ASX Announcement

REAL ESTATE INVESTMENT MANAGEMENT

Date
15 December 2011

Fund
ING Real Estate Community Living Group

ILF 2011 Annual Unitholder Briefing

Chairman's Address

Good morning ladies and gentlemen and welcome to the 2011 Annual Unitholder Briefing for the ING Real Estate Community Living Group.

My name is Michael Coleman. I am an Independent Director and Chairman of ING Management Limited or "IML", the responsible entity of ING Real Estate Community Living Group or "ILF". I was appointed Chairman in July this year following the retirement of Mr Kevin McCann.

I would like to take this opportunity to thank Kevin for his contribution to IML in the past year. I would also like to thank the former Independent Directors who have retired from the Board since the last Unitholder Briefing for their contributions – Mr Paul Scully, Mr Scott MacDonald and Mr Christophe Tanghe.

I am honoured to have been given this opportunity to join IML as your new independent Chairman and lead the Board in overseeing ING's phased withdrawal from its Australian real estate investment platform.

Since my appointment as Chairman, I have spent considerable time with Simon Owen, CEO of the Fund, inspecting various assets, probing strategy and meeting with many investors.

Today is not a statutory meeting and there are no resolutions to be voted on, so, as such, it is very much a unitholder focused event where you can engage with the Board and Management of your Fund.

There are three main components to today's briefing:

Firstly, I will provide an update on ING's phased withdrawal from the Australian real estate investment platform and the progress we've made with the ING Real Estate Community Living Group.

Secondly, Simon will give a detailed overview of fund performance for the year to 30 June 2011 and provide an update on operational activities since that period.

Lastly and importantly, we will allow ample time for your questions. We received a number of questions prior to today's briefing and we will address as many as possible in the presentation. However those of you who have further questions following the presentation can put them to the Board and Management.

At the conclusion of this briefing, you are all invited to join us for some light refreshments in the foyer outside this room.

I would like to introduce you to the Board of Directors of ING Management Limited.

To my left are:

- Philip Clark – an Independent Director who is also Chairman of the Audit Committee; and
- Michael Easson – an Independent Director who is also an Audit Committee member and until recently, Chairman of the Compliance Committee.

Also joining us is Greg Inkson – Chief Executive Officer of ING Real Estate Investment Management Australia and Simon Owen – Chief Executive Officer of ING Real Estate Community Living Group, who will be presenting to you shortly.

Joining us in the audience are:

- Sarah Wiesener – Group General Counsel for ING Real Estate Investment Management Australia, and Company Secretary of IML;
- Peter Day – Head of Finance, Operations and IT for ING Real Estate Investment Management Australia; and

- Mr Jarvis Seaman, an ING Group Executive from Holland, who is here representing Mr Hein Brand, a Non-Independent Director who is a senior executive with ING Group based in The Hague. Mr Brand is not able to be present today and sends his apologies.

I would also like to introduce other members of the Senior Management team:

- Tony Massaro – General Manager of the US Seniors business. In addition to overseeing the Fund's US operations, Tony is also involved in strategic planning and acquisitions for the Fund;

- Nikki Fisher – General Manager of the Australian Seniors business. Nikki overseas a staff of 150 in Brisbane and Perth across the 33 retirement villages in Australia; and

- Nathan Goldschmidt – Fund Chief Financial Officer. Nathan joined the Fund in June 2011 and brings over 20 years of financial experience working in the ASX listed REIT sector.

We also have present in the audience Chris Lawton, a Partner from the Fund's external auditors, Ernst & Young.

As everyone is by now aware, the global financial crisis severely disrupted global capital markets and fundamentally shifted the way global financial institutions operate.

In response to this, in June 2010, ING Group announced a strategic evaluation of its entire global real estate investment management platform, REIM, which at that time included five ASX-listed Real Estate Investment Trusts managed by ING's Australian Real Estate Investment Management business or "REIMA".

In February 2011, ING announced that as a result of its global strategic review, it would undertake a phased withdrawal from the Australian market and the REIMA business in a timely and controlled manner.

This process is now well underway. You may have seen in March of this year, the ownership of ING Industrial Fund was transitioned to Goodman Group, and shortly afterwards, the management of ING Office Fund (and later the responsible entity) was transitioned to Investa

Property Group. In August 2011, management of the ING Healthcare Fund was transitioned to APN Funds Management Limited, and earlier this month, the management of ING Entertainment Fund was transitioned to Bodiam RE Limited.

With ILF being the only fund left in the ING stable, IML remains committed to supporting the Fund for as long as is required to find an outcome that is in the best interest of unitholders. The Board is presently working with independent advisors to examine a range of options for the Fund's future management and or ownership structure and expects to be in a position to make an announcement in early 2012.

Any decisions made will be in the best interest of unitholders.

Simon will now provide a detailed overview of ILF's performance to 30 June 2011 and highlight activities since that period. I will then return to open the floor to questions.

Thank you.

ILF Chief Executive Officer's Address

Thank you Michael.

Good morning and welcome to the 2011 Annual Unitholder Briefing for the ING Real Estate Community Living Group.

Thank you for your attendance today.

It gives me great pleasure to present to you at my third Unitholder Briefing as the Chief Executive Officer of the Fund.

This morning I would like to provide you with a brief overview of the performance of each of the Fund portfolios over the past 12 months, update you on the markets within which we operate and finally, outline the Fund's outlook for the next 12 months and future business strategy.

In November 2009, not even two months into the role, we were a business whose future was in the balance. In December 2010, we started to see light at the end of the tunnel. And today in December 2011, it is pleasing to report that we are now accelerating into a period of disciplined growth, development and acquisitions with an unwavering focus on building unitholder value.

