respondent is the long leaseholder of Flat 53 (“the Property”) held under a lease dated 21 December 2004 made between Furlong Homes Limited and Susanne Garry (“the Lease”).
5. Neither party requested an inspection, and the tribunal did not consider that one was necessary.

The lease

6. Clause 3(9) of the Lease sets out the Lessee’s covenant as follows:

Not to carry on or permit upon the Demised Premises any trade or business whatsoever nor do or suffer to be done on the Demised Premises any other thing which may be or become a nuisance annoyance or inconvenience to the Lessor or to the owners or occupiers of other parts of the Development or whereby any insurance effected by the Lessor under this Lease may be rendered void or voidable or whereby the rate of premium may be increased but so that the Demised Premises shall at all times during the said term be used for the purpose of a private residence only provided always that the use of the demised premises by a registered Social Landlord pursuant to The Housing Act 1996 in accordance with its objects shall not in itself be a breach of this covenant

7. Clause 3(10) states:

At all times during the said term to perform and observe the regulations set out in the Sixth Schedule including any reasonable addition to or variation of the said regulations notice of which shall be given to the Lessee and which the Lessor may deem necessary for the safety care and cleanliness of the Development or for securing the comfort and convenience of the owners and occupiers of the flats in the Development

8. The Sixth Schedule sets out the regulations, including:

- 4. No sun-blind window-box flower pot or other articles of any description shall be placed or affixed outside any window or any flat without the Lessor's consent (in its absolute discretion)*
- 12. Not to park (other than in any allocated parking space separately demised) or to undertake any vehicle repair work anywhere on the roads forecourts gardens or grounds of the Development*

9. Clause 3(14) sets out the Lessee's covenant with respect to transfers:

Within one calendar month after any transfer or charge of this Lease and also every underlease of the Demised Premises for a term exceeding twelve months and also every Probate Letters of Administration Order of Court or other instrument effecting or evidencing a devolution of title to produce to the Lessor for the purpose of registration particulars of the instrument in question and to pay to the Lessor a reasonable fee being not less than THIRTY POUNDS (£30) plus Value Added Tax in respect of each such registration

The law

10. The law relevant to the substantive application can be found at section 168 of the Commonhold **and** Leasehold **and** Reform Act 2002:

168. No forfeiture notice before determination of breach

(1) A landlord under a long lease of a dwelling may not serve a notice under section 146(1) of the Law of Property Act 1925 (c. 20) (restriction on forfeiture) in respect of a breach by a tenant of a covenant or condition in the lease unless subsection (2) is satisfied.

(2) This subsection is satisfied if—

- (a) it has been finally determined on an application under subsection (4) that the breach has occurred,*
- (b) the tenant has admitted the breach, or*
- (c) a court in any proceedings, or an arbitral tribunal in proceedings pursuant to a post-dispute arbitration agreement, has finally determined that the breach has occurred.*

(3) But a notice may not be served by virtue of subsection (2)(a) or (c) until after the end of the period of 14 days beginning with the day after that on which the final determination is made.

(4) A landlord under a long lease of a dwelling may make an application to the appropriate tribunal for a determination that a breach of a covenant or condition in the lease has occurred.

(5) But a landlord may not make an application under subsection (4) in respect of a matter which—

- (a) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,*
- (b) has been the subject of determination by a court, or*
- (c) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.*

