

Lytham St Annes
FY8 5PN

CLIFTON HOUSING

The Clifton (Lytham) Housing Association Ltd

December 4. 2009

Dear

The Clifton (Lytham) Housing Association has been the landlord of the bungalows at Melton Grove for approximately 50 years and, as you will appreciate, has made every effort to ensure that they are in good condition and are let to people from the local area who may otherwise have difficulty in finding such accommodation in the private sector.

Much has changed since the 1950's when the properties were first built and the task of managing the upkeep and letting of the properties is fast becoming something which requires specialist knowledge and experience. The current management Board of the Association is finding it harder and harder to keep pace with all the changing rules and regulations associated with owning and managing the Melton Grove properties.

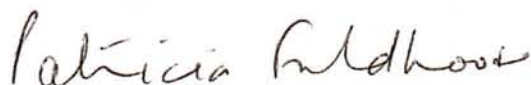
For these reasons the Board is proposing to appoint specialist surveyors and advisors to assist us in identifying the best options for the future management of the bungalows. This exercise is likely to take place during the next few weeks and you may either receive a call directly from a surveyor or see someone on the site inspecting the properties. Anyone undertaking this work will carry relevant authorization and identification.

Any future changes that may be considered will not affect your legal rights under your tenancy arrangements. We will seek to ensure that the welfare and wellbeing of tenants is paramount in any discussions we have with any potential partners or new owners. We would also want to establish that any party who expresses an interest in the future management of the bungalows is able to provide clear evidence of their current and ongoing commitment to this policy.

At this stage no decisions have been made about the Board's future proposals and we would very much welcome any comments you may have about the thoughts outlined above. You can let us have your comments in writing by using the enclosed pre-addressed and pre-paid envelope.

I look forward to hearing from you.

Yours sincerely,



Chairman of the Board