

ASX / Media Release

31 July 2013

Ingenia acquires two Manufactured Home Estates in NSW

Highlights:

- Acquisition of two immediately accretive MHEs in Penrith and Albury, to be funded from \$21.2 million institutional placement conducted in June 2013
- Nepean River Holiday Village in Penrith acquired for \$10 million with trailing yield of 10.5% and an unlevered IRR exceeding 15%
- Albury Citygate Caravan and Tourist Park acquired for \$2.2 million, with trailing yield of 7.2% and an unlevered IRR exceeding 20%
- The Group is finalising due diligence on several other communities and expects to announce further acquisitions in coming weeks

Manufactured Home Estate Acquisitions

Ingenia Communities Group (ASX: INA) today announced the acquisition of two Manufactured Home Estates (MHEs) in New South Wales - Nepean River Holiday Village in Penrith, and Albury Citygate Caravan and Tourist Park in Albury. These communities are the first in a series of accretive, on-strategy MHE acquisitions that will be funded from the June \$21.2 million institutional placement.

Nepean River Holiday Village (Nepean) is a mature manufactured home and tourist park located in Penrith, on the outskirts of western Sydney. Nepean is one of the few institutional grade parks in Sydney and contains 101 manufactured homes, 59 tourist cabins and rooms, and four camping sites. Vacant and under-utilised land is forecast to allow a further 26 manufactured homes. The park has been acquired for \$10 million on a trailing yield of 10.5% and forecast unlevered internal rate of return (IRR) exceeding 15%. Nepean is Ingenia's first community in Sydney, where Ingenia expects to replicate its market cluster strategy with a new Sydney Basin cluster. Management is presently assessing further opportunities in this attractive and tightly held market.

Albury Citygate Caravan and Tourist Park (Citygate) is located in the existing South West NSW cluster which includes Ingenia rental villages in Albury, Wagga Wagga and Goulburn. Citygate has significant development upside and currently contains 26 manufactured homes, 18 tourism cabins, 18 drive-throughs and 20 camp sites. Development Approval is in place for a further 148 homes and cabins. The park has been acquired for \$2.2 million on a trailing yield of 7.2% and forecast unlevered IRR exceeding 20%. Management will focus on promptly lifting the cash yield up to a minimum 10% whilst commencing the future build-through.

Citygate is scheduled to settle on 22 August 2013. Nepean will settle upon confirmation of all regulatory approvals, which is likely to occur within the next two months.

	Permanent homes	Existing tourism	Development upside sites	Total homes/sites
Existing MHE's	230	16	67	313
Nepean	101	63	26	190
Citygate	26	56	148	230
Total	357	135	241	733

Ingenia Communities Chief Executive Officer, Simon Owen, said: “Nepean River Holiday Village and Albury Citygate Caravan and Tourist Park are excellent additions to Ingenia’s growing portfolio of MHE properties. Both are immediately earnings accretive with attractive cash yields and significant development and repositioning upside. Their forecast returns are in line with the strict investment criteria the Group set out when announcing its institutional placement in June.

“Along with the substantial development opportunities available across our existing portfolio, Ingenia has a significant deal flow pipeline in place across tightly identified markets within NSW, and we expect to announce further on-strategy acquisitions in the coming months.”

New Zealand Students Debt Facility Update

As announced to the market in June, funding terms for the Group’s New Zealand five year core debt and development facility have been agreed with its New Zealand lender. We can confirm that the \$32.7 million debt facility has been executed, with funding secured until 31 July 2018.

For further information please contact:

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About Ingenia Communities Group

Ingenia Communities Group (ASX Code: INA) is a stapled property group comprising Ingenia Communities Holdings Limited (ACN 154 444 925), Ingenia Communities Fund (ASRN 107 459 576) and Ingenia Communities Management Trust (ARSN 122 928 410). The Responsible Entity for each scheme is Ingenia Communities RE Limited (ACN 154 464 990) (AFSL415862).

Ingenia Communities Group is a leading operator, owner and developer of a diversified portfolio of seniors housing communities. It has 42 assets in Australia, comprising over 2,900 units.