Year in Review – unit price chart

The past 12 months have seen some reasonable recovery in the ILF share price which is up approximately 55% on its levels from December 2010, however the management team is united in its acknowledgement that significant and challenging work remains to be done to restore and build value for unitholders, particularly those who have been on the register for a number of years.

Considerable work has been invested over the past year in the area of investor relations to promote the ILF growth story to a broader institutional base of unitholders. Subject to the continuing operational and financial performance of the Fund over the next year, this positions ILF well for further institutional support which over time should assist in narrowing the gap between NAV and actual unit price.

Year in Review - focused transition

2011 has seen a continuing transformation in ILF from a passive property landlord to an actively managed seniors living business.

At last year's briefing, we articulated the core elements of our Garden Villages value enhancement strategy to unlock portfolio value from this previous fund millstone. It is pleasing to report that at 30 June this year, our rental occupancy peaked at 81% and we remain confident in our ability, over the next three years, to drive occupancy to a targeted rate of 89%.

Even more exciting is the success of the DMF Conversion strategy that was rolled out across three rental villages in Queensland. Sales momentum continues to build and this initiative alone is forecast to generate more than $35 million in operating cashflows over the next three years.

In this past year, we successfully divested five Australian non-core assets at >20% premium to book value. To be able to secure such value in a market near flooded with distressed sales took considerable time and effort and much of the sales process was handled internally without the use of external agents or brokers.

We will continue to be disciplined in our approach to portfolio management, evaluate opportunities to divest non-core or poorly performing assets and recycle capital into higher yielding developments.

The Fund's balance sheet has been significantly deleveraged with recent asset sales, particularly the partial US portfolio transaction that was transformational for the Fund.

This improved capital position now strongly positions ILF to pursue acquisition and development opportunities in a market where most of our competitors are still in the divestment or standstill phases.

Your management team remains absolutely committed to building and driving a leading Australian Seniors accommodation and care business, offering sustainable distributions, strong capital growth and a growing pipeline of profitable acquisition and development opportunities.

Year in Review - key financial metrics

The Fund's financial performance over the past 12 months is reflective of a business in a period of transition where markets have been exited, assets sold, a complex cross-currency hedge was unwound, and costs associated with the successful launch of the DMF conversion strategy were expensed as we focused on implementing the strategies necessary to deliver better long term performance and build value for unitholders.

Over the past three years, the pool of assets which the Fund owns has reduced considerably due to divestments of portfolios such as Meridien and Regency and hand-back of US Students.

ILF is mid-stream in executing a variety of strategies to improve returns and restore value however it will take at least another six months for the impact of these initiatives to be fully reflected in the financial performance of the Fund.

Capital Management – debt and gearing

This next slide shows the significant reduction in both look-through debt and gearing in the last three years as the Fund actively sought to deleverage its balance sheet with non-core or overseas asset sales, a disciplined capital allocation strategy and working hard to improve its operational performance. At today's date, effective Australian LVR stands below 40% following the recent settlement of the partial US Seniors portfolio sale.

Moving into 2012, the Fund is in a strong position to pursue prudent expansion, development and acquisitions in its Australian Seniors portfolio.

Capital Management – maintain disciplined focus

A disciplined and prudent approach to capital allocation will remain a cornerstone of ILF's approach to capital management. Key tenets of this will include:

- Target Australian LVR of < 45% (subject to the relative mix of rental, DMF, conversion and development assets);
- Minimum unlevered IRR of 15% on new acquisition and development opportunities;
- Target recommendation of distributions in 2012 – to be paid from recurrent earnings and development profits; and
- Careful consideration of other capital management alternatives including a possible share buy-back.

Notwithstanding the original premise of the Fund being a stable yield platform, the future strategy of the Fund will focus on delivering unitholders a combination of steady, high quality yield and capital growth.

Portfolio Update – 2011 AFL Premiership Cup

As much as it pains me to promote Geelong winning yet another AFL premiership, I think this photo clearly demonstrates the increasing community focus of our sales and marketing activities.

At a recent open day in our Townsend Gardens village in St Albans Park, our Victorian Regional Manager, Sharron de Bono, was again successful in lobbying the Geelong Football Club to bring the cup to our village. This became the centrepiece of our open day, dramatically increasing attendances and prospective leads and bringing the local media and countless members of the local community into our village. All our residents had a good time at the event.

Portfolio Update – increased focus on Australian Seniors

Our portfolio today comprises 42 properties and some 3,537 units across Australia, the United States and New Zealand. Our focus is increasingly on building a leading seniors living platform in Australia and it is likely that we will look to monetise the Fund's remaining off-shore investments over the next couple of years.

Following recent divestments and hand-back, over 55% of the gross book value and 93% of the net book value of the Fund is now invested in the Australian Seniors portfolio.

Portfolio Update – national platform

Across Australia we have a portfolio of 33 communities, represented in all states except for South Australia. Our national portfolio provides us with a strong scalable footprint to build and consolidate our business.

Our immediate key focus is to convert a few more rental villages to the DMF model and expand the current five villages which have vacant land available for redevelopment.

Future acquisitions and development will likely be bolt-on expansions in existing regions or clusters where we can capitalise on our strong local market knowledge and leverage our existing capabilities across sales and marketing, operations and maintenance and finance.

Portfolio Update – DMF Conversion (i)

In January this year, the Fund successfully launched the conversion of three former rental communities in Queensland to the deferred management fee model. The success of this strategy has surpassed internal expectations and to date over 63 units totalling approximately $12 million have either been settled or contracted.

The conversion project is a key initiative in unlocking value from the portfolio and is forecast to release $35 million in cashflows over the next three years.

Portfolio Update – DMF Conversion (ii)

Following the successful launch of the three conversion villages, management is currently assessing a further three rental villages for conversion which will have the potential to monetise first time development profits of a further $15-$20 million.