(6) For the purposes of subsection (4), “appropriate tribunal” means

- (a) in relation to a dwelling in England, the First-tier Tribunal [...]*

The hearing

11. A hearing took place on 19 June 2026. The Applicant was represented by Mr Avraamides, a Director of the company. He was accompanied by Mr Ruffy, the concierge of the Building and a witness for the Applicant. The Respondent was represented by Mr Patel of Evergreen Properties.
12. The tribunal had been provided with a 435 page bundle prepared by the Applicant. At the hearing the Applicant also provided an authorities bundle.
13. At the commencement of the hearing, there were two outstanding applications before the tribunal:
 - (1) On 13 May 2026, the Respondent made an application to the tribunal on Form Order 1 requesting an extension to provide the documents outlined in the directions due to the Respondent's Representative not having received the directions from the tribunal. The original directions required the Respondent's case to be provided by 1 May 2026. The documents were provided on 17 May 2026.
 - (2) On 28 May 2026, the Applicant made an application to the tribunal on Form Order 1 requesting to expand the scope of the application to add a breach of Clause 3(14) of the Lease. The Applicant only identified this breach during the proceedings when provided with information by the Respondent.
14. The tribunal heard from both parties on each application.
15. In respect of the Respondent's application (1), the tribunal noted that the Applicant had received the information in enough time before the hearing to scrutinise and be prepared to respond. The tribunal considered it was in the interests of fairness and justice in accordance with the overriding objectives of the tribunal under the Rule 3 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 ("the 2013 Rules") (and particularly Rule 3(2)(c) ensuring, so far as practicable, that the parties are able to participate fully in the proceedings) for the Respondent's documents to be allowed.
16. In respect of the Applicant's application (2), the tribunal noted that if refused, the Applicant could make another application in respect of this alleged breach. The Respondent's representative confirmed that he was prepared to deal with this issue and therefore did not object to its inclusion. The tribunal therefore granted the Applicant's application to expand the scope of the application, again in accordance with the overriding objective under the 2013 Rules and on the basis it would be a

better use of the time and resources of the parties to deal with this alleged breach at the current hearing.

17. The Applicant had included the Respondent's documents within the bundle pending the determination of the Respondent's application, therefore the appropriate documents were already available to the tribunal. Numbers in square brackets relate to the relevant pages in the bundle.
18. Having heard evidence and submissions from the parties and considered all of the documents provided, the tribunal has made the following determinations.

1) Use

The Applicant's case

19. Mr Avraamides set out that Clause 3(9) of the Lease requires that the Property be used for the purpose of a private residence only [70].
20. The Applicant identified that the Property was being used as an AirBnB via adverts on AirBnB and Booking.com [110-132]. The postcode of the Building is unique and the Property was identified from its décor. The adverts identify the host as Imran.
21. The Applicant accepts that the use as an AirBnB has now ceased, the period when the breach occurred was between November 2025 and January 2026.
22. Mr Avraamides relies on the following case law in support of short transient occupation being a breach of a user clause limited to a private residence:
 - *Iveta Nemcova v Fairfield Rents Limited [2016] UKUT 303 (LC)* ("Nemcova")
 - *Triplerose Limited v Richard James Beattie, Chloe Marie Beattie [2020] UKUT 180 (LC)* ("Triplerose")
23. In Triplerose, the Upper Tribunal held that the use of residential property for short-term occupation by paying guests is not use as a private residence.
24. In Nemcova, it was held that granting very short-term lettings breaches a private residence covenant.

25. Mr Avraamides also referred to a case in the Building: *Hawksmoor Wren Limited v Farah Cohen [2025] UKUT 398 (LC)* (“Cohen”). He confirmed that in this case Ms Cohen resided in the Property and had rented out part of it as an AirBnB. She was found to have breached the user clause of her lease which is the same as that for the Property.
26. The Applicant submitted that, as freeholder, they could face prosecution from the local authority. The concierge, Mr Ruffy, was therefore asked to keep a log of issues [133-136].
27. Mr Ruffy gave evidence that he has been the Building’s concierge for eight years and therefore knows all of the residents. He is able to identify when non-residents enter the Building. Often they would approach him at reception, sometimes telling him they were there for the AirBnB. In some cases he helped them with their suitcases. He could also tell when visitors were going to the 8th floor where the Property is situated. He confirmed that he undertakes three patrols of the Building per day and saw people coming into and out of the Property.
28. Mr Ruffy confirmed that he had previously kept a similar log for other AirBnB issues in the Building, but the only flat identified as having this issue over the time period of November 2025 to January 2026 was the Property.

The Respondent’s case

29. The Property had been let to a subtenant, Smart Healthcare Recruitment Ltd, under a six month Assured Shorthold Tenancy (AST) dated 10 November 2025 [338-343].
30. The AST includes the following clauses:
 1. *The Landlord agrees to let to the Tenant [...] for use as residential premises only.*
 2. *Subject to the provisions of this Agreement, apart from the Tenant and the Tenant’s immediate family members, no other persons will live in the Property without the prior written permission of the Landlord.*
 3. *No guest of the Tenant may occupy the Property for longer than one week without the prior written consent of the Landlord.*
 28. *The Tenant will not assign this Agreement, or sublet or grant any concession or licence to use the Property or any part of the Property. Any assignment, subletting, concession, or licence, whether by operation of law or otherwise, will be void and will, at the Landlord’s option, terminate this Agreement.*

