

EXHIBITS

- NG1 Front door photograph [Nick Groves]**
- NG2 Presidential web site extract [attached]**
- NG3 Michael Bluston Witness Statement [attached]**
- NG4 Rosario Santos Witness Statement [attached]**
- NG5 Undated terms of conditions booking form of Presidential [attached]**
- NG6 Bundle containing schedules of apartments let at reduced rates from 1994 to 2003.**

**IN THE MATTER OF AN APPLICATION FOR A CERTIFICATE OF LAWFUL
USE OR DEVELOPMENT IN RESPECT OF 1 UNIVERSITY STREET
LONDON W1 (INCLUDING VICTORY HOUSE 163/170 TOTENHAM COURT
ROAD)**

**I, NICK GROVES a Senior Investment Manager for Derwent London PLC DO
SOLEMNLY AND SINCERELY DECLARE as follows:-**

1. I am a Senior Investment Manager for Derwent London PLC ("Derwent London"). Prior to that I worked as a Group Property Manager for London Merchant Securities plc which company merged with Derwent Valley PLC to form Derwent London PLC on 1st February 2007.
2. In my capacity working first for London Merchant Securities plc and then for Derwent London I have been familiar with the property at 1 University Street, London, W1 (including Victory House, 163/170 Tottenham Court Road) (the 5th and 6th Floors being the top two floors I will refer to as "Victory House") since June 1994.
3. Victory House has been used throughout that time as serviced apartments. I refer to the photograph of the street entrance door of Victory House as exhibit **NG1**. The signage on that entry door has been in place for as long as I can recall and clearly identifies the accommodation as service apartments. It was operated by a company called Presidential Estates (Mayfair) Limited under the business name Presidential Apartments up until the time they vacated at the end of their lease in February 2007. Presidential Apartments still operate serviced apartments elsewhere in the city as is demonstrated by the extract from the "Visit London Accommodation" web site page which I refer to as exhibit **NG2**.
4. I refer to exhibit **NG3** being a copy of a witness statement signed by Michael Bluston (the then managing director of Presidential Estates

(Mayfair) Limited in connection with a landlord and tenant dispute that was ongoing in 2002. In paragraph 2 of that statement he explains that he was involved in the management of 12 serviced apartments at Victory House and that he had been so involved for about the previous 20 years. In the following paragraphs he explains the layouts of the apartments. In paragraph 14, he explains that the apartments have linen and towels provided, maid service (daily on weekdays) colour TV direct line telephone and well equipped kitchenette.

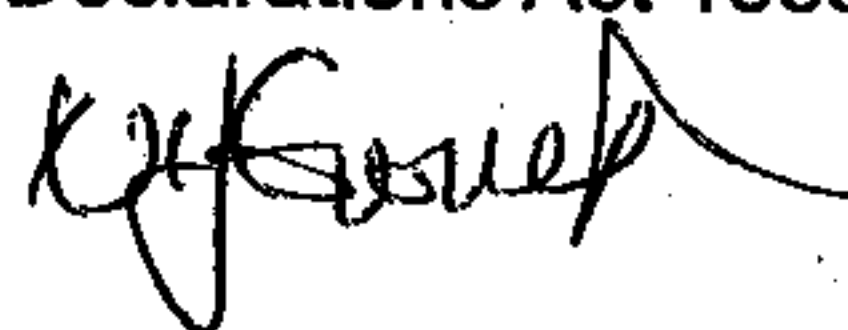
5. I next refer to exhibit **NG4** being a copy of a witness statement signed by Rosario Santos also in connection with Landlord and tenant proceedings in October 2003. In paragraph 6 Mr Santos refers to discussions with Presidential Apartments with a view to booking reservations for clients from about the late 1980's. In the later paragraphs he comments on the condition of the apartments.
6. I refer to exhibit **NG5** which is an undated terms of conditions of booking form for Presidential. This demonstrates that bookings are made for a set time and that reservations last from noon on the day of arrival to 10 am on the day of departure.
7. I now refer to exhibit **NG6** which is a bundle containing schedules of apartments at Victory House let at reduced rates for years starting with 1994 and through to 2003. The underlying invoices and booking forms show the period of stay for the guest concerned recorded. These vary between a few days and a few weeks.
8. To my knowledge Presidential Apartments continued to operate from Victory House until the termination of the lease since which time the Property has been vacant.
9. The actual address for the serviced apartments is (University Street "**Presidential House**").
10. It is clear from the evidence referred to in these exhibits that since at least 1994 and in all likelihood from at least the late 1980's that Victory House has been run as serviced apartments for visitors of generally short stay durations. This applications seeks to establish the use of Victory House as serviced apartments.

