

ASX / Media Release

13 August 2015

Ingenia acquires premium coastal park in new Southern NSW cluster

Highlights

- Acquisition of the premier park on the NSW South Coast, underpinned by stable cash flows
- Significant potential for further development through existing DA approved sites and additional vacant land - just over 50% of the total 21 hectare waterfront site is developed
- Immediately earnings accretive – passing yield in excess of 8% (on full purchase price, including vacant land) and forecast unlevered IRR of 12-15% on acquisition price of \$24.0 million

Ingenia Communities Group (ASX: INA) today announced that the Group has agreed to acquire Conjola Lakeside, at Lake Conjola, NSW. Located on 21 hectares on the NSW South Coast, the long established mixed use Park is in a prime lake front location approximately three hours south of Sydney. The Park is recognised as the premier tourist park on the NSW South Coast, providing an excellent seed asset for Ingenia's identified Southern NSW cluster.

Ingenia is acquiring the Park for \$24 million, on an initial yield of over 8% and forecast unlevered internal rate of return of 12-15% (subject to development outcomes). More than half of the Park's income is generated from high occupancy annual sites, which provide low cost and secure cashflows. Similar to land lease sites, residents rent the land for ~\$6,500 per annum to accommodate their own holiday home or caravan on the site.

The lake front Park currently consists of 287 annual sites and 81 tourism cabins and sites. It offers a range of superior facilities including a water park, tennis courts, boating facilities, cafe, nine hole golf course, children's playgrounds and barbeque areas.

There is an immediate opportunity to expand the annual and tourism offering within the Park as well as potential to add a sizeable permanent living precinct (subject to approvals). Existing land is available for 14 annual and tourist sites and approvals are in place for a further 75 sites on vacant land. Utilising additional vacant land could incorporate upwards of 100 new homes, subject to approval.

Simon Owen, CEO of Ingenia Communities said Conjola Lakeside represented a high quality seed asset for the Southern NSW cluster, a region attractive to Ingenia due to its proximity to Sydney and Canberra, ageing population and firm median house prices.

"The Southern NSW market provides Ingenia with the opportunity to build a market leading position in an attractive and scaleable market similar to the Hunter/Lake Macquarie region north of Sydney where Ingenia now owns eight parks. The region is one of the most visited regions in NSW, generating a high level of tourism visitation that underpins existing cash flows.

"Conjola Lakeside represents an exciting opportunity to capitalise on the growing over 50s population and attractive location through the addition of a sizeable permanent living precinct on vacant land that comes with the Park.

"This Park provides Ingenia with high quality cash flows and significant opportunities for growth. We are actively reviewing further opportunities within this targeted market which will allow us to grow our presence in the region and benefit from our cluster strategy," Mr Owen said.

ENDS

Overview: Conjola Lakeside



PARK PROFILE: CONJOLA LAKESIDE

- > Premium mixed use park comprising 287 annual sites and 81 tourism cabins and sites with extensive facilities
- > Located approximately 200 kilometres from both Sydney and Canberra
- > Tourism trade of ~\$1.9 billion per annum makes the South Coast one of the most popular regions for domestic tourism in Australia

Investment underpinned by

- > Popular high yielding annual sites generating stable cash flows
- > Attractive location surrounded by National Park in a prime lakefront setting
- > Growing population base with increasing portion of over 50s

Assessing more opportunities in this attractive area

Overview: Conjola Lakeside



Overview: Conjola Lakeside

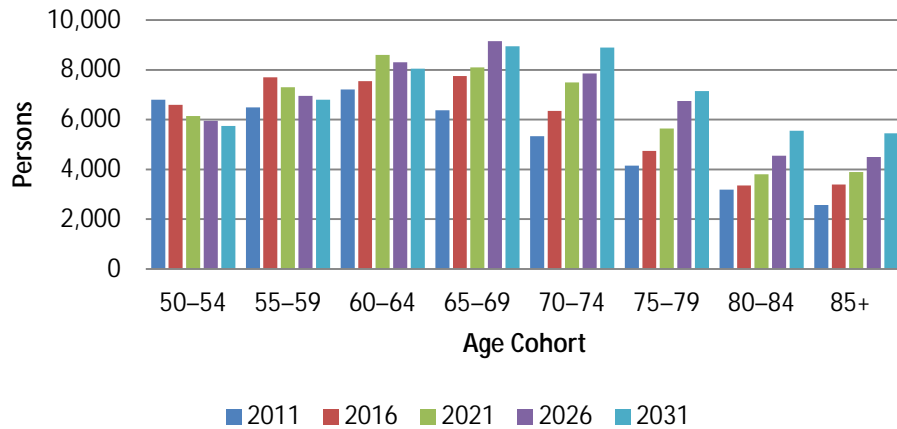


Park accommodation and facilities



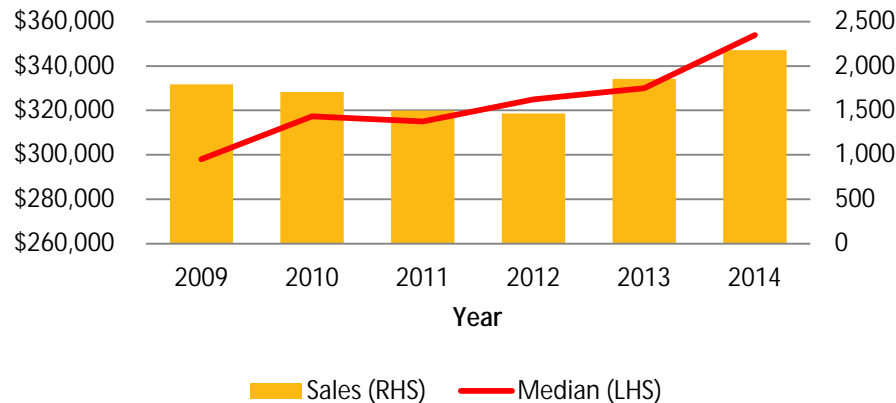
Snapshot of Shoalhaven LGA

Over 50's Population Forecast - Shoalhaven City



Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. New South Wales State and Local Government Area Population Projections: 2014.

Median Houseprice and Sales Growth - Shoalhaven LGA



Source: Property Data Solutions Pty Ltd (Pricefinder.com.au), INA Analysis.

Growing over 50s population

- > The Shoalhaven LGA* has a growing pool of over 50s, forecast to increase to over 50% of the population by 2026
- > This is a growth of 6% from the 2011 census, representing an additional 11,900 persons aged 50 and over
- > The total population for the Shoalhaven LGA is forecast to grow from 92,812 to 108,300 from 2011 to 2031, representing 17% growth

House price growth

- > In 2014 the median house price in the Shoalhaven LGA was \$354,000
- > The median house price for the Shoalhaven LGA has increased \$36,750 over the 5 years to 2014 (a compound annual growth rate of 2.2% pa)

* local government area

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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).