

ING Real Estate Community Living Group

Unitholder Meeting
31 May 2012

Michael Coleman
Independent Chairman
ING Management Limited



Michael Coleman

Independent Chairman

Agenda

Chairman's welcome

Purpose of the meeting

Background to the Proposal

Alternatives considered

What internalisation means to unitholders

Benefits of the Proposal

Why you might vote against the proposed Resolutions

The proposed Resolutions for both schemes

Proxy votes

Next steps

Chairman's welcome

IML Directors	Ingenia Communities Group Directors	Executives
Michael Coleman Independent Chairman	Jim Hazel Independent Chairman	Greg Inkson REIMA CEO
Philip Clark Independent Director	Amanda Heyworth Independent Director	Sarah Wiesener IML Company Secretary
Michael Easson Independent Director	Simon Owen Managing Director	Simon Owen CEO – ILF

Purpose of the meeting

- > To consider the proposal presented to unitholders in the Notice of Meeting and Explanatory Memorandum dated 26 April 2012, relating to the following matters:

For a recommended proposal for the management of ING Real Estate Community Living Fund and ING Real Estate Community Management Trust (ILF Group) to be internalised through:

- 1. the issue of shares in Ingenia Communities Holdings Limited (IGCH) to unitholders of the ILF Group;**
- 2. the change of the responsible entity of the ILF Group from ING Management Limited (IML) to Ingenia Communities RE Limited (New RE) (a wholly owned subsidiary of IGCH);**
- 3. the stapling of each share in IGCH to each existing stapled security in ILF Group to form a new stapled security**

A fourth resolution presented for unitholder approval is the grant of quantum rights to Managing Director Simon Owen.

- > 50% of votes cast by eligible unitholders are required to pass Resolutions One, Three and Four
- > 75% of votes cast by eligible unitholders are required to pass Resolution Two
- > Resolution One, Two and Three of both schemes are interconditional, will only be passed if each resolution is passed by the requisite number of votes. Resolution Four is a stand-alone.

Background to the Proposal

ING's phased withdrawal

- > In June 2010, ING Group announced a strategic review of its global real estate investment management platform
- > In February 2011, phased withdrawal from the Australian real estate investment management operations announced
- > ILF is the last of the five listed property funds which REIMA has managed

Internalisation of management as the preferred strategy

- > On 28 March 2012, IML Independent Directors concluded after six months of deliberation that internalisation was the preferred strategy, in the absence of a superior alternative

Alternatives considered

- > Offers for the existing stapled securities in the ILF Group
- > Merger with another party
- > An orderly disposal of assets
- > A change of responsible entity
- > Internalisation of management

What internalisation means to unitholders?

- > In plain English, what does internalisation mean to unitholders?
- > What are the internalisation proposal mechanics from the perspective of unitholders?
- > Commonly asked questions
 - Fund strategy for Ingenia Communities Group
 - Executive Remuneration
 - Recommencement of distributions

Benefits of the Proposal

- > Independent Directors consider the Proposal is in the best interests of unitholders, in the absence of a superior alternative
- > Independent Expert concluded that the Proposal is fair and reasonable and is therefore in the best interests of Non-Associated Unitholders, in the absence of a superior alternative
- > Benefits of an internalised structure may include:
 - Minimisation of any perceived conflicts between manager and investors
 - Greater alignment of interest between manager and investors
 - Enhanced board accountability
- > ING to provide financial support to assist with a smooth transition for internalisation

Why you might vote against the proposed Resolutions


- > Do not agree with the conclusion of the Independent Directors
- > Do not agree with the conclusion of the Independent Expert
- > Do not think the Financial Support provided by ING is sufficient
- > Incremental cost base resulting from the Proposal will result in incremental operational leverage risk
- > Incremental cost base from internalisation may be higher
- > Potential dilution from long term incentive plan
- > Loss of ING expertise and investment exposure
- > Another responsible entity may be better placed to manage the ILF Group
- > Your personal taxation position outweighs the benefits of the Proposal
- > Proposal disadvantages Foreign Resident Holders as their interests have to be compulsorily cashed out
- > Risks associated with the Proposal outweigh any potential benefits

Formal business of the meeting



Admission cards

Voting Card



ING Real Estate Community Living Group
 ING Real Estate Community Living Management Trust (ARSN 122 928 410)
 ING Real Estate Community Living Fund (ARSN 107 459 576)
 Responsible Entity:
 ING Management Limited ABN 15 006 065 032

Unitholder Meeting

31 May 2012

**SECURITYHOLDER / PROXYHOLDER
 ADMISSION / VOTING CARD**

|||||||
00001

POLL VOTING

In a poll, please mark a box below to indicate your voting intention.