11. Over the period of my involvement with this property I have visited the premises from time to time. From my recollection of those inspections, the ground floor was manned by a receptionist (who I believe was our tenant's wife on a number of those occasions) who advised as to availability and took bookings. I also recall the presence of a laundry and room cleaning service, having seen trolleys in the corridors laden with towels and cleaning equipment. I also recall that a number of the apartments were vacant at the time of each inspection, but fully furnished for short term occupation. It therefore seemed clear to me at the time that the premises were being run as short term serviced apartments.

AND I MAKE this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835


DECLARED AT

**Davenport Lyons
30 Old Burlington Street
London, W1S 3NL**



This 6 day of September 2007

Before me


SAMANTHA GILGORN

Solicitor competent to
administer Oaths

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PremierTeam
MYLAR TABBED DIVIDER 1-10

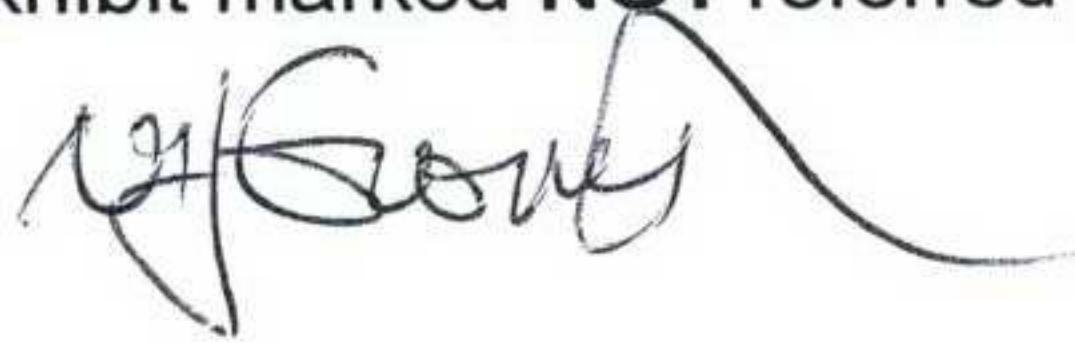


711011

Deponent: Nick Groves
Exhibits: NG1-NG6
Declared September 2007

**IN THE MATTER OF AN APPLICATION FOR A CERTIFICATE OF LAWFUL
USE OR DEVELOPMENT IN RESPECT OF 1 UNIVERSITY STREET
LONDON W1 (INCLUDING VICTORY HOUSE 163/170 TOTENHAM COURT
ROAD)**

This is the Exhibit marked **NG1** referred to in the Statutory Declaration of **NICK
GROVES**



Declared at

This day of September 2007

Before me,

Solicitor competent to
administer Oaths

PRESIDENTIAL HOUSE
1 UNIVERSITY ST

1
PRESIDENTIAL
HOUSE
SERVICE APARTMENTS
1 UNIVERSITY ST.
W.C.1

EXECUTIVE
SERVICE
APARTMENTS

PULL

1
PRESIDENTIAL
HOUSE
SERVICE APARTMENTS
1 UNIVERSITY ST.
W.C.1

WWW.
0845




**IN THE MATTER OF AN APPLICATION FOR A CERTIFICATE OF LAWFUL
USE OR DEVELOPMENT IN RESPECT OF 1 UNIVERSITY STREET
LONDON W1 (INCLUDING VICTORY HOUSE 163/170 TOTENHAM COURT
ROAD)**

This is the Exhibit marked **NG2** referred to in the Statutory Declaration of **NICK GROVES**

Declared at 
Davenport Lyons
30 Old Burlington Street
London, W1S 3NL

This **6** day of September 2007

Before me, 
JANANTHA GREGORY

Solicitor competent to
administer Oaths

**ACCOMMODATION**

We have 5 reviews for **Serviced apartments and Self-Catering** and **Fitzrovia & Marylebone**

LISTINGS

Page 1 (of 1)

Presidential Apartments

102 George Street London W1U 8NT

Tel: +44 (0)20 7388 1342

Reviewer says: "A modern 4 storey building comprising of studios and one bedroom apartments on the second and third floors served by an exclusive lift."

