

REAL ESTATE INVESTMENT MANAGEMENT

Date

2 May 2011

Fund

ING Real Estate Community Living Group

Three non-core Garden Villages divested at premium to book value

ING Real Estate Community Living Group (ILF) today announced the sale of three Garden Villages rental properties in Toowoomba Queensland for \$8.8million, representing a 20% premium to 31 December 2010 book value. The sale price represents a current annualised yield of 6%. Settlement is scheduled for mid June 2011.

The three villages - Toowoomba Gardens (50 units), Newtown Gardens (58 units) and Glenvale Gardens (50 units) had been identified as non-core due to their continuing poor operating performance, location in a saturated market and lack of repositioning opportunities.

Sales proceeds will be used to pay down the existing Australian debt facility and fund internal growth initiatives including the continued conversion of existing ILF rental villages in Gladstone, Rockhampton and Forest Lake to the Deferred Management Fee (DMF) model.

ILF Chief Executive Officer, Simon Owen, said "The sale of these three villages is a key element of the three pronged approach to driving value across the Garden Villages portfolio that was announced in 2010 – divest poor performers, convert select villages to the DMF model and drive occupancy growth across the core portfolio."

"To date, five non-core villages have been divested, all at a significant premium to book value. The conversion of the three villages in Queensland to the DMF model is completed, and pleasingly to date over 25 units have settled or are contracted for sale. Post divestment of the underperforming Toowoomba villages, portfolio occupancy increases from 79% to 81%."

The Fund is advancing the sale of further identified non-core assets in Australia and is in negotiations on the divestment of several more Garden Villages properties. Further details will be available if and when the transaction progresses.



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About ING Real Estate Community Living Group

ING Real Estate Community Living Group (ASX code: ILF) is an externally managed ASX-listed real estate investment trust that owns, manages and develops a diversified portfolio of seniors housing communities. The Fund has total assets under management of \$673 million with operations located predominantly throughout Australia and the United States.

About ING Real Estate Investment Management

ING Real Estate Investment Management Australia manages three listed real estate investment trusts on behalf of 9,600 investors.

Globally, ING Real Estate Investment Management focuses on the investment management of quality real estate in all major global markets. ING Real Estate Investment Management is one of the leading investment management companies and serves a broad client base from five continents, Europe, North America and South America, Asia and Australia.

ING Real Estate Investment Management is part of ING Group, a global financial institution of Dutch origin offering banking, investments, life insurance and retirement services to over 85 million private, corporate and institutional clients in more than 40 countries.