

THE
HUGO

205-207 BALLARAT RD FOOTSCRAY VIC 3011

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Project Status Update

Issue 11

Positivity

We understand that the last few months have been a tumultuous time for our fine purchasers due to the lack of updates and progress on-site. We write to inform you all, of a key decision that we have taken to get the project moving towards Practical Completion. This comprehensive update is an elaboration on the last interim update which was limited in nature due to legal obligations.

Over past several months we have made several efforts with our existing construction contractors to re-negotiate and re-initiate the program of works with more conducive terms, these exertions have broken down and disputes have arisen as a result. The existing relationship was deemed untenable and beyond redemption given the nature of the circumstances and the lack of conducive attitude displayed by the contractors. In the interest of the project we have made a difficult, yet decisive decision of severing ties with the incumbent construction contractor. A Notice of Termination was issued on the 10th of October formally to the construction contractors to end the contract.

In the spirit of transparency and ethical conduct, we regretfully state that the process of eradicating an incumbent construction contractor is albeit a drawn out and legally intense one which we have endured and has taken considerable time. The process of appointing a new capable contractor is one that requires careful cautious consideration. It takes additional effort and time to:

- Re-evaluate the construction quality and compliance with building regulation and to identify any latent defects related to the incumbent construction contractor's on the works completed to date
- Evaluate the existing construction program to achieve Practical Completion within timely and in an expeditious manner
- Re-negotiate & re-energize the existing core sub-contractors' services trades and begin re-engagement on-site i.e. Fire, Electrical, Plumbers, Steelworks etc. This is critical to preserve the warranties for the completed works
- Establish the state of the vendors and suppliers of any unlet trade packages and get them initiated with new construction contractors at reasonable costs
- Deal with the contractual and legal aspect of the transition from the outgoing contractor's and the introduction of the new contractors which is complicated to state the least

In stating the above, we are deep negotiation process with the new contractors performing due diligence over the upcoming weeks. We stand to commence early engagement with the new construction contractors and consultants from early next week to speed up the process and gain momentum.

Irrespective of the above stated challenges we are fully committed to the delivery of the project and determined to overcome these issues progressively and rapidly. We are thankful for the patience exhibited by our clients and request for some additional patience while we work through getting momentum established on-site while preserving the promised quality.

We will start providing more timely updates as the project reshapes for delivery and completion.

Regards | Respects | Fraz Tanvir

ANOTHER PROJECT BY US

FAYMUS

FOOTSCRAY
REIMAGINED