Scala House

21 Tottenham Street London W1T 2AW

Tel: +44 (0)20 7580 6644

Reviewer says: "Family-run, comfortable apartments, in the heart of London."

Lodgepark Luxury Apartments

62 Harley Street , LONDON , W1G 7HA

Tel: +44 (0)20 7436 9981

Reviewer says: "A home from home in heart of London's famous medical centre."

Ramsey Hall

14 Coach House La , London N5 1AW

Tel: +44 (0)20 7288 2444

Tustin Holiday Flats

Tustin Holiday Flats , London W1H 1QX

Tel: +44 (0)20 7723 9611

Reviewer says: "Fully furnished self-contained flats in central London, offering easy access to Oxford Street, places of interest and public transport."


[Back to Home](#)

**IN THE MATTER OF AN APPLICATION FOR A CERTIFICATE OF LAWFUL
USE OR DEVELOPMENT IN RESPECT OF 1 UNIVERSITY STREET
LONDON W1 (INCLUDING VICTORY HOUSE 163/170 TOTENHAM COURT
ROAD)**

This is the Exhibit marked NG3 referred to in the Statutory Declaration of **NICK GROVES**

Declared at 
Davenport Lyons
30 Old Burlington Street
London, W1S 3NL

This 6 day of September 2007

Before me, 
SAMANTHA GREGORY

**Solicitor competent to
administer Oaths**

No of Matter. CL152762 and CL152763

IN THE CENTRAL LONDON COUNTY COURT
IN THE MATTER OF THE LANDLORD AND TENANT ACT 1954
AND IN THE MATTER OF PART 163/170 TOTTENHAM COURT ROAD, LONDON WC1
AND IN THE MATTER OF ROOM AT THE TOP OF THE RAMP LEADING TO THE
BASEMENT OF THE BUILDING KNOWN AS NOS. 163/170 TOTTENHAM COURT
ROAD, LONDON WC1

BETWEEN:-

EDWIN OSCAR BLUSTON

Claimant

- and -

KENSINGTON COMMERCIAL PROPERTY INVESTMENTS LIMITED

Defendant

WITNESS STATEMENT OF MICHAEL JOHN BLUSTON

I Michael John Bluston of 62 Woolmead Avenue, London NW9 7AY Managing Director of Presidential Estates (Mayfair) Limited say as follows:

1. Pursuant to an Enduring Power of Attorney dated 30 April 1998, I together with my mother, Esther, and my brothers, Howard and Barry, were appointed attorneys on behalf of my father, Edwin Oscar Bluston, the Claimant herein.
2. Presidential Estates (Mayfair) Limited ("Presidential") manage on behalf of my father 12 serviced apartments located at 1 University Street. I have been personally involved in the management of these apartments for about the last 20 years.

3. Presidential also own and run 36 serviced apartments at 102 George Street, London W1.
4. The layout of the University Street premises is as follows. A foyer leads out to University Street. From the foyer, guests access their apartments by a lift to the fifth floor. There is also an emergency stairwell linking the apartments to the foyer. The offices located on the first two floors can also be accessed from the stairwell.
5. When one accesses the lift at fifth floor level, one is faced with a service area to the right. If one turns left, one comes to a corridor with six apartments accessed from either side.
6. The apartments comprise 1, 2 and 3 bedroomed flats. They are all duplex - and all have balconies on the upper parts.
7. Our customer base is varied - ranging from foreign students studying at London University, to the business community - to tourists and people visiting for medical care.
8. We have suffered water ingress from the roof and balconies since the middle 80's and have correspondence to this effect from 1984. The landlords were always informed and the remedial repairs that they instigated were rarely satisfactory.
9. We effected cosmetic repairs and decoration within the apartment and obtained quotes from Bulgar Wicks decorators. I intended to recoup such costs from the landlord's insurers - but deferred from carrying out the work since it was "a moving target" and there seemed little point until the underlying problems with the roof were addressed.
10. Towards the latter part of 2000, the landlords finally started making arrangements for the repair to the roof.
11. I can't recall exactly when the works to the roof commenced but rather than improve the position, the leaks if anything got worse. This is the subject of prolonged correspondence between me and the landlord's agents during the course of the year.