31. Mr Patel questioned Mr Ruffy as to whether he ever saw Mrs Garry at the Property or with those visitors Mr Ruffy had identified as AirBnB guests. Mr Ruffy confirmed that he had not.
32. The Respondent's Representative confirmed that they were first notified of the issue with AirBnB on 6 December 2025 [261-268]. That letter identified guest reviews dated August 2025, July 2025 and October 2025. Mr Patel confirmed that prior to November 2025, the Property had been rented to a family, therefore the reviews did not make sense.
33. When notified of the issues, the Respondent's Representative contacted the subtenant, Imran Malik, [282] and updated the Applicant as to what action they were taking [275]. Mr Patel had some difficulty in getting hold of the subtenant, but when he did managed to speak to them, they confirmed that it was their contractors/guests using the Property. Ultimately the AST was terminated by mutual consent on 29 January 2026 [345].
34. Mr Patel therefore submits that Mrs Garry was not aware that the Property was being used as an AirBnB. The AST granted did not permit it to be used for business purposes or sublet on licence. Their understanding was that those staying there were contractors of the subtenant, and guests were permitted to stay for up to one week.
35. Nevertheless the AST was terminated within two months of the issue being raised, which was as quickly as could reasonably be achieved.

The tribunal's decision

36. The tribunal determines that the Respondent has not breached Clause 3(9) of the Lease on the basis of use.

Reasons for the tribunal's decision

37. The tribunal accepts the witness evidence of Mr Ruffy and the AirBnB advertisements and therefore finds that the Property was used as an AirBnB between November 2025 and January 2026. Following *Nemcova and Triplerose*, this use is contrary to a use restricted to a private residence.
38. In considering whether this use has resulted in a breach of the Lease, the tribunal has had regard to *Berton v Alliance Economic Investment Co [1922] 1 KB 742, 759*, where it was held:

"It is clear that a person under a covenant not to use premises in a particular way cannot commit a breach of the covenant except by his

own act or that of his agent. The same is true of a covenant not to permit. The user in one case and the permission in the other must be something which can be predicated of the defendant or the defendant's agent. It is not sufficient to show that the premises have been used in a way which would constitute a breach of the covenant; it must further be shown that the user is by the defendant or his agent, or that it is permitted by the defendant or his agent”.

39. It is common ground between the parties that the Respondent does not reside in the Property. This distinguished this case from Cohen, where the Respondent resided in the flat in question and was therefore clearly knowingly using part of it as an AirBnB.
40. The Respondent and her agent, Evergreen Properties, granted an AST on terms which specifically prohibited use other than residential premises for the subtenant and their immediate family. It also prohibited the subtenant from granting licences.
41. When informed about the potential issue with the Property being used as an AirBnB, the Respondent's agent took steps to investigate, eventually agreeing that the AST should be terminated.
42. The tribunal finds that the Respondent and her agent did not carry on, permit upon, do or suffer to be done at the Property a use contrary to the restriction as a private residence. The Respondent has therefore not breached Clause 3(9) of the Lease on the grounds of use.

2) Insurance

The Applicant's case

43. Mr Avraamides set out that the use of the Property as an AirBnB caused a further breach of Clause 3(9) of the Lease because it was something that may cause the insurance to be rendered void or voidable or the premium to be increased [70-71].
44. An email from the insurance broker [145-146] provides a response from the insurer, Aviva, which states:

airbnb let units are subject to the following additional conditions:

- *malicious damage & theft perils are excluded*
- *alternative accommodation/loss of rent cover is not extended to airbnb occupants or income*

45. Mr Avraamides submits that this statement establishes exclusions on the policy, hence that the use of AirBnB “may” cause the insurance to be

rendered void or voidable or the premium to be increased. He emphasises that the question of breach is whether the act of AirBnB use **may** cause the insurance to be rendered void or the premium increased.

46. When questioned by the tribunal, Mr Avraamides confirmed that the exclusions suggest that the Applicant would have to buy back the excluded parts of the premium, i.e. malicious damage and theft perils. He confirmed that the Applicant has not asked to do this or asked how much it would cost to do so.
47. Mr Avraamides submits that the Cohen case in the Building found that “the non-residential user in Clause 3(9) of the Lease affecting the Landlord’s insurance had been breached”.
48. The Applicant provided a copy of the 2025 insurance policy for the Building [184-198] which has a premium of £78,786.84 and the 2026 insurance policy for the Building [148-183] which has a premium of £79,377.17.

