



30 June 2021

BY E-MAIL

Dear Purchaser

OTTO APARTMENTS, 260 WAKEFIELD STREET, WELLINGTON

We are pleased to update you on the development of your new OTTO apartment.

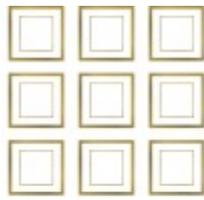
Since our last report;

- We have lodged our MBIE application and expect to have lodged our building consent application by the end of July. We are still awaiting consent to demolish the building.
- Work has commenced on finalising configuration of the ground floor so we are on track to have it finalised by the end of September 2021 as previously indicated. We will then contact those of you who have expressed an interest in acquiring or renting car parks.
- As previously reported the project is now completely SOLD OUT. However, we are assisting Chris Parkin to sell 4 of the apartments he acquired as part of our land purchase transaction. Chris wants to test the on-sell market for our oTTo apartments and has listed his level 1 studio apartments with Tommy's for over \$600,000 each, which is about a 25% premium to their original list price.
- As part of our quality assurance programme we have ordered a prototype module (apartment 112) to be built and delivered to us. We are finalising design details with the Yahgee production team and expect construction to commence prior to the end of July.

Helena Gill from Tommys came across the following time lapse video showing a ten story apartment being constructed out of modules in China.

<https://www.cnn.com/videos/business/2021/06/16/10-story-building-constructed-in-one-day-orig.cnn-business>

We are not expecting to achieve the same efficiencies. Our September 2022 target delivery date assumes installation of the modules and completion of the apartment building will take months and not a few days as was the case with this project in China.



Yours sincerely

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