

ASX / Media Release

6 June 2012

Ingenia Communities makes its first acquisition

Highlights

- Accretive bolt-on acquisition in Hunter NSW growth market, Fund's first acquisition since management internalisation
- \$2 million acquisition price funded from existing cash reserve, showing unlevered IRR >50%
- Located close to existing Ingenia Communities village, Cessnock Gardens, a familiar market.

Ingenia Communities Group (ASX Ticker: ILF)¹ today announced the purchase of Ridge Estate Village for \$2 million, an accretive, on-strategy acquisition that is an important step towards reinvesting capital and growing its Australian Seniors living portfolio.

Ridge Estate comprises 16 completed units (11 occupied), a community centre and bowling green, plus DA approval for an additional 26 units. It is a Deferred Management Fee (DMF) seniors community in Gillieston Heights, NSW, approximately 155 km north of Sydney. Gillieston Heights is located in the Maitland Municipality, which over the last five years, had one of the fastest growing median house prices in NSW, largely driven by the mining boom in the Hunter region.

The village is also located approximately 21 km from one of the Fund's existing rental villages, being the 56-unit Cessnock Gardens.

Ingenia Communities Group Chief Executive Officer, Simon Owen, said: "We are very excited to embark on the Fund's first acquisition since management internalisation. This project is forecast to deliver an unlevered internal rate of return (IRR) in excess of 50%. This acquisition is in line with the Fund's strategy to acquire attractive brownfield villages with immediate development opportunity in a market that complements our existing village footprint."

"Ridge Estate is located in a market we know well and where we can leverage the sales and operational capabilities already in place. It is a small but very accretive acquisition which adds build-ready sites to our existing development pipeline."

The Fund was advised by Atkinson Vinden Lawyers on this acquisition.

¹ Ingenia Communities Group new ASX ticker is 'INA' and this change will take into effect on 13 June 2012

Development update

At the inaugural Ingenia Communities Group Board meeting held on 5 June 2012, directors approved the conversion of the Cessnock Gardens village in NSW from rental to the DMF model. Conversion is expected to deliver an unlevered project IRR of ~ 20%, and is forecast to release net \$4 million in cashflow over the next few years.

In May, the Fund lodged a Development Application with Gladstone Council for the construction of an additional 55 units with construction expected to commence in late 2012.

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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).

The Group owns, manages and develops a diversified portfolio of seniors housing communities. Together the stapled group has total look-through assets under management of \$562 million with operations located predominately throughout Australia and the United States.