12. Whilst I do not want to tempt fate -- it has only been in the last month or so that the leaks would appear to have finally come to a stop.
13. I now turn to the landlord's dilapidations schedule. Our landlords are of course objecting to the renewal of our lease due to the dilapidations items contained within their two schedules.
14. The apartments are laid out to "category C" standard. As serviced apartments, this means that they have linen and towels included, maid service (daily on weekdays), colour TV, direct line telephone, well-equipped kitchenette, two toilets (with the exception of the smallest two apartments).
15. We tend to refurbish the flats on a seven-year cycle, and the last time the apartments were decorated was about six to seven years ago. They are accordingly now tired. The decorations are dingy, some of the cupboards require attention, some wall tiles are broken etc. The landlord's surveyor has gone to great trouble detailing such disrepair in his schedules.
16. It has for as long as I can remember been our intention to upgrade the apartments from category C to category B standards, when the lease was renewed. This is still our intention. I have accordingly instructed Clarke & Sons Limited, Builders, who we are well familiar with, to prepare a costed schedule of works, which should be produced very shortly. I have instructed Clarke & Sons to incorporate the dilapidations into the schedule insofar as appropriate (for instance, removal of tenant's fixtures/partitioning, which obligation is only triggered by our quitting the premises will be omitted as will items which will be rendered obsolete by the refurbishment. Where we fail to comply with the current statutory requirements, this would be made good.
17. I have previously promised under pressure from the landlords to carry out the dilapidation items forthwith. However, on reflection, there really is little point carrying out the dilapidations in isolation since most of the repairs would be subsequently rendered valueless by the subsequent refurbishment.

18. I would also be most loathe to commit ourselves to substantial works over and above the disrepair items, before a new lease has been completed since if for instance the rent or the term of the new lease ordered by the Court was unsatisfactory to us, we might not want to take on such commitment. We would then have spent substantial sums on the refurbishment to no benefit.
19. I would expect that by the time of the June hearing, detailed plans would have been drawn up and agreed. I have already been approached by three different parties interested in investing in Presidential - and prepared to fund the refurbishment in exchange for a shareholding in Presidential. Alternatively we could fund the refurbishment from family trust monies and/or some degree of borrowing.
20. I would accordingly be willing to submit to a term in the new lease requiring us to carry out the refurbishment works (including dilapidation works) within a stated period of time. It is planned in this regard that the works be phased - so that no more than four apartments maximum are out of commission at any one time.

I believe that the facts stated in this witness statement are true.

Signed:



Name:

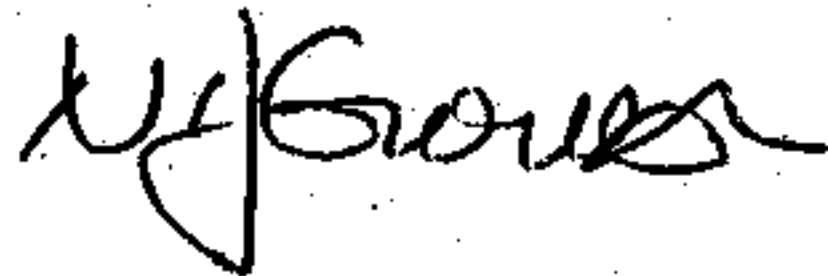
Michael John Bluston

Dated:

1st day of May 2002

**IN THE MATTER OF AN APPLICATION FOR A CERTIFICATE OF LAWFUL
USE OR DEVELOPMENT IN RESPECT OF 1 UNIVERSITY STREET
LONDON W1 (INCLUDING VICTORY HOUSE 163/170 TOTENHAM COURT
ROAD)**

This is the Exhibit marked NG4 referred to in the Statutory Declaration of **NICK GROVES**

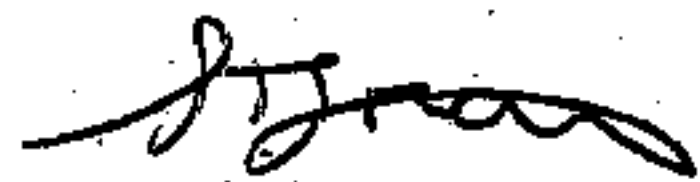


Declared at

**Davenport Lyons
30 Old Burlington Street
London, W1S 3NL**

This **6** day of September 2007

Before me,



SAMANTHA GRAHAM

**Solicitor competent to
administer Oaths**

IN THE CENTRAL LONDON
COUNTY COURT

Claim No CL204626

B E T W E E N:

KENSINGTON COMMERCIAL PROPERTY
INVESTMENTS LIMITED

Claimant

-and-

EDWIN OSCAR BLUSTON

Defendant

WITNESS STATEMENT OF ROSARIO SANTOS

I, ROSARIO SANTOS of 109 Westbourne Grove, London W2 4UW WILL SAY as follows:-

1. I am the Incoming Reservation Manager for Abreu Travel Agency Limited ("Abreu").
2. I have been employed by Abreu for nearly twenty-four years and have been manager of my department for the last fourteen years. My role predominantly consists of dealing with all Abreu's incoming bookings for reservations in the United Kingdom.
3. Abreu deal with clients predominantly from Portugal and Brazil and we have in total eighty offices based in Portugal, Brazil, New York, Spain and the United Kingdom.

