

14<sup>th</sup> October 2018

Dear Unitholder,

**Re: September 2018 Distribution Ahead Of Target**

We are pleased to enclose the remittance advice for the Senior Trust Retirement Village Listed Fund (Listed Fund). The distribution for the quarter ending 30 September 2018, is at a rate of 6.5% per annum (before tax), which is once again ahead of the long term targeted distribution rate of 6% per annum (before tax).

The Listed Fund has now allotted 41.6 million units. Due to prior redemptions, the maximum units on issue will be 42.8 million units. If you are considering a further investment in the Fund, we recommend you make contact as soon as possible.

The retirement village sector continues to grow. Retirement village living is increasingly becoming a lifestyle choice for many of us, with 13.5% of over 75 year olds in retirement villages in 2017 compared with 9.8% in 2008.

According to CBRE, New Zealand has almost 36,000 retirement village units and this figure continues to grow with around 50 units built per week. In the 40 weeks from December 2016 to October 2017, 1,924 units were added to the retirement village stock, and the capital value of the sector also rose by some \$820 million from \$12.64 billion to \$13.46 billion over the same time.

Recent research by Forsyth Barr into the aged care sector shows growth in the over 75 year old age group has started to accelerate and is expected to grow by around 15,000 people per annum over the 2017 – 2027 period.

We appreciate your investment support and would be pleased to discuss your future investment requirements.

Kind regards,

John Jackson  
Executive Director  
Senior Trust Capital Limited

The minimum subscription is \$100 and applications for investment will only be accepted on the form supplied. \*The return of capital and the 6.00% p.a. (before tax) targeted distribution rate is not guaranteed. The targeted distribution rate is the estimated net return derived from loans made by the Fund. The target is calculated after making an allowance for the deduction of fixed costs from the predicted interest income flow.