The Respondent’s case

49. Mr Patel submits that no evidence has been provided to suggest that the insurance policy has been voided or the premium increased. He notes that any flats being used as an AirBnB are still covered, just with exclusions. The policy does not state that AirBnB is not permitted.
50. Mr Patel emphasised that he does not admit that AirBnB use happened at the Property.

The tribunal’s decision

51. The tribunal determines that the Respondent has not breached Clause 3(9) of the Lease on the basis of insurance.

Reasons for the tribunal’s decision

52. The Applicant alleges that the use of the Property as an AirBnB “may” render the insurance void or voidable. The Applicant was in correspondence with the insurance broker about the issue, but has only provided an extract of their comments and a noted exclusion on the insurance policy for AirBnB uses. The tribunal finds no evidence that the insurance would be void due to AirBnB use or that the premium was increased.
53. The tribunal notes the Applicant’s assertion that the AirBnB use in the Cohen case was found to have affected the Landlord’s insurance, however,

the insurance policy would have been for a different year and the evidence relied upon in that case is not known.

54. Having found that the Respondent and her agent have not used the Property for or permitted it to be used for a use contrary to Clause 3(9), the tribunal also finds that the Respondent and her agent did not carry on, permit upon, do or suffer to be done at the Property something which may cause the Lessor's insurance to be void or voidable or increase the premium.

3) Unauthorised external attachment

The Applicant's case

55. Mr Avraamides submits that Clause 3(10) of the Lease [71] requires that the Lessee observes the regulations in the Sixth Schedule and the Respondent has breached Regulation ~~104~~ by affixing a key safe box to the exterior of the Property [82].
56. Mr Ruffy identified the middle box in a photograph of three key safe boxes [99] as having keys to the Property within it. During the process of the key boxes being removed, a regular cleaner for the Property arrived and was allowed to use the keys in the box. These were then returned to Mr Ruffy, but never subsequently collected.
57. Mr Avraamides confirmed that no consent was given to attach a key safe box to the exterior of the Property. A general notice to all leaseholders regarding unauthorised key safes was given on 20 November 2025 [137].
58. An invoice from Murray McCaw [138] sets out the cost of removal of key boxes at a cost of £600. Mr Avraamides confirmed that a total of four boxes were removed on 8 December 2025, none of which had consent.

The Respondent's case

59. Mr Patel confirmed that neither he nor Mrs Garry had seen the notice about the key boxes. Mrs Garry does not live in the Property so did not see it and the Landlord did not email it to them. If they had received the notice, they could have investigated.
60. Mr Patel confirmed he did ask the subtenant about the key box and they advised him that they did not install it. Mr Patel therefore does not know who installed it.

The tribunal's decision

61. The tribunal determines that the Respondent has not breached Clause 3(10)/Regulation ~~104~~ of the Sixth Schedule of the Lease on the unauthorised attachment.

Reasons for the tribunal's decision

62. The tribunal accepts the evidence of Mr Ruffy that a key box installed on the exterior of the Property contained a set of keys to the Property. No evidence was provided as to when this key box was installed or by whom.
63. The tribunal likewise accepts the evidence of Mr Patel that neither Mrs Garry nor he installed the key box.
64. The tribunal finds that neither the Respondent nor her agent installed the key box and the Respondent has therefore not breached Regulation 4 of the Sixth Schedule, not to place or affix articles of any description outside any window or any flat.

4) Unauthorised ParkingThe Applicant's case

65. Mr Avraamides submits that the Respondent has breached Regulation 12 of the Sixth Schedule by parking otherwise than in any allocated parking space separately demised [83].
66. Mr Ruffy gave evidence that the AirBnB guests staying at the Property used Bay 14, as well as other parking bays when Bay 14 was not available. When they used other bays, he had to get involved to sort out the issue of who could park where.
67. Mr Avraamides confirms that the Property has no demised space within the Lease. Parking bays are demised in separate agreements. Mr Avraamides understands that Mrs Garry believed she is entitled to park in Bay 14 but there is no written agreement.
68. When the Applicant purchased the freehold in 2006, there was considerable confusion about parking bays and which flats are entitled to use which bays. The solicitor who dealt with the original agreements has been struck off, therefore they have been unable to access the records from the time leases were originally granted.
69. The parking bays remain on the freehold title as unallocated, including Bay 14. When questioned by the tribunal, Mr Avraamides confirmed that

no other leaseholders have a claim to Bay 14. The Applicant uses unallocated parking bays (including Bay 14) for their own use, including their contractors and visitors.