4. All reservations into the UK are dealt with either by myself or my assistant.
5. Abreu have a number of hotels and serviced apartments to which we refer clients to and therefore, our clients have a wealth of accommodation to choose from. The hotels comprise of, amongst others, the Thistle Group, the Hilton Group, Millennium Hotels, Britannia Hotels and the Inter-continental Group. We also have a relationship with many serviced apartments around London ranging from small family run businesses to larger apartments.
6. On or about the late 1980's I recall that Abreu began entering into discussions with Mr. and Mrs. Bluston of Presidential Apartments with a view to booking reservations for guests into their service departments at 102 George Street and 1 University Street, London.
7. I recall meeting with Mrs. Bluston at 1 University Street shortly afterwards in order for me to assess the type of accommodation being offered. The accommodation comprised twelve duplex apartments consisting of one, two and three bedroom maisonettes. My opinion of the apartments was that they were generally satisfactory, although I recall finding their décor and overall condition to be rather plain, dark and uninspiring. I, therefore, told my colleagues in our other branches throughout the world that the standard of accommodation was no more than two/three star and that they should advise clients not to expect too much from them.

8. I recall that the condition of the accommodation being offered at George Street was slightly better than that at University Street, coupled with the fact that it was closer to London's main shopping areas such as Oxford Street. Furthermore, the apartments on offer at George Street were predominantly smaller than those at University Street which would suit our clientele more favourably.
9. The main reason why we would refer our clients to 1 University Street was due its close proximity to University College Hospital. Should any of our clients be required to travel to the UK to attend this hospital, then this apartment was very conveniently located. In general, those clients who were not attending this hospital, preferred to be located more centrally in London and therefore, as reservation manager, I did not see that this apartment would be suitable. I believe that the last booking that I made for clients at University Street was approximately three to four years ago.
10. There were, of course, other reasons why I did not recommend that our clients stay at University Street. Whilst I found the Blustons to be very nice people they were not prepared to enter into a contract with us enabling us to offer acceptable discounts to our clients. All we received for recommending clients to University Street was a 10% commission.
11. In general our Portuguese clients have a lower standard of living than residents in the United Kingdom. This, coupled with what I believe to be rather expensive rates for the type of accommodation being offered, was enough to

convince me that I could find better accommodation for my clients elsewhere. Furthermore, Presidential Estates insisted that payment was made in advance whereas Abreu's policy is to be invoiced at the end of a guest's stay. Should a client specifically request to stay at University Street then I am more than happy to make the reservation for them although I do not specifically recommend the apartments to my clients. I would certainly make it clear to my clients that the standard of accommodation is only satisfactory.

12. I understand that Mr. Bluston has stated that Abreu refuse to refer clients to University Street due to water ingress problems. This is most certainly not the case. I have never been aware of any such problems and have certainly never received any complaints about this from any of my clients. In the twenty four years that I have been with Abreu I have only referred very few clients to these apartments. I would estimate that this would be no more than 150 to 200 clients in total.

STATEMENT OF TRUTH

I believe that the facts and matters set out in this witness statement are true.

Signed..........

Rosario Santos

Dated...14 OCT 03.....

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ROAD)**

This is the Exhibit marked **NG5** referred to in the Statutory Declaration of **NICK GROVES**



Declared at

**Davenport Lyons
30 Old Burlington Street
London, W1S 3NL**

This 6 day of September 2007



Before me, **SAMANTHA GREGORY**

**Solicitor competent to
administer Oaths**

PRESIDENTIAL ESTATES (MAYFAIR) LIMITED

Executive Service apartments at:

102 GEORGE STREET
LONDON, W1H 5RJ

1 UNIVERSITY STREET
LONDON, WC1E 6JE

Fax: 01-487 3624

TELEPHONE: 01-388 1342
(24hr. Personal Answering Service)