ING Real Estate Community Living Fund (ILF Fund)

	For	Against	Abstain
Resolution One – Ordinary resolution Change of responsible entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution Two – Special resolution Amendments to the constitution of ILF Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution Three – Ordinary resolution Approval of the Proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution Four – Ordinary resolution Grant of quantum rights to Simon Owen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ING Real Estate Community Living Management Trust (ILF trust)

	For	Against	Abstain
Resolution One – Ordinary resolution Change of responsible entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution Two – Special resolution Amendments to the constitution of ILF Trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution Three – Ordinary resolution Approval of the Proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution Four – Ordinary resolution Grant of quantum rights to Simon Owen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Non-Voting Cards



ING Real Estate Community Living Group
 Comprising of ING Real Estate Community Living Management Trust (ARSN 122 928 410) and
 ING Real Estate Community Living Fund (ARSN 107 459 576)
 Responsible Entity: ING Management Limited ABN 15 006 065 032


UNITHOLDER MEETING

Thursday, 31 May 2012

Non Voting Unit Holder Admission Card

|||||||
01002

As a non-voting unit holder you are reminded that whilst you are entitled to speak at this meeting, you are not entitled to vote.



ING Real Estate Community Living Group
 Comprising of ING Real Estate Community Living Management Trust (ARSN 122 928 410) and
 ING Real Estate Community Living Fund (ARSN 107 459 576)
 Responsible Entity: ING Management Limited ABN 15 006 065 032

UNITHOLDER MEETING

Thursday, 31 May 2012

Visitor Admission Card

As a visitor you are reminded that you are not entitled to speak or vote at this meeting.

Proposed Resolutions

Resolution One for ILF Trust and ILF Fund: Change of responsible entity

To consider, and if thought fit, approve as an ordinary resolution:

“That, subject to and conditional on the passing of Resolutions Two and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for **ING Real Estate Community Living Fund (ARSN 107 459 576)** dated 26 April 2012:

- a) ING Management Limited retire as responsible entity of ING Real Estate Community Management Trust;***
- b) upon the retirement of ING Management Limited as responsible entity of ING Real Estate Community Living Fund, Ingenia Communities RE Limited be chosen as the new responsible entity of ING Real Estate Community Living Management Trust in accordance with section 601FL of the Corporations Act 2001 (Cth); and***
- c) ING Management Limited as responsible entity of ING Real Estate Community Living Fund be authorised to do all things necessary to give effect to this resolution, including without limitation, lodge with the Australian Securities and Investments Commission a Form 5107 for ING Real Estate Community Living Management Trust in relation to the change of responsible entity referred to in paragraphs a) and b) of this resolution.”***

To consider, and if thought fit, approve as an ordinary resolution:

“That, subject to and conditional on the passing of Resolutions Two and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for **ING Real Estate Community Living Management Trust (ARSN 122 928 410)** dated 26 April 2012:

- a) ING Management Limited retire as responsible entity of ING Real Estate Community Living Fund;***
- b) upon the retirement of ING Management Limited as responsible entity of ING Real Estate Community Living Fund, Ingenia Communities RE Limited be chosen as the new responsible entity of ING Real Estate Community Living Fund in accordance with section 601FL of the Corporations Act 2001 (Cth); and***
- c) ING Management Limited as responsible entity of ING Real Estate Community Living Fund be authorised to do all things necessary to give effect to this resolution, including without limitation, lodge with the Australian Securities and Investments Commission a Form 5107 for ING Real Estate Community Living Fund in relation to the change of responsible entity referred to in paragraphs a) and b) of this resolution.”***

Proposed Resolutions

Resolution Two: Amendments to the constitution of ILF Trust and ILF Fund

To consider, and if thought fit, to pass the following resolution as a special resolution:

“That, subject to and conditional on the passing of Resolutions One and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for **ING Real Estate**

Community Living Fund (ARSN 107 459 576) dated 26 April 2012:

- a) ***the constitution of ING Real Estate Community Living Management Trust be amended as set out in Attachment D of the Notice of Unitholders’ Meetings and Explanatory Memorandum to unitholders dated 26 April 2012 (Explanatory Memorandum); and***
- b) ***ING Management Limited as the responsible entity of ING Real Estate Community Living Management Trust be authorised to do all things necessary to give effect to this resolution, including without limitation, to execute and lodge with the Australian Securities and Investments Commission a supplemental deed in relation to the amendments referred to in paragraph a) of this resolution.”***

To consider, and if thought fit, to pass the following resolution as a special resolution:

“That, subject to and conditional on the passing of Resolutions One and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for **ING Real Estate**

Community Living Management Trust (ARSN 122 928 410) dated 26 April 2012:

- a) ***the constitution of ING Real Estate Community Living Fund be amended as set out in Attachment D of the Notice of Unitholders’ Meetings and Explanatory Memorandum to unitholders dated 26 April 2012 (Explanatory Memorandum); and***
- b) ***ING Management Limited as the responsible entity of ING Real Estate Community Living Fund be authorised to do all things necessary to give effect to this resolution, including without limitation, to execute and lodge with the Australian Securities and Investments Commission a supplemental deed in relation to the amendments referred to in paragraph a) of this resolution.”***

