

Hi fellow owners,

Over the past few weeks we have achieved a few more important project milestones which include:

- Partitioning the site to enable owners to commence renovations;
- Approving our first owners renovations to commence;
- Completing the stacks works across all apartments; and
- Reducing the construction costs for SP2B by \$1,000,000 through obtaining competitive quotes on trades to Point Built pricing, less preliminary costs and an aligned contract model with a fixed fee for service model with BLH versus builder's margin % on works (to disincentive any cost variations)

Please find attached the following update in relation to the Skyye Tamarama Development

1. Loan from Lannock

The interest rate on the loan from Lannock has now increased to 9.55% from Friday 5th September 2022 and the outstanding loan balance is \$63.2m.

From the special levies paid by owners we have been able to pay down \$6.58m of the loan. As agreed at the Owners General Meeting held on Thursday 16th June 2022, any owner who has not paid the special levy by Friday 29th July 2022 will continue to accrue interest on their special levy, equivalent to that on the loan from Lannock. As noted above the interest rate on the Lannock loan is currently 9.55%, which is well in excess of the interest rate owners would pay if they took out their loan to fund the special levy.

Should you wish to understand what the balance of your outstanding special levy is please contact Milly Cavaleri via email on millysp1731@gmail.com including your apartment number in the email and Milly will provide you with the details.

As discussed previously, when we sell the penthouses, in addition to the repayment of the loan we will also need to repay:

1. \$375,000 loan establishment fee which was not paid in July 2021 when we set up the last loan facility.
2. Unpaid line fees - currently approx. \$1.2m. We have not paid any line fees since December 2020 and these have been accruing on the Balance Sheet. Each month we will continue to accrue a line fee of approx. 1.1% and therefore an additional \$60k per month will accrue until we sell the Penthouses and pay down the loan facility.

2. Agenda for the upcoming EGM on Tuesday 18th October

At this meeting the following is a summary of the agenda

1. Introduction
2. Motions
3. Update on owners renovations process
4. Update on costs to complete the project
5. Update on special levy interest payments
6. Update on AGM

3. Confirmation of the process for owners to renovate

On Tuesday 4th October we held our first strata meeting to approve owners renovations. The owners whose renovations were reviewed will receive an email shortly clarifying what

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if, any steps are required to obtain approval. We have drafted an owners works application form to help owners submit their renovation requests in a standardised form.

For the owners that have already submitted their renovations we will not make you complete the whole form but sign the Annexure A & B.

A few tips for owners yet to submit their renovations to ensure they include:

- Proof of compliant acoustic solution;
- Structural certification, if appropriate;
- Hydraulic certification, if appropriate; and
- An estimation of the time to complete

Once you have approval, as per the Skye Reno Checklist attached the next step is for your builders to register with Veyor, our digital logistics system, using the attached QR Code or [Veyor Registration Link](#). We would ask that you sign up to this at least 72 hours in advance of visiting site. Safety inductions can be completed on site on the day of access or prior to work commencing by using the Veyor system.

Please ensure your builders have clearly read the Skye Reno Checklist and adhere to all the protocols as it has taken significant negotiation with Point Built to partition the site and allow joint access.