

BARON ESTATES MANAGEMENT LTD

Baron Hall, Horsham Road,
Pease Pottage, West Sussex RH11 9AW
Telephone: (01293) 616111 Fax: (01293) 615111

Our ref: WGB/BEML/PC

The leaseholder
Pavilion Court
Marine Terrace
Folkestone
Kent

5 April 1995

Dear leaseholder

We herewith enclose our Application for Payment for the next six months period commencing 25 March 1995:

Annual Maintenance (as per estimate)	384.85
Non-annual charge	<u>173.27</u>
Total charge per leaseholder	558.12

As you are aware, we are committed to reduce the annual maintenance charge wherever possible but it presently remains high as a result of many years of neglect on a building which was initially badly constructed, and because of abuse recently inflicted by some tenants/visitors. Unfortunately this means more expenditure now to halt the deterioration in the property and prevent the flat values falling even further.

With reference to the non-annual works, we are pleased to report that we have now completed the damp eradication except for the water penetration on the roof, and we propose to commence treatment of this problem at the end of the year. In the meantime, we shall be introducing additional fire safety measures as demanded by the insurance company, and be installing improved security. We are determined to make Pavilion Court a safer and more secure place for tenants to live in, and we hope at the same time, improve the reputation of the property, thereby attracting a certain clientele.

The non-annual charge is for the following works:-

Emergency lighting	3000
Fire Alarm	2000
Fire Claim -'insurance excess' paid by freeholder	5000
New Door Entry System*	4500
Security Video Cameras	<u>3000</u>
	<u>£17500</u> ÷ 101 = 173.27

**note: the anticipated expenditure for this item is £7000 but £2500 has already been allowed for in the annual budget.*

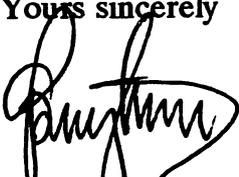
continued ...

We propose to implement all the safety and security measures from April and therefore will require prompt payment. If you have a problem, please contact us, otherwise you will automatically incur penalty charges. We are no longer prepared to tolerate a situation as last year when Baron subsidized Pavilion Court Ltd because of late payments.

Finally, we take this opportunity to reiterate our concern on the subject of subletting (refer to the copy of the AGM minutes enclosed). There is obviously an element of undesirable tenants still in Pavilion Court, and we are therefore presently drafting guidelines for leaseholders with the objective of having them approved by the summer. In the meantime, we must insist in the interests of safety, that all leaseholders who are subletting their flats, provide this office with the name(s) of occupying tenants. These should be updated when tenants change. In this respect we attach record slips which we ask you to complete as necessary and return to the above address.

Thanking you in anticipation of your co-operation.

Yours sincerely



W G Broughton

encs.