

MEDIA RELEASE

24 May 2018

METLIFECARE TO BUILD NEW COASTAL RETIREMENT VILLAGE IN BEACHLANDS



Picture: New Metlifecare Beachlands retirement village site (outlined in red)

Metlifecare Limited today announced the purchase of three adjoining properties for a retirement village development in the fast-growing coastal community of Beachlands, in Auckland's south-east. Chief Executive Glen Sowry said the new Karaka Road site would provide Metlifecare with a tremendous opportunity to meet the needs of an area that is not currently served with retirement living options.

"This is one of Auckland's growth hot-spots," said Mr Sowry. "Significant residential intensification in the rural and coastal area from Cockle Bay through Whitford and Clevedon, and along the

Pohutukawa Coast (Beachlands, Maraetai and Kawakawa Bay) has resulted in substantial and ongoing population growth. This is set to escalate further as housing development takes advantage of the new zoning opportunities opened up by the Auckland Unitary Plan.”

“The area’s demographics are already extremely favourable with an older-than-average population, high levels of home ownership and median house prices of around \$1.2 million. Additionally, the retirement-age population in our catchment area is expected to double in the next 15 years. With the closest existing villages nearly 20km away, we are very pleased to be the first retirement village provider here.”

Hunua MP Andrew Bayly welcomed news of the purchase, noting the need for investment in infrastructure and services to enable growing communities to thrive.

“This is a special area, where Aucklanders can have a fantastic lifestyle away from the city but with many of its benefits on their doorstep. With the area being designated for intense future growth, I am pleased to see organisations such as Metlifecare recognizing the opportunities it offers. In the past year we have seen a significant increase in the range of services, including a new Countdown supermarket, the Pohutukawa Coast shopping centre, and increased frequency and connectivity of transport options. For example, the ferry service, which is free to SuperGold Card off-peak travellers, now has 20 sailings per day to Auckland’s CBD.”

Mr Sowry said Metlifecare plans to invest around \$180 million (including care and common costs) developing the site, which is a short walk from the Pine Harbour Marina and opposite the Formosa Golf Course. When completed the village will offer more than 210 independent living units and care beds.

“As with our other villages, the design will reflect the character of the local community,” said Mr Sowry. “The village will have a relaxed coastal feel, providing a mix of single-level villas for those who want to live more independently, as well as apartments and a care home which will be supported by a fabulous community facility.”

“From an investment perspective we are confident that this development will be value-accretive for the company. Our analysis indicates the list price for units in this village will range from \$600,000 to more than \$1 million, which would enable Metlifecare to comfortably meet its development margin threshold of 15%.”

“This acquisition is the result of the significant progress that our GM Property and Development, Charlie Anderson, and his team have made in building strong capability and cadence with our development pipeline and delivery.”

Mr Sowry said that design and consenting work would commence immediately. “The village is expected to be built over approximately four years, with site works set to commence in early 2019 and the first stage planned for completion by early 2020. Our village design provides for staging flexibility, with construction able to be accelerated according to demand.”

Settlement is expected in August 2018. The new site will boost Metlifecare’s development pipeline to just under 2,000 units and beds across its 24 operational villages and five greenfield sites. As previously signalled, the company is on track to deliver 254 new retirement units and care beds in the year to 30 June 2018.

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Metlifecare is a leading New Zealand owner and operator of retirement villages, providing rewarding lifestyles and an outstanding level of care to more than 5,200 New Zealanders. Established in 1984, it currently owns and operates a portfolio of 24 villages in areas with strong local economies, excellent growth rates and high median house prices, located predominantly in New Zealand’s upper North Island.

Metlifecare’s growth strategy seeks to capture the opportunities presented by New Zealand’s rapidly increasing older population, through the targeted development of new villages and the regeneration of existing villages in areas that are supported by a strong demographic and economic profile. In addition to its existing villages, the company currently has a land bank of five prime greenfield sites in high growth areas, which will support its ambitions to deliver 300+ new units and beds per year from 2019.

Metlifecare is listed on the NZX and ASX (NZX: MET/ASX: MEQ).

Website: www.metlifecare.co.nz