

MEDIA RELEASE

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RESOURCE CONSENT ACHIEVED FOR METLIFECARE RED BEACH VILLAGE

Metlifecare Limited today announced it has been granted a resource consent for the development of a new retirement village on its five hectare site at Red Beach, on Auckland's Hibiscus Coast. Chief Executive Glen Sowry said the new village would be different to anything Metlifecare has done before.

"After our original resource consent application was declined in November 2016, we took the opportunity to start again with some bold ideas about how we will meet the needs and expectations of our next generation of residents while also becoming an integral part of the local community."

"We believe the new design, which we have developed in collaboration with local residents and Council, represents a whole new approach to retirement living and aged-care support. We have created an urban neighbourhood precinct which combines all the benefits of a fit-for-purpose retirement village within a wider community environment that promotes and enables inter-generational and social integration, both of which we believe will become increasingly important to residents in the future."

Mr Sowry said the new village will comprise around 320 units and beds, providing the full continuum of independent living and care apartment options including villas, manor houses, apartments and hospital-level care. "The flat site has given us some real flexibility in our building configuration, with all parts of the village easily accessible for older residents while merging seamlessly with the surrounding neighbourhood," he said.

The total investment over the life of the project is expected to be in excess of \$200 million, and Mr Sowry confirmed the revised village design would comfortably meet Metlifecare's investment criteria and margin thresholds. "While the revised scheme is less intensive, we are confident this retirement village concept will be well received by the community and adds significant value to the company. Our modelling indicates that each completed unit will add approximately 25% of its value to our net assets," he said.

The village is expected to be built over approximately four years, with site works set to commence in October 2017 and the first units planned for completion by mid-2019. Mr Sowry said the new scheme provided the company with a staging flexibility which did not exist in the previous scheme, allowing construction to be accelerated according to demand.

"We believe demand for this village will be strong. The Hibiscus Coast has one of New Zealand's fastest-growing populations with people moving from far and wide to enjoy its relaxed lifestyle. We are very pleased to be moving forward on this project and creating a new village for our next generation of customers."

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