70. At the time the Applicant purchased the freehold, a service charge was sent to Mrs Garry, which included charges for Bay 14. Mr Avraamides confirmed that the Applicant has continued invoicing Mrs Garry a service charge which refers to Parking Bay 14 in accordance with the way in which the developer had handed over the management of the Building. This has been ongoing since they bought the Building in 2006, but was stopped at the end of 2025 to preserve their position. The Respondent has been notified that the situation needs to be regularised.

The Respondent's case

71. Mr Patel confirmed that the Landlord has been invoicing Mrs Garry for ground rent and service charge which includes reference to Bay 14.
72. An invoice dated 1 January 2025 [386] covers the period 1 January 2025 to 30 June 2025 and includes the following charges:
- Sector 5 – Parking Reserve Fund – Parking Bay 14: £10.71
 - Sector 5 – Parking Service Charge – Parking Bay 14: £86.60
73. An invoice dated 1 July 2025 [389] covers the period 1 July 2025 to 31 December 2025 and includes the following charges:
- Sector 5 – Parking Reserve Fund – Parking Bay 14: £10.71
 - Sector 5 – Parking Service Charge – Parking Bay 14: £86.60
74. The AST granted to Smart Healthcare Recruitment Ltd includes the following:
5. *Subject to the provisions of this Agreement, the Tenant is entitled to the use of the following parking on of about the Property: Parking Bay 14.*
75. Mr Patel pointed out that Mr Ruffy often asks people to park in other bays in order to be helpful.

The tribunal's decision

76. The tribunal determines that the Respondent has not breached Clause 3(10)/Regulation 12 of the Sixth Schedule of the Lease on the grounds of unauthorised parking.

Reasons for the tribunal's decision

77. The Applicant has been sending invoices to the Respondent for reserve fund contributions and service charges in relation to Parking Bay 14 between 2006 and 2025. The tribunal finds that it was reasonable for the Respondent to assume that she had the right to use Parking Bay 14.
78. Accordingly, it was reasonable for the Respondent to specify the right to use Bay 14 in the AST granted for the Property. It is not surprising that a subtenant who has been told that they had the right to use Bay 14, would attempt to park in another bay if Bay 14 was in use (for example by the Lessor or their contractors or visitors).
79. The tribunal therefore finds that the Respondent has not breached Regulation 12 of the Sixth Schedule.

5) NuisanceThe Applicant's case

80. Mr Avraamides submitted that the use of the Property as an AirBnB also caused a breach of Clause 3(9) of the Lease on the basis of it being a nuisance, annoyance or inconvenience to the Lessor and other occupiers of the Building [70].
81. During the period the Property was used as an AirBnB (November 2025 to January 2026), it caused distraction and annoyance. This included AirBnB guests creating noise through car horns, dumping a gas cylinder in the basement and unauthorised parking.
82. Mr Ruffy gave evidence that he saw someone who was staying in the Property dumping a gas cylinder in the basement of the Building on the CCTV in January 2026. It was of concern as these are not domestic waste and need to be disposed of safely.
83. Mr Ruffy also gave evidence that other residents were concerned about intimidating men staying in the Property, who were dressed in hoods and masks.
84. The evidence submitted by the applicant includes a report to the Metropolitan Police [139-144] on 15 January 2026 about potential illegal activities on the Property. The report confirms the police will investigate and advise of the outcome. No further information about the outcome of that investigation was provided.

85. Mr Avraamides confirmed that the AirBnB usage caused him personally time, effort and annoyance. It also created unnecessary extra work for Mr Ruffy, in terms of completing the log of visitors and dealing with the issues such as parking.