Telex: 8952387/1426

1. RESERVATIONS are only confirmed by issue of our **official** Booking Form, on receipt of a minimum of one week's payment. (See 6 below)
The whole of the balance due for the period booked must be paid 28 days before arrival, **OR IF ON ARRIVAL, in cash or travellers cheques only.**
We regret open ended bookings cannot be accepted.
Firm dates of arrival and departure must be stated and will be incorporated on the Booking Form.
While every endeavour will be made to accommodate guests desiring to extend their stay, no guarantee can be given.
2. CANCELLATIONS. If notice of cancellation is received 30 days before commencement of stay, the deposit will be refunded in full. If received 15 or more days before, 50% will be refunded. **Where less than 15 days' notice is given, no refund can be made.**
(Note: Deposit cancellations are normally covered by holiday insurance, where adequate reasons are given and would be reimbursed by your Insurance Company.)
3. RESERVATIONS commence at Noon on the day of arrival and terminate at 10 a.m. on the day of departure. Additional hours (if available) will be charged on a complete day basis.
4. **THE Management cannot be held responsible for loss or damage to guests personal effects or luggage, howsoever caused. Guests should ensure their Travel Insurance covers all such risks.**
5. IN certain cases, the Management reserves the right to ask for a Bond against damage or breakages. This would normally be refunded on the day of departure, after inspection of the apartment.
6. Please ensure, if sending foreign cheques, that clearance can be effected through a London Clearing House. (If in doubt, consult your Bank Cashier).

PRESIDENTIAL ESTATES (MAYFAIR) LTD.

RESERVATION REQUEST for GEORGE STREETPlease reserve the following accommodation at **102 George Street, W.1**

PERIOD REQUIRED	FROM (Day of arrival)	TO (Day of departure)

(All calculations based on NIGHTS stayed)

It is essential to advise us of your Flight Number OR Estimated Time of Arrival	
---	--

DETAILS (Please list ALL persons who will be residing)				
SURNAME	INITIALS	MR, MRS, MISS or TITLE	AGE (If under 18 or over 70).	HOME ADDRESS

TYPE OF APARTMENT (see CODE below)		DEPOSIT ENCLOSED (one week minimum) £
---------------------------------------	--	--

NOTE: ONE additional person can be accommodated (only in one bedroom apartments) at

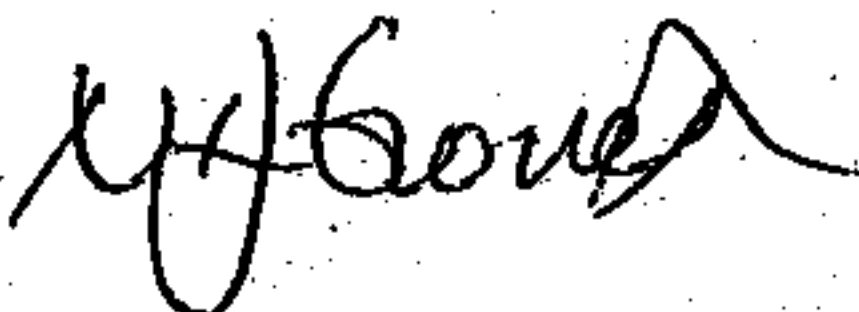
APARTMENTS		CODE	INCLUSIVE TERMS* (£ Sterling)			
			1st Nov. '90 to 30th April '91		1st May '91 to 31st Oct. '91	
			Weekly Rate	Extra Nights	Weekly Rate	Extra Nights
Studio	Twin bed/lounge diner (2 persons)	S/S	330	50	420	60
Studio	Double bed/lounge diner (2 persons)	S/D	330	50	420	60
Studio	Three bed/lounge diner (SPECIAL) (3 persons)	L/S	420	60	530	75
One bedroom	Separate twin bedroom (2 persons)	1B	445	65	550	80
One bedroom	Separate twin bedroom (SPECIAL) (2 persons)	1B/S	490	70	595	85

YOUR ATTENTION IS DRAWN TO THE TERMS AND CONDITIONS OVERLEAF

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ROAD)**


This is the Exhibit marked **NG6** referred to in the Statutory Declaration of **NICK GROVES**

Declared at


**Davenport Lyons
30 Old Burlington Street
London, W1S 3NL**

This **6** day of September 2007

Before me,


SAMANTHA GREGORY

**Solicitor competent to
administer Oaths**

[illegible]