

PROGRESS REPORT FOR IVORY TOWER LIMITED

Introduction and Background

This progress report is related to the project of Ivor Tower Limited situated at Plot No. 119 Msasani Beach Area, Kinondoni Municipality, Dar es Salaam, Tanzania.

The company sometime in September 2012 made an application for a Certificate of Incentives to establish a project for commercial space and apartments for sale. As per the company's investment proposal, an amount of United States Dollars Forty-One Million (USD 41,000,000) was to be invested in the establishment of a commercial building comprising of a shopping mall, offices and residential apartments. The Project was to be famously known as ***Palm Village Shopping Mall and Residency***.

Upon acquiring the Certificate of Incentives from TIC the company has managed to commence construction of the project of which a large part of the construction is almost completed.

Below is a brief on the company's progress Report for the last six months and the planned activities for the coming years.

1. Planned activities for the next period

The company is embarking on finishing up construction of the remaining portion of the project. The company aims to complete the construction of the project as soon as possible so as to be able to provide its customers with high quality and sophisticated homes.

It is apparent that ivory tower limited intends to set the pace for Real Estate Developers in construction of residential houses that are suitable for Tanzanians. The company would do this by constructing elegant houses with good quality that will be suitable for all Tanzanians.

2. Achievements on the project's implementation to-date:

The company has managed to construct a shopping mall which has been fully operational. Moreover, the company has constructed apartment complex with over 200 apartments which have been sold and leased out and over 40 shops within the shopping mall which have all been leased out. However, it has not acquired a Certificate of Unit title for any of the units since it was initially registered as a Foreign company.

Currently the company has made changes on its shareholding structure by adding a majority shareholder who is a local, hence making the company to be recognized as a local company therefore eligible to own land in Tanzania. By these changes the company will be able to create certificate of Unit titles for all units constructed within the property.

The company has also been able to cooperate and partner with various Tanzania Banks to provide mortgages to people who wish to buy apartments from the company. This way the customers are able to buy apartments without the pressure of having the full purchase price for the apartments they wish to buy.

3. Updated information of the company.

1. Shareholders

Name	Nationality	Shareholding (%)
<i>Huang Zaisheng</i>	<i>Chinese</i>	<i>19%</i>
<i>Zhang Hong</i>	<i>Chinese</i>	<i>30%</i>
<i>Zhu Jin Feng</i>	<i>Tanzania</i>	<i>51%</i>

2. Company communication information.

Email address: wuwenbin6023@foxmail.com

Mobile Number: +255715999085

Telephone Number: +255715999085

Physical address: Plot number 119, Msasani Beach Area, Kinondoni District, Dar es Salaam.

3. Contact person

Wu Wen Bin

Finance Manager

Email: wuwenbin6023@foxmail.com

Mobile number: +255715999085

4. Certificate of Incorporation number: 91535

5. TIN certificate number: 117-669-874

6. Project objective: to construct a shopping mall and apartments for sale

7. Project capacity: project contains more than 200 units/apartments for sale.

8. Direct employment; Foreign man 1, foreign women 1, local men 7, local women 7.

4. Projects Financing Expenditure to date:

Item	Foreign	Local	Total
Equity	USD 20,400,000	NIL	USD 20,400,000
Loans	USD 11,000,000	USD 10,000,000	USD 21,000,000
GRAND TOTAL	USD 31,400,000	USD 10,000,000	USD 41,400,000

5. Project Financing

The project is being financed mainly by way of shareholder's loan and equity.

The company has so far used foreign equity from the shareholders amounting to **USD 41,000,000**

6. Problems and Solutions

The company is currently facing problems in respect to creation of unit titles for the units that have been completed and are ready to be sold and some which are already sold. This challenge is because the company was initially registered as a foreign company therefore it did not possess a Certificate of title which could be used to create Certificate of Unit Titles for individual units. However, currently the company has been localized and it has sought guidance from the

Commissioner of lands as well as TIC so as to be able to get its own Certificate of Title which could be used to create Certificate of Unit Titles.

The absence of Certificate of Unit Titles has caused the company to lose many clients who were interested to buy apartments, because many clients become unsure of how secure their ownership status will be if there are no titles for the property they wish to buy.

7. Future Plans

The company's future plans are basically in the form of expansion of the investment portfolio to other parts of Tanzania so that the company's products are distributed across the country.

Having effectively studied this market, the company is confident that they have laid down strategies which will enable us to be able to compete favorably with other real estate companies in Tanzania. Besides civil and build works, the company intends to offer other services that will give us an edge over our competitors and attract customers to us.

ANNEXURES

Sample photostat pictures of the developments on the land.