The Respondent's case

86. The AST of the Property includes clauses concerning "care and use of property", which includes not to engage in any illegal trade or activity.
87. Mr Patel submitted that there was no evidence that the issues were caused solely by those using the Property. There is a pizza outlet and other retail units within the Building and these cause ongoing issues with car horns and parking.
88. Mr Patel submits that Mrs Garry pays a service charge of £5,000 per annum for the management of the building and managing such issues is part of what this pays for. Mr Ruffy is paid to deal with management issues and filling in a log is not a substantial amount of extra work.
89. Mr Patel confirmed that Evergreen Properties have been managing the Property on behalf of Mrs Garry since 2023. He has repeatedly asked the Applicant to contact him with regards to any management issues. The police report had not been brought to his attention until these proceedings. When he is informed about issues with the Property, he deals with them, but cannot do so if he is not alerted to them.

The tribunal's decision

90. The tribunal determines that the Respondent has not breached Clause 3(9) of the Lease on the basis of nuisance.

Reasons for the tribunal's decision

91. Whilst the tribunal understands that Mr Avraamides was personally annoyed by the situation, we were not convinced that the evidence supported acts by the Respondent to cause nuisance, annoyance or inconvenience anticipated in the Lease. No outcome to the police report was provided. The tribunal was also not convinced that writing a log of visitors or dealing with parking issues was sufficiently onerous or outside the usual management activities expected for the nature and size of the Building.
92. Furthermore, as per the decision at paragraph 42 above, the tribunal has found that the Respondent and her agent did not know about nor condone the use of the Property in the manner outlined. The Respondent therefore

did not carry on, permit upon, do or suffer to be done at the Property something which may be or become a nuisance annoyance or inconvenience to the Lessor or to the owners or occupiers of other parts of the Development.

6) Notification of Transfer

The Applicant's case

93. Clause 3(14) of the Lease requires that if the Lessee grants an underlease of the Property for a term exceeding 12 months, then the Lessor must be notified and a reasonable fee paid within one calendar month [70].
94. Mr Avraamides confirms that the Applicant became aware that the Respondent had granted an underlease for a period of 24 months more than a calendar month after it is dated. No fee has been paid.
95. The underlease [254] is granted in the name of Evergreen Properties, rather than Mrs Garry. The Applicant therefore questions whether they have the full picture of what has happened at the Property, for example whether there is a further lease between Mrs Garry and Evergreen Properties.
96. The Applicant notes that MX Estates have granted another tenancy to a sub-occupier, although that occupier is now moving out. The purpose of Clause 3(14) is that the Landlord knows who is occupying the Property, but they currently do not know that.

The Respondent's case

97. Mr Patel confirmed that the initial agreement with MX Estates for 24 months was an administrative error. He was not aware that they were not permitted to grant underleases for more than 12 months. Once the Applicant drew it to his attention, the original agreement was terminated by mutual agreement [354] and a new agreement for 12 months entered into [346].
98. Mr Patel confirmed that there is no lease between Mrs Garry and Evergreen Properties. They are her agent and it is easier to put their name on contracts so that all bills come directly to them.
99. The Respondent would be happy to pay the fee, but Mr Patel's experience is that the Applicant does not respond to e-mails, therefore it is challenging to sort these issues out. This is the reason the agreement was changed with MX Estates. The issue was rectified as soon as possible once they became aware of the problem.

The tribunal's decision

100. The tribunal determines that the Respondent has breached Clause 3(14) of the Lease.

Reasons for the tribunal's decision

101. Clause 3(14) of the Lease requires the Respondent to notify the Landlord when an underlease of over 12 months has been granted.
102. The tribunal finds that the Respondent's agent, having been duly authorised to do so by the Respondent, granted an underlease of the Property on 30 January 2026 for a period of 24 months and failed to notify the Landlord within one calendar month or pay the fee required under the Lease.
103. The tribunal notes the Respondent's Representatives evidence that this underlease has since been terminated and a 12 month contract granted. However, as per *GHM (Trustees) Limited v Glass (2008) LRX/153/2007*:

"The jurisdiction to determine whether a breach of covenant has occurred is that of the LVT. The question whether the breach has been remedied, so that the landlord has been occasioned no loss, is a question for the court in an action for forfeiture or damages for breach of covenant."

104. The tribunal therefore finds that the Respondent has breached Clause 3(14) of the Lease.

Name: Ms S Beckwith MRICS

Date: 13 July 2026
3 August 2026

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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 Tribunal at the regional office which has been dealing with the case.

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.

If the application is not made within the 28-day time limit, such application must include a request for 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.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. 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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).