



SENIOR TRUST
CAPITAL

SPRING 2019

Quarterly report

THE LATEST RETIREMENT VILLAGE INVESTMENT NEWS FROM SENIOR TRUST

Regional Retirement Hotspots Enjoy Strong Demand

Senior Trust Capital has funded premium retirement villages in prime locations throughout the country from Kerikeri in the north to Wanaka in the south. Whilst there is evidence of a slowing in some metropolitan areas, well located retirement villages supported by Senior Trust Capital continue to enjoy strong demand.



Artist's impression showing Roys Bay prime location close to the lakefront and town while offering panoramic views.

Over the past quarter Roys Bay Estate, in Wanaka, has secured settlement of the first of the planned 72 high quality villas and associated community facilities. These

settlements are a great milestone for the village, with the quality and the design being well received by the market. Much of the infrastructure works for the village is

complete allowing the balance of the current stage of the McAlpine block of villas to proceed to construction over the spring.

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The Wanaka market has experienced exceptional growth over the past 4 years. The level of intrinsic demand for the area appears to remain strong with the average sales value for Wanaka reaching \$1,220,000 in July 2019, up from \$862,500 in June.

The local district council and Otago Regional Council are developing 20 year plans for Wanaka to deal with the growth, including bringing international and domestic flights directly into Wanaka Airport. Significant commercial development is occurring in the area including a new supermarket, hotel, large

commercial precinct at 3 Parks development and a new waterfront redevelopment over the next 10 years. This is driving the appeal and desire of the area for retirees as services build and Queenstown becomes more intensely developed and more tourist focussed. For many South Island people Nelson and Wanaka/Queenstown are seen as the desirable holiday and eventual retirement destinations, similar to the Bay of Plenty and Kerikeri in the North Island.

Senior Trust Capital believes high quality retirement villages in desirable locations offer the best opportunity for continuing to deliver attractive returns and security of capital. We are currently talking with a number of parties who are looking to meet the demands of an ever growing number of senior New Zealanders becoming increasingly more discerning in their choice of retirement destination.

Reserve Bank cuts the official cash rate by 50 basis points to a record low 1 percent.

“When you have lower interest rates you have to be thinking much harder around the form of investment. The form of investment means putting your capital more to work, which is about creating real investment rather than just sitting in the bank account with all of the returns going to the owners of the bank”

Governor of Reserve Bank Adrian Orr speaking to Parliament’s finance and expenditure select committee after cutting the official cash rate by 50 basis points to a record low 1 percent on 7 August 2019.

We strongly believe Senior Trust’s focus on the retirement village sector has delivered investment returns that fit with the Governors statement and we intend to continue to offer the opportunity of “putting your capital more to

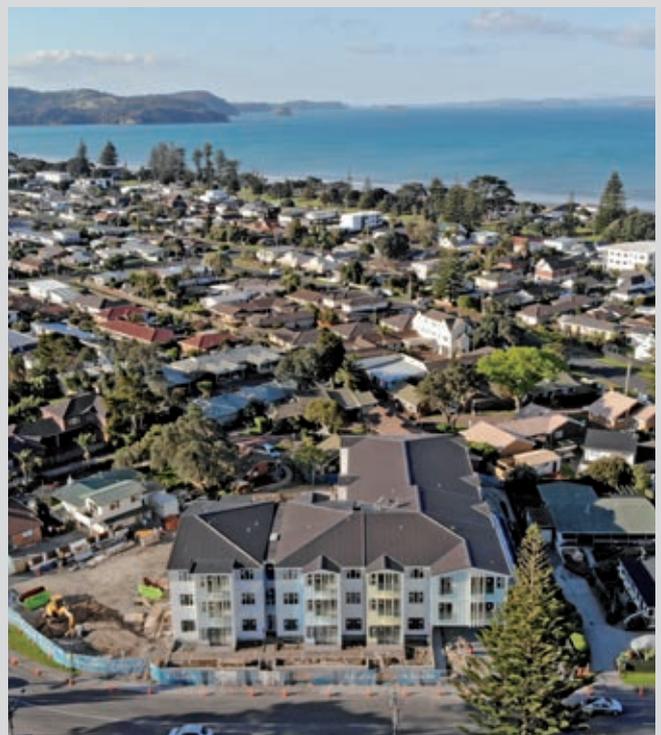
work”. Senior Trust has a long history of providing investors with the opportunity to benefit in the growth of the retirement industry by way of a steady attractive income return backed by solid retirement village assets.

The Grove, Orewa

The Grove is a long established village in the seaside settlement of Orewa, 40 kilometres north of Auckland. Orewa is a popular retirement destination. The extension of the northern motorway means that Orewa is less than 40 minutes from the downtown CBD. Orewa is now part of the Auckland “super city” and has enjoyed the growth that accompanies any location in the Auckland metropolitan area that offers a beach lifestyle.

The expansion at The Grove Orewa is proceeding according to plan and the show apartment was made available on 23 August to an enthusiastic response from 90 interested parties who inspected over that weekend. The first new residents are scheduled to be in occupation shortly after completion of the building on 16 November 2019.

The sell down of the 27 apartments is progressing steadily in a competitive Auckland market. The quality of design and construction has excited the attention of a large number of prospective residents and this, along with the central location handy to beach, restaurants and retail facilities, gives The Grove a distinct competitive advantage.



Whitby Lakes Village

On 29 August Whitby Lake Village celebrated the completion of the building programme. Senior Trust personnel have enjoyed a long association with Whitby Lakes Village and in that time has seen the village grow from 19 villas to a combination of villas and apartments totalling 141.

This has been a highly beneficial investment for Senior Trust and we look forward to a continuing association with a well-established village that has achieved market dominance in the Whitby area.

For more information, to get an investor pack, or to buy shares direct with Senior Trust Capital either phone or email us on:

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