

ASX / Media Release

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Ingenia finalises acquisition of Ballarat rental village

Highlights

- Ingenia settles acquisition of 50-unit rental village in Victoria for \$3 million
- Transaction has a forecast unlevered IRR exceeding 18%
- Builds presence in an established market cluster

As announced by Ingenia Communities Group (ASX: INA, 'the Group') on 23 May 2013, the Group agreed to acquire SunnyCove Ballarat in Victoria for \$3.04 million. The Group has now completed the acquisition, which builds Ingenia's presence in an established market cluster, and expands Ingenia's Garden Villages rental portfolio to 29 villages and over 1,500 units.

This 50-unit community is located near Hertford Gardens, an existing high occupancy Ingenia rental village which currently has occupancy of 90%. The Village's current occupancy of 80% and trailing cash yield of 5.3% provide significant potential for improvement. Through identified operational upside Ingenia anticipates building occupancy, growing market rents and expanding cash margins to improve the Village's yield to approximately 11% in the first full year of ownership.

The Village has been acquired off-market and well below replacement cost out of a broader portfolio in receivership.

Ingenia Communities Chief Executive Officer, Simon Owen, said: "This acquisition provides us with a significant opportunity to improve returns as we leverage our local knowledge and management experience to drive occupancy and rent growth.

"Consistent with our strategy, this village enhances our exposure to cash yielding assets and gives us additional scale in a market where we already have established operations and the ability to benefit from inter-village efficiencies and experienced management."

The acquisition, which was funded from cash on hand, is immediately accretive.

For further information please contact:

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About Ingenia Communities Group

Ingenia Communities Group (ASX Code: INA) previously known as the ING Real Estate Community Living Group, 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. Ingenia has 40 assets in Australia, comprising close to 2,700 units.