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Our Ref: DFH/jo

24 January 2008

For the attention of E Changeat

Contract Services (R&R) Ltd.
Lombardian House
134 Liverpool Road
Cadishead
Manchester
M44 5DD

RECEIVED
26 FEB 2008

By E-mail & Post

Dear Sir

196 DEANSGATE, MANCHESTER – LETTER OF INTENT
Refurbishment of Main Reception, Common Areas, 3rd, 4th & 5th Offices & Toilet Facilities together with External Repairs ("the Works")

On behalf of our client, MK Manchester Ltd. c/o Kenmore Property Group, we write to confirm that subject to contract it is their intention to enter a contract with you for the proposed internal and external refurbishment works at the above property.

The works are to be carried out in accordance with your returned priced Specification and Schedule of Works dated 7th November 2007 together with the contract drawings referred to therein in the sum in the sum of which following the Value Engineering meetings has been reduced down to . I attach a full breakdown of your revised tender.

MK Manchester Limited undertake to pay you for all services, work, goods and materials provided by you pursuant to this letter up to the sum of ("Maximum Amount"). The amount payable for such services, work, goods and materials shall be calculated, so far as appropriate, in accordance with the Specification document and your tender submission.

In the event that MK Manchester Ltd. enter into a contract ("the Building Contract") with you for the carrying out of the works described in the Specification, all and any obligations on their part to make payments under this letter shall determine and any payments made shall be treated as payments on account pursuant to the Building Contract. The Building Contract shall be in the form annexed to the Specification *[or as appropriate].* As and when completed, the Building Contract shall supercede this letter and shall govern the work undertaken pursuant to this Letter.

You shall not be required to provide services, work, goods or materials exceeding in value the Maximum Amount, and if that limit is reached before we agree in writing to increase it, you shall be entitled to demobilise and to vacate the Site and we shall be liable to you for your reasonable demobilisation costs and any cancellation costs for orders placed for materials or services under this letter of intent thus incurred.

(Continued...)

RICS

ISO 9001 Registered Firm
Certificate Number GB 13498

A Limited Liability Partnership
Registered in England and Wales LLP Number OC308357
VAT Number 844 5907 03

Designated Members
Gareth Buckley
Michael C Hawkins
Michael T Rooney
J Mark Williams

Members
Simon G Hampson
Dominic F Horridge
Daniel D Crossley
Gary D Scoran

Gary J Chapman
Geraint Parry
Simon Matley
Will Lewis

We shall be entitled to require you to stop all work under this letter and to leave the Site by written notice served on you at any time and you agree to leave the Site within five days of such notice or such longer periods as the notice may specify. The Site shall be left in a safe, clean and tidy condition. Our liability for such cost incurred by you after service of such notice shall be limited to demobilisation costs and any cancellation costs for orders placed for materials or services under this letter of intent incurred in consequence of service of such notice. For clarity, such demobilisation costs are in additional to any sum that becomes due and owing pursuant to the priced Specification and Schedule of Work, but you shall not be permitted to any compensation and/or damages whatsoever whether for loss of profit or otherwise.

MK Manchester Ltd. shall be under no obligation to you to proceed with the Works or to procure your appointment as Main Contractor for the Works. Their sole financial obligation to you shall be in the sum of

In the event of a dispute arising between MK Manchester Ltd. and Contract Services (R&R) Ltd. then your appointment as Main Contractor (meaning the execution of an agreement appointing you as main contractor) such dispute shall be dealt with in accordance with the terms of the Building Contract stated in the Specification.

Any of the Contract Works executed by you under any other Letter of Intent issued by us in respect of the works shall be deemed to have been executed under this Letter of Intent.

This letter shall be governed by English Law and the English Courts shall have jurisdiction with regard to all matters arising from it.

The conditions of this letter are:

(a)

(i) that within 2 days of the date of this letter and before you enter the Site you must sign and deliver to us a copy of this letter, to signify your acceptance of its terms; and

(ii) that within 2 days of the date of this letter and before you enter the Site, you must provide written evidence that you have personal injury and death and insurance for third party claims for property damage, employer's liability insurance and details of the insurance you have taken out for the works the insurances and obtain our written confirmation that the terms of such insurance are satisfactory.

(iii) Provide copies of your CIS Tax details.

(b) If any of the conditions above are not satisfied, this letter shall be of no effect.

By signing and returning one copy of this letter to us, you shall agree to indemnify us against all loss or liability due to death or personal injury or damage to real or personal property (including the Site and the Works) arising out of or in connection with or by reason of the execution of the Letter of Intent Works pursuant to this letter save to the extent that such loss or liability is due to any act or neglect of ourselves or of our agents.

(Continued...)

We look forward to receiving your acceptance of the above together with confirmation of your earliest on site date. Please forward all correspondence for the attention of Mr D F Horridge at the above office.

Yours faithfully

WHR PROPERTY CONSULTANTS LLP

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For and on behalf of **MK Manchester Ltd.**

We a to proceed accordingly.

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for and on behalf of **Contract Services (R&R) Ltd.**