Proposed Resolutions

Resolution Three: Approval of the Proposal for ILF Trust and ILF Fund

To consider, and if thought fit, approve as an ordinary resolution:

*“That, subject to and conditional on the passing of Resolutions One and Two and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for **ING Real Estate Community Living Fund (ARSN 107 459 576)** dated 26 April 2012, approval is given for the Proposal.”*

To consider, and if thought fit, approve as an ordinary resolution:

*“That, subject to and conditional on the passing of Resolutions One and Two and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for **ING Real Estate Community Living Management Trust (ARSN 122 928 410)** dated 26 April 2012, approval is given for the Proposal.”*

Proposed Resolutions

Resolution Four: Grant of quantum rights to Simon Owen for ILF Trust and ILF Fund

To consider, and if thought fit, approve as an ordinary resolution:

*“That, subject to and conditional on the implementation of the Proposal described in the Notice of Unitholders’ Meetings and Explanatory Memorandum for ING Real Estate Community Living Group comprising ING Real Estate Community Living Fund (ARSN 107 459 576) and ING Real Estate Community Living Management Trust (ARSN 122 928 410) dated 26 April 2012, approval is given for all purposes, including for the purposes of ASX Listing Rule 10.14, to the acquisition by the Managing Director and Chief Executive Officer, Simon Owen, under the Ingenia Communities Long-term Incentive Scheme of each of the performance quantum rights and retention quantum rights no later than 12 months after the date of this meeting and the New Stapled Securities on the vesting of some or all of those performance quantum rights and retention quantum rights on the terms set out in the Notice of Unitholders’ Meetings and Explanatory Memorandum for ING Real Estate Community Living Group comprising **ING Real Estate Community Living Fund (ARSN 107 459 576)** and **ING Real Estate Community Living Management Trust (ARSN 122 928 410)** dated 26 April 2012.”*

Proposed Resolutions for both schemes

- > Resolution One: Change of responsible entity
- > Resolution Two: Amendments to the constitution of **ILF Fund**
- > Resolution Three: Approval of the Proposal
- > Resolution Four: Grant of quantum rights to Simon Owen

- > Resolution One: Change of responsible entity
- > Resolution Two: Amendments to the constitution of **ILF Trust**
- > Resolution Three: Approval of the Proposal
- > Resolution Four: Grant of quantum rights to Simon Owen

Proxy votes

As at Proxy submission close – 10.00am Tuesday 29 May 2012 (48 hours prior to the Unitholder Meeting)

Resolution #	Resolution Description	For		Against		Abstain	Open
		Units Votes	% of Units Votes For/Against	Units Votes	% of Units Votes For/Against		
Resolutions in relation to ILF Trust							
1	Change of RE	235,295,849	99.72	668,364	0.28	5,578,739	335,185
2	Amendment to constitutions of ILF Trust	205,775,067	99.65	730,290	0.35	5,678,739	245,034
3	Approval of the Proposal	205,780,067	99.67	675,290	0.33	5,728,739	245,034
4	Grant of quantum rights to Simon Owen	191,620,796	92.91	14,617,873	7.09	6,082,043	245,034
Resolutions in relation to ILF Fund							
1	Change of RE	236,695,081	99.62	900,097	0.38	5,577,427	335,185
2	Amendment to constitutions of ILF Trust	207,043,191	99.54	954,931	0.46	5,817,627	245,034
3	Approval of the Proposal	207,036,099	99.56	912,023	0.44	5,867,931	245,034
4	Grant of quantum rights to Simon Owen	192,632,286	92.84	14,854,606	7.16	6,462,931	245,034

Next steps

- > Final results of the voting poll will be announced on the ASX
- > Ingenia Communities Group to recommence trading on a deferred settlement basis on 5 June 2012
- > Ingenia Communities Group new ASX ticker is 'INA' and this change will only happen as at 13 June 2012. The Fund will continue to trade under the existing trading name 'ILF Group' and ASX ticker 'ILF' until that date
- > Ingenia Communities Group results forecast to be released on 29 August 2012

Close of meeting

Thank You for your attendance



Disclaimer

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 31 May 2012. 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.

This document is not an offer to sell or a solicitation of an offer to subscribe or purchase or a recommendation of any securities and may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. No action has been or will be taken that would permit a public offering of the New Securities in any jurisdiction outside Australia and New Zealand. Recipients of this document should inform themselves of the restrictions that apply in their own jurisdiction. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

REAL ESTATE INVESTMENT MANAGEMENT

Date

31 May 2012

Fund

ING Real Estate Community Living Group

ILF Unitholder Meeting 2012

Section 1: Chairman's Welcome

Title Slide

Good Morning ladies and gentlemen, and welcome to the unitholder meetings for ING Real Estate Community Living Fund and ING Real Estate Community Living Management Trust (together comprising the ING