Snapshot of Penrith NSW

Ingenia's growing Sydney Basin market cluster



VILLAGE PROFILE : NEPEAN

- > An institutional grade combined tourist and permanent MHE comprising 99 permanent homes, 67 tourism sites and development land for a further 26 homes.
- > Easy access to Sydney, 60km north west of CBD
- > Ingenia's first community in this new cluster, with management assessing more opportunities in this attractive and tightly held area

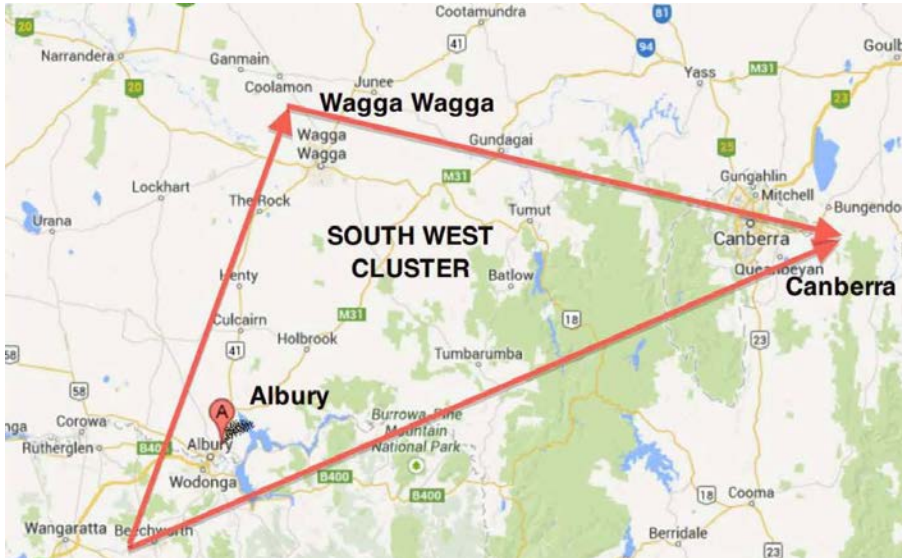
PENRITH LGA* METRICS

- > Penrith is a large and growing regional city, home to more than 185k people with a vibrant business center
- > Total population in Penrith is forecast to grow by 25% by 2026
- > A strong and growing pool of over 50s to increase by 35% by 2026
- > Over 80% of the over 50s in Penrith own or are purchasing their own home
- > Median house prices in Penrith LGA are \$290k-\$490k
- > Our investment is underpinned by:
 - Popular high yielding tourist component on-site
 - Limited MHE Competition - only one direct MHE competitor in the primary catchment
 - Attractive location with natural bushland setting bordering the Nepean River
 - Strong employment in the retail, manufacturing, healthcare and social assistance sectors in the area

* local government area

Snapshot of Albury NSW

Ingenia's growing South West NSW market cluster



ALBURY/ WODONGA LGA* METRICS

- > According to the 2006 census, population in Albury is forecast to grow by 41.5% by 2031; an average annual growth rate of 1.4%
- > A strong and growing pool of over 50s to increase by 49.8%, representing 32.2% of the population by 2031
- > Over 60% of the population in Albury/Wodonga own or are purchasing their own home
- > There is a significant level of home ownership in the area with only ~30% in the region are renters
- > Median house price in Albury LGA is ~\$290k
- > New homes are priced at \$400k - \$750k
- > Our investment is underpinned by:

- Beach head investment in a property market and population hub with significant barriers to entry
- Limited MHE Competition - only one other purpose-built MHE in the region
- Undersupply of affordable seniors housing in the primary Albury catchment area
- Strong employment in the retail, manufacturing and construction sectors in the area

VILLAGE PROFILE : ALBURY CITYGATE

- > A combined 8.6 hectares tourist and permanent MHE approved for 148 home sites
- > 450 km from Sydney and 7km Northeast of Albury CBD
- > Ingenia rental villages in Albury, Wagga Wagga and Goulburn within existing South West NSW cluster, creating operational efficiencies and leveraging management capabilities
- > Well located to the Lavington Town Centre

* local government area