Market studies have been commissioned and commercial feasibility assessments are well advanced across these three villages with an expected launch in early 2012 (subject to confirmatory due diligence and threshold returns being achieved).

Notwithstanding the significant value creation generated from the conversion strategy, it is important to note that the highest and best use of many of our Garden Village communities remains in the rental model due to current size or lack of expansion capability, local competition or demographics.

Development assessment for Stage two expansion of the Gladstone village is well advanced with plans for an additional 40 units. Earlier this week I met with the Director of Planning for Gladstone Council and yesterday we held externally facilitated focus groups with prospective residents to seek their feedback on unit sizes, amenities and price points. I would anticipate lodgement of a Development Application (DA) in the first quarter of 2012 and for construction to be underway by mid 2012. This will all of course be subject to achieving minimum development threshold returns.

Portfolio Update – Settlers (DMF)

Our Settlers portfolio comprises four deferred management fee villages, three of which are located in Perth and one in Brisbane. This business has continued to maintain a high occupancy rate however the challenging residential property market in Perth has significantly impacted our sales, particularly the sell down of the 22 units delivered at Ridgewood Rise Stage 8.

Portfolio Update - Garden Villages (Rental)

Our Garden Villages portfolio comprises 26 seniors rental villages located across all states of Australia except for South Australia.

Driving occupancy within the Garden Villages rental portfolio continues to be a key focus of management. At an 80% occupancy rate, this portfolio generates approximately 10% cash, pre-debt servicing return which represents a significant improvement on financial performance compared to several years ago.

Over the past year, management has been successful in growing occupancy to current levels of approximately 80%. The challenge for the next couple of years will be to achieve our long term occupancy target of 89%.

Key enablers for this future occupancy growth strategy will include:

- Introducing resident care through an initial partnership with an existing provider - today in excess of 50% of our resident departures are due to the requirement to move into residential care. The ability to extend residents' stays through Government funded in-home care should improve our occupancy rates considerably;
- Investing in the training of our front line team members across the key disciplines of sales and customer satisfaction;
- Closing the back door – focusing on outstanding service delivery, resident satisfaction and recognising our customers who reside with us through key milestones such as six months, one to two years; and
- Setting clear performance expectations for our staff and aligning performance, principally through increases in occupancy rates, with a modest incentive scheme.

These initiatives are being led by Nikki Fisher who leads our Australian Seniors business.

Each 1% increase in occupancy, annualised, adds approximately $0.275 million to operating income, a majority of which contributes to the bottom line.

Considerable work remains if we are to achieve our long-term target of 89%, however it is my assessment that this is the key to turning Garden Villages into an industry leading contributor of high quality recurrent income and cashflow.

Portfolio Update - US Seniors

Our US portfolio comprises six high quality seniors living communities in Nassau County, Long Island, New York.

In late 2010 management decided to rationalise our US Seniors portfolio from 21 seniors communities spread across ten US States, many of which were still waiting to recover from the global financial crisis, to six premium communities located in the New York metro area.

Consistent with our emerging cluster strategy in Australia, operating in one homogenous market in New York allows us to leverage our core competencies around management, sales and marketing and customer service to drive occupancy and income.

Over the past 12 months, we have witnessed over US$20 billion in transactions in the US Seniors market as well capitalised REITs with access to low cost funding aggressively drive industry consolidation. Many of these transactions have occurred at capitalisation rates around 6.5% which compares to our 30 June 2011 capitalisation rate of 7.3%.

The US portfolio is overseen by Tony Massaro who joined the Fund in late 2009 from Stockland.

Strategy and Outlook – our development pipeline

I will now briefly touch on our Fund strategy and business outlook before handing back to the Chairman.

A core element in our business strategy is to move up the value chain and capture the strong returns offered from village development and expansion, as well as continuing to earn the stable yield returns offered through village ownership and management.

The highest returning, lowest risk development returns can be captured through expanding and redeveloping our existing high occupancy villages and this is where we are currently focusing our efforts. This includes the prospective conversion of an additional two to three rental villages to the DMF model.

We will also look to supplement these village expansions and conversions and build our emerging development pipeline through acquiring and optioning new development sites – typically in existing locations where we have strong market knowledge.

Our medium term strategy as articulated in this slide is to seed and build a development pipeline capable of delivering 100 units per annum.

To date our current development pipeline comprises 494 units with an end value exceeding $97 million. This pipeline will be the key driver of fund earnings and cashflow growth in the coming years.

Strategy – our strategic direction

Your Fund has a leadership team in place which is firmly focused on building a leading Australian seniors business. Leading doesn't mean the largest – but rather having a clear and unwavering focus on the creation of unitholder value, of providing an outstanding level of service to our residents and in attracting and retaining the best people in the industry.

Our strategy direction has four key levers:

1. Monetising the equity we have in our remaining offshore investments. This will be done in an accretive manner and only where we see clear creation of unitholder value;

2. Building and refining our operational capability. This will be achieved by leveraging the capabilities of our team to continue to unlock the considerable value that remains within our existing portfolio – principally within our Garden Villages rental business;
3. Extending and converting. Our focus here is to expand and re-develop our existing high occupancy communities through additional conversions and acquiring or optioning adjacent land to drive unitholder value; and
4. Developing, acquiring and seeding. Utilising our newly gained balance sheet capability we will seek to deliver strong medium term growth through prudent acquisitions and seeding new development sites in existing and new markets.

This is an exciting time for the Fund and you can be assured that the deployment of your capital will be subject to rigorous and thorough assessment.

Outlook

On a final slide, I would like to provide you with the outlook and likely key short term developments for the Fund:

- In early 2012, we anticipate launching the next phase of conversion villages as well as lodging the DA for the Stage two expansion of the Gladstone conversion village;
- Trading conditions remain challenging in our key Settlers markets of Brisbane and Perth, however the improving performance in other key parts of the portfolio, especially the conversion villages in central Queensland provide an excellent buffer to this;
- We are presenting assessing several very attractive offers for our New York portfolio and will provide an update if a transaction is contemplated. Management and the Board are finely attuned to the significant strategic value of this portfolio and we are in no rush to consummate a transaction. We are happy to remain as long term owners of this portfolio;
- Trading conditions permitting, the Fund is closely reviewing the recommencement of distributions and other capital management initiatives in 2012; and
- Lastly as noted previously by the Chairman, we are spending consideration time in advancing various go-forward strategies for the Fund’s ownership and capital structure. It is anticipated that an announcement will be made in the first quarter of 2012.

In closing I would like to make special thanks to the ILF team, across Australia, The United States and New Zealand for their tremendous effort over the past year and I look forward to working with them over the next 12 months in what I am sure will be an equally challenging and rewarding year.

Ladies and Gentlemen, thank you for your time today and your continued support of ILF.

I will now handover to the Chairman.

For further information, please contact

Simon Owen
Chief Executive Officer -
ING Real Estate Community Living Group
ING Real Estate Investment Management
Australia
T: +61 2 9033 1310
M: +61 412 389 339

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 look-through assets under management of $644 million with operations located predominantly throughout Australia and the United States.

About ING Real Estate Investment Management

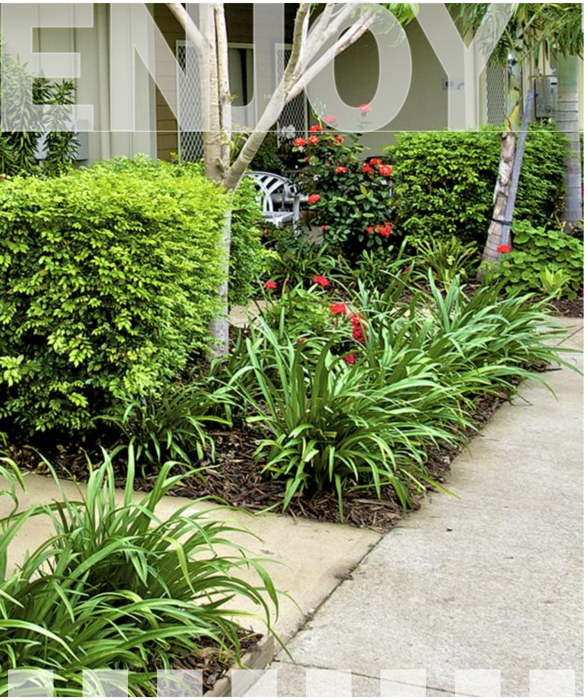
ING Real Estate Community Living Group is the remaining listed real estate investment trust that is managed by ING Real Estate Investment Management Australia. ING Real Estate Investment Management is part of ING Group, a global financial institution of Dutch origin offering banking, investments, life insurance and retirement services to over 85 million private, corporate and institutional clients in more than 40 countries

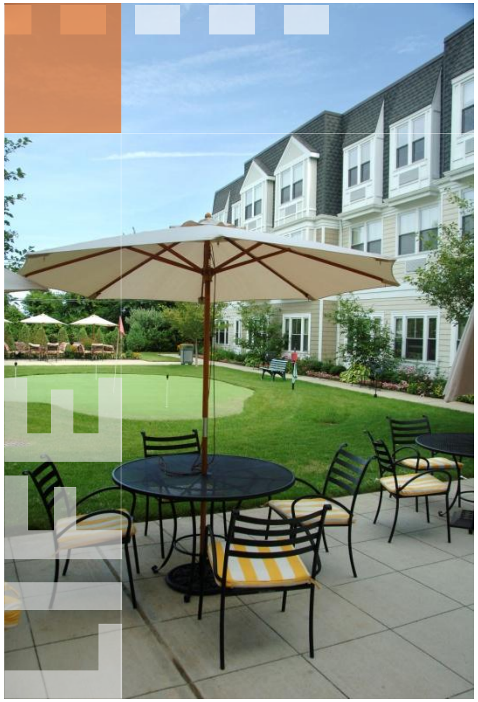
ING Real Estate Community Living Group

Annual Unitholder Briefing 2011

Simon Owen
Chief Executive Officer

15 December 2011





Agenda

Chairman's Welcome

Chief Executive Officer's Update

> Year in Review

> Capital Management

> Portfolio Update

> Strategy and Outlook

Questions

Michael Coleman

Independent Chairman

Chairman’s Welcome

Directors	Executives
Michael Coleman Independent Chairman	Jarvis Seaman ING Group Holland Executive
Philip Clark Independent Director	Greg Inkson CEO REIMA
Michael Easson Independent Director	Sarah Wiesener REIMA Group General Counsel
	Simon Owen CEO – ING Real Estate Community Living Group

Chairman's Welcome

At the Responsible Entity level…

In February 2011 ING Group announced a phased withdrawal from its global real estate activities, including Australia

ILF is now the only Australian listed fund remaining in the ING stable

ING is committed to supporting ILF for as long as is required to find an outcome that is in the best interest of unitholders

The Board is presently reviewing several options on the Fund's future ownership and management structure and expects to be in a position to make an announcement in early 2012

Simon Owen

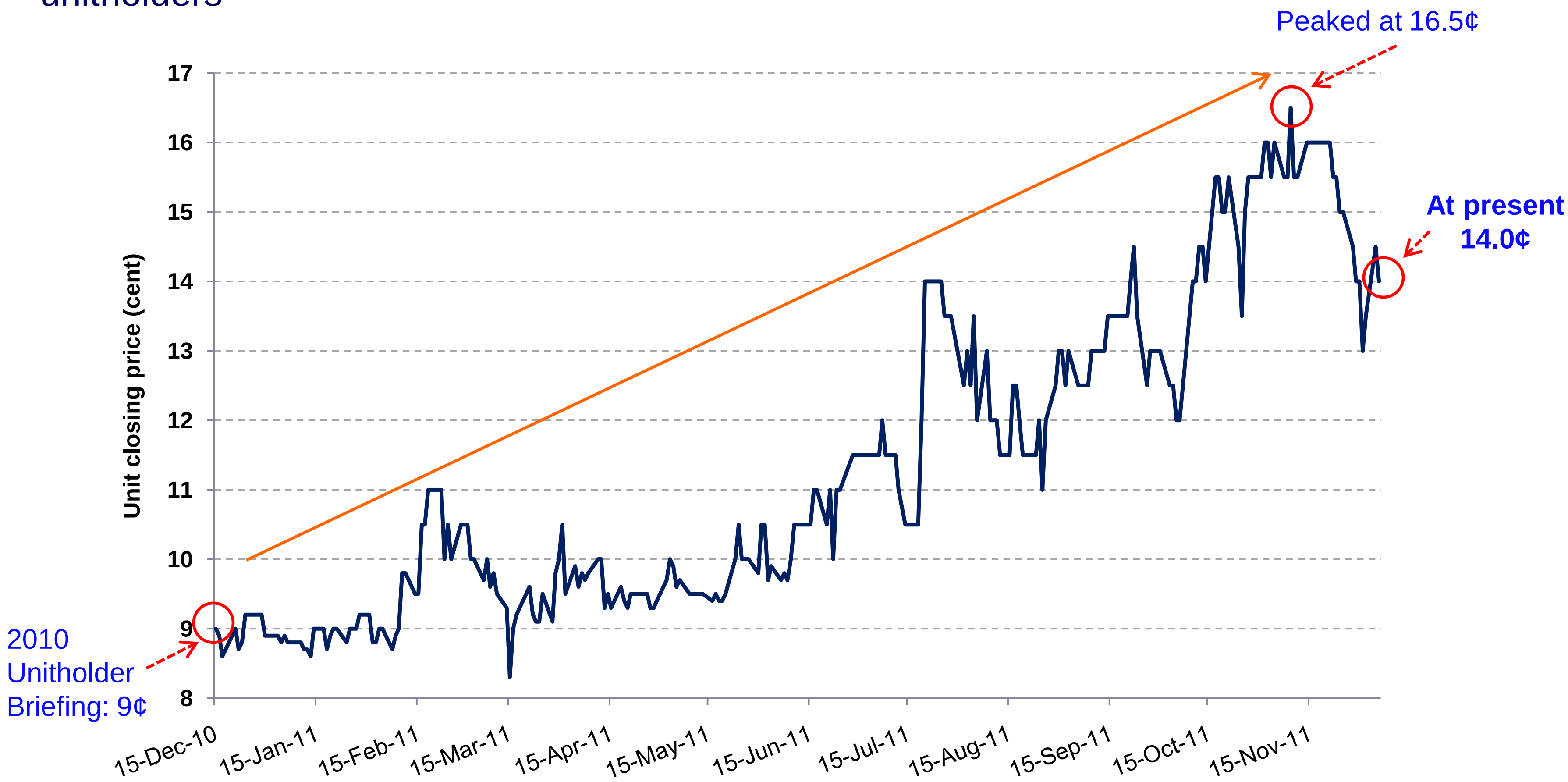
CEO – ING Real Estate Community Living Group

Year in Review

Settlers Meadow Springs, Mandurah WA – residents enjoying the village club house

Year in Review

ILF unit price has improved, however significant work remains to restore value for unitholders



Year in Review

Focused transition to actively managed Australian seniors living business

Garden Villages (Rental)	> Continued focus on operational improvements resulted in highest portfolio occupancy of 81% achieved at 30 June 2011. Management working hard to build occupancy growth to reach a target of 89%
DMF Conversion	> Successfully launched DMF[1] Conversion project in January 2011. Sales momentum growing and is forecast to generate > $35m operating cashflow over next 3 years
Asset Sales	> Completed divestment of five Australian non-core villages for > 20% premium to book value. Management will continue to exit non-core or poorly returning assets and recycle capital into higher yielding opportunities
Improved Capital Position	> Fund's balance sheet significantly deleveraged with recent asset sales including partial US Seniors transaction. ILF now in a position to advance rigorously assessed acquisition and development opportunities

1. Deferred Management Fee

Year in Review

Key Financial Metrics		FY2011	FY2010
Net profit / (loss)		$13.1m	($67.7m)
Operating income		$6.9m	$18.3m
Operating income per unit		1.6¢	4.1¢
Look through gearing		69%	73%
Australian LVR	Proforma →	< 40%[1]	52.5%
Net asset value (NAV) per unit		25.9¢	24.9¢
Net cashflow from operations		$8.6m	$14.6m

> Operating income in FY10 includes contributions from currency hedges of $7.4m terminated in November 2010, and operating income of $10.6m from North American assets that were divested in May 2010

1. As at 30 November 2011, effective Australian LVR is < 40%. We note that the Fund has not paid down its Australian debt facility using the proceeds from the partial US sale as a new revolving debt facility is in the progress of being negotiated.

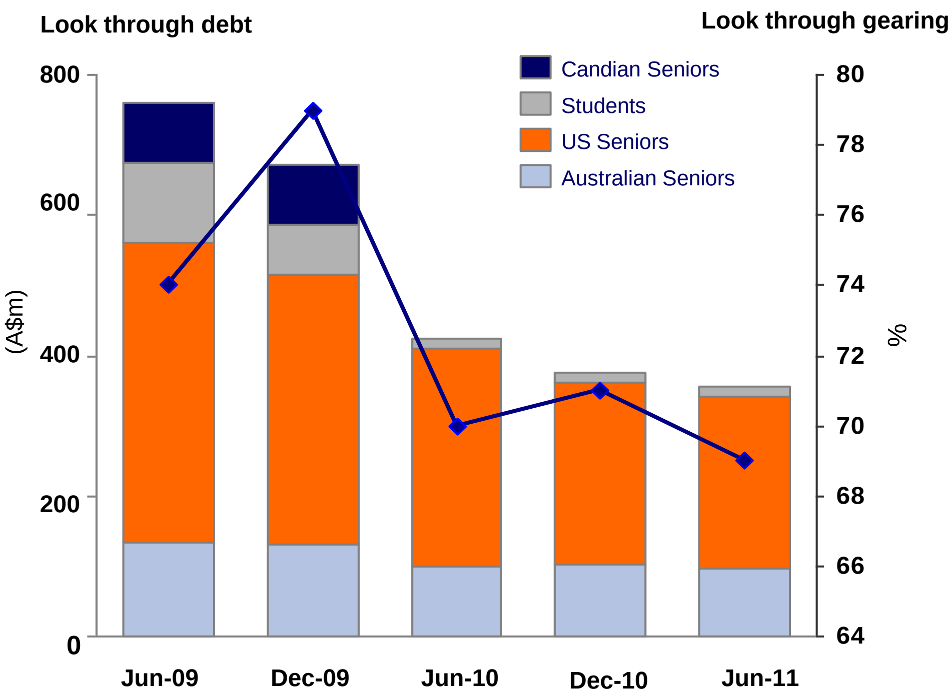
Capital Management

Bristal Massapequa, New York

Capital Management

Fund's debt and gearing position enables growth opportunities to be pursued

Historical look through debt reduction over past 3 years



> Debt repayment using proceeds from the partial US Seniors portfolio sale reduces the Fund's effective Australian LVR to < 40% and a margin reduction of 100 bps

> As at 30 June 2011, Fund's Australian debt has a facility limit of $104.7m and matures in March 2013

> NZ$20.8m debt facility extended to August 2012

Note: Students debt component comprises US Students and NZ Students debts in 2009, while June 2010 to June 2011 Students debt represents NZ Students only.

Capital Management

Fund will maintain a disciplined focus on capital allocation

- > Target Australian LVR < 45% (subject to asset mix)
- > Target a minimum of 15% IRR on new development and acquisition opportunities
- > Fund to consider recommencing distributions in FY12
- > Review other capital management alternatives including share buy-back
- > Deliver to unitholders a blend of yield and capital growth

Portfolio Update

2011 AFL Premiership Cup at Townsend Gardens, St. Albans Park, VIC Open Day

Portfolio Update

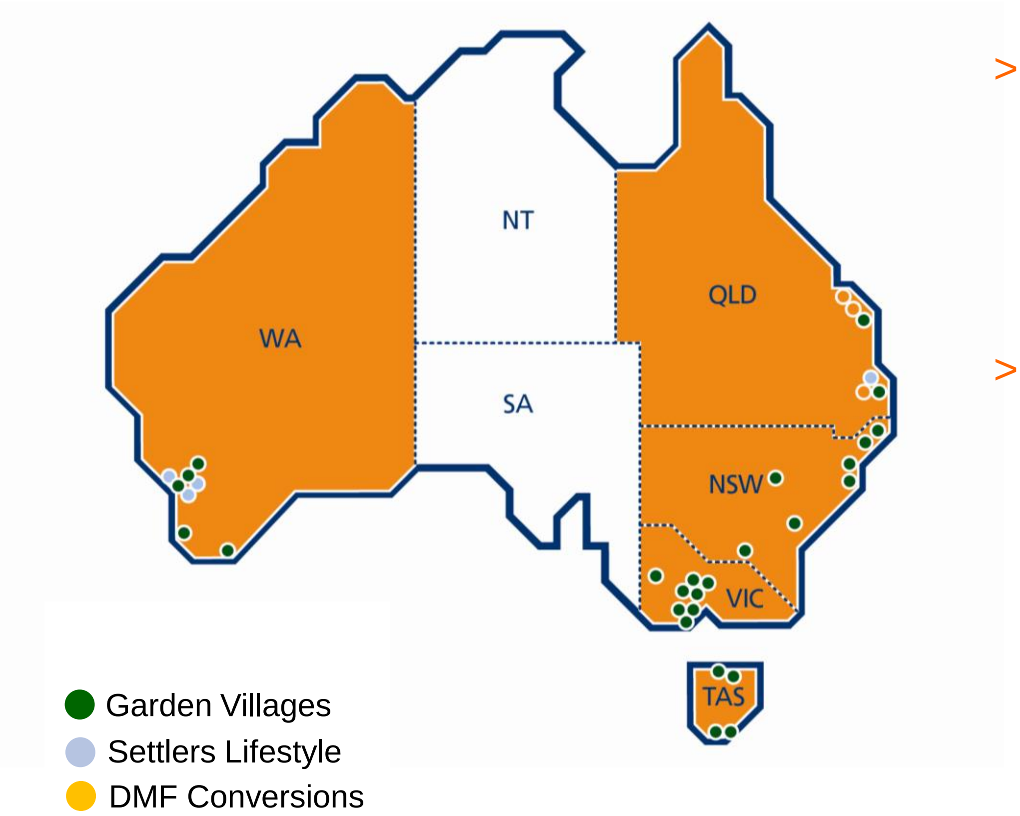
Increased focus on Australian Seniors as management looks to monetise the Fund's offshore investments

30 June 2011	Australian Rental	Australian DMF	Australian DMF Conversion	US Rental (New York)	NZ Students	Portfolio June 2011
	GARDEN VILLAGES ...bringing more life to community living	SETTLERS Friends | Freedom | Fulfillment	SETTLERS Friends | Freedom | Fulfillment	The Bristal ASSISTED LIVING	ustay	
Properties	26	4	3	6	3	42
Units	1,371	677	216	914	359	3,537
Book Value (ILF Share)	A$89.7m	A$56.5m	A$26.4m	A$123.3m[1]	A$17.4m[2]	A$313.3m

1. Exchange rate A$1 = US$1.0722
2. Exchange rate A$1 = NZ$1.2930

Portfolio Update

ILF has 33 communities across Australia, providing an excellent national platform for further growth



> Future acquisitions to be pursued in existing market 'clusters' leveraging current marketing and operational scale

> Assessing regional markets where strong local employment supports robust housing markets

Portfolio Update – DMF Conversion

SETTLERS
Friends | Freedom | Fulfillment

Conversion of three rental villages in QLD to DMF model forecast to unlock $35m over next 3 years

> DMF Conversion project successfully launched in January 2011 at Rockhampton, Gladstone and Forest Lake villages

> DMF Conversion monetises significant first time development margin

> 29% of total stock has been sold or under contract since project launch

> Since project launch to 30 November 2011, 40 settlements were achieved totalling gross sales of $7.2m, and 23 executed contracts to a value of $4.6m are held

>Sales momentum building, with FY12 sales well ahead of budget

Top image: Forest Lake Gardens, QLD

Bottom image: TV Vet Katrina Warren hosted the Gladstone Open day in conjunction with Assistance Dogs Australia

Portfolio Update – DMF Conversion

Assessment and launch of additional conversion villages well advanced

- Potential to convert an additional three to four villages to the DMF model
- Key selection criteria for conversion villages to include:
  - Appropriately sized village with minimum 60 – 70 units
  - Available adjacent land for development
  - Situated in area with strong employment and housing market
  - Ideal demographics and limited competition
- Development assessment for Gladstone Stage 2 expansion well advanced with construction forecast to commence in mid 2012

Top image: Upgraded community centre at Rockhampton Gardens encourages more resident engagement

Bottom image: Refurbished theatre room at Gladstone Gardens provides for better resident enjoyment

Portfolio Update – Settlers (DMF)

SETTLERS
Friends | Freedom | Fulfillment

Flat housing market in Brisbane and Perth affecting sales momentum

> Prospective residents delaying move into villages until property market improves

> Settles Ridgewood Rise Stage 8 final release completed in March 2011. Eight homes remain and 14 settlements have netted $6.3m to date.

> We continue to focus on building local brand awareness to increase community engagement

> Occupancy remains firm at 96.5%

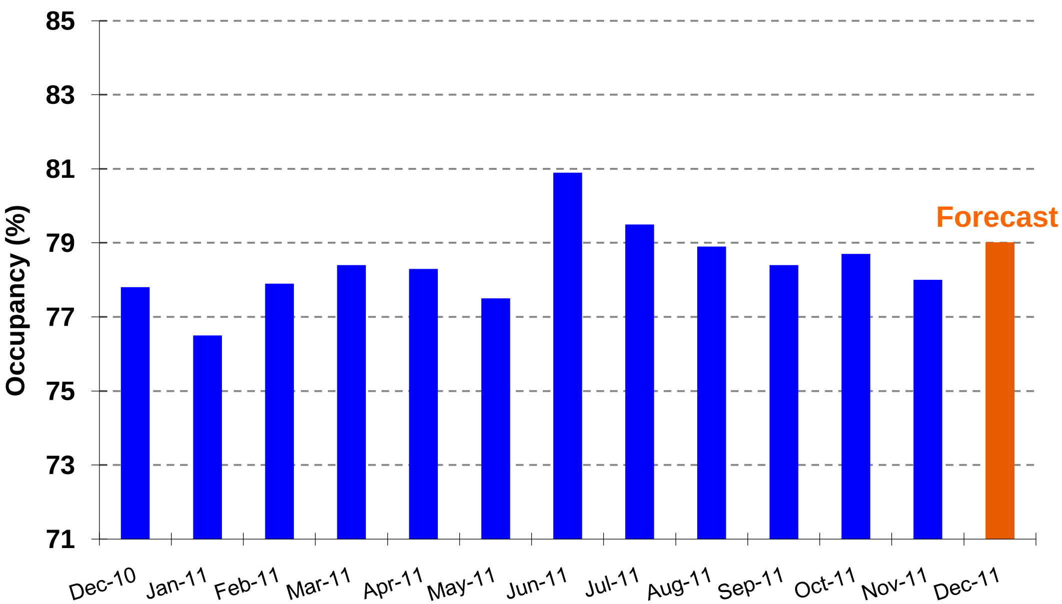
Top image: Residents enjoying the village grounds at Settlers Lakeside, Ravenswood WA

Bottom image: Residents at Ridgewood Rise Village Open Day October 2011

Portfolio Update – Garden Villages (Rental)

Continuing focus on operational improvements to drive occupancy

Garden Villages occupancy



> Focus remains to achieve long term occupancy target of 89% despite current seasonal dip

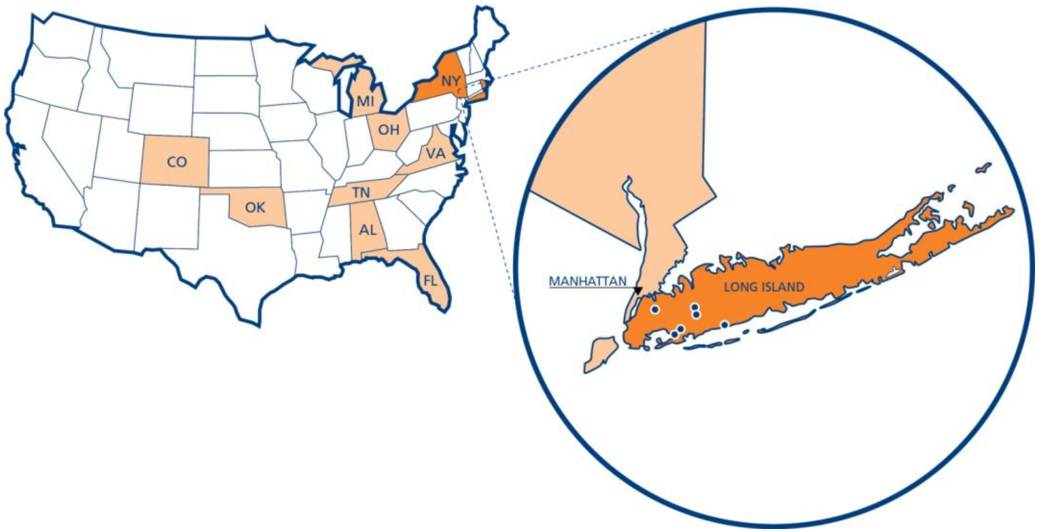
> Resident and community engagement programs delivering strong village referrals

> Maintaining rental rate growth and resident satisfaction without resorting to discounting contributes to building a sustainable business model

> Adding resident care to village offering will be a key strategy in 2012

Portfolio Update – US Seniors

A cluster of six high quality seniors communities remain in Long Island, New York



- Bristal portfolio is well located in the New York metro area which has a resilient economy and a high socio-economic demographic of over 65's
- There are steep barriers to entry for new entrants including scarce availability of land and an onerous licensing process
- Management is driving asset values through consistent rental rate increases, high levels of occupancy and driving care revenues

Strategy and Outlook

Settlers Noyea, Mt. Warren Park, QLD – adjacent to golf course and Albert River

Strategy

Expansion and conversion of existing villages will be key to growing our business

Development forecast within existing portfolios as at 30 November 2011

		Completion Value ($m)	# of Units[1]	FY12 – FY16+
Active Development				
Settlers DMF	Ridgewood, WA	$3.6	8	
DMF Conversion	Gladstone, QLD	$15.3	74	Stage 1 / Stage 2
	Rockhampton, QLD	$17.6	92	Stage 1 / Stage 2
	Forest Lake, QLD	$14.6	80	
Development Opportunities				
Settlers DMF	Meadow Springs, WA	$24.0	60	
DMF Conversion	New conversion	$11.4	104	
Garden Villages Rental	Cessnock, NSW	$1.3	6	
	Lovely Banks, VIC	$9.8	70	
		$97.6m	494 Units	

Medium term target

TARGET:
100 units
delivered pa.

Development Sell down

1. Includes built stock and units yet to be developed

Strategy

Our strategic direction: to build a leading Australian Seniors business

Monetise offshore equity	• Recently completed sale of non-New York seniors communities monetised > 7¢ per unit equity • Patient and disciplined approach towards remaining overseas portfolios
Build and refine operational capability	• Focus on Garden Villages Rental portfolio has unlocked considerable value for the Fund; will continue to make improvements • ILF has strong scalable operating platform with good systems and people
Extend and convert	• Assessing conversion of additional rental villages to unlock value • Exploring acquisition of land adjacent to high occupancy DMF villages
Develop, acquire and seed	• Investigating acquisition of bolt-on or partially built DMF villages in existing market clusters • Seed greenfield DMF sites to drive longer term development pipeline

Outlook

- Conversion of additional rental villages and Gladstone Stage 2 expansion well advanced
- Operating conditions in key markets of Brisbane and Perth remain challenging but forecasting improving operating cashflow
- Currently assessing several offers for remaining US Seniors portfolio at premium to net book value
- Considering recommencement of distributions in FY12
- Advancing go-forward strategy for Fund ownership and capital structure

Questions

Men’s shed at Marsden Gardens, QLD

Disclaimer

A copy of this presentation will be made available on www.ingrealestate.com.au

This presentation was prepared by ING Management Limited (ABN 15 006 065 032) (the "Responsible Entity") in respect of ING Real Estate Community Living Fund (ARSN 107 459 576) and ING Real Estate Community Living Management Trust (ARSN 122 928 410) (together ING Real Estate Community Living Group, ILF or the Fund). Information contained in this presentation is current as at 15 December 2011. This presentation is provided for information purposes only and has been prepared without taking account of any particular reader's financial situation, objectives or needs. Nothing contained in this presentation constitutes investment, legal, tax or other advice. Accordingly, readers should, before acting on any information in this presentation, consider its appropriateness, having regard to their objectives, financial situation and needs, and seek the assistance of their financial or other licensed professional adviser before making any investment decision. This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, nor does it form the basis of any contract or commitment.

Except as required by law, no representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions, or as to the reasonableness of any assumption, contained in this presentation. By reading this presentation and to the extent permitted by law, the reader releases the Responsible Entity and its affiliates, and any of their respective directors, officers, employees, representatives or advisers from any liability (including, without limitation, in respect of direct, indirect or consequential loss or damage or loss or damage arising by negligence) arising in relation to any reader relying on anything contained in or omitted from this presentation.

The forward looking statements included in this presentation involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, the Responsible Entity. In particular, they speak only as of the date of these materials, they assume the success of ILF's business strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties and risks. Actual future events may vary materially from forward looking statements and the assumptions on which those statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

The Responsible Entity, or persons associated with it, may have an interest in the securities mentioned in this presentation, and may earn fees as a result of transactions described in this presentation or transactions in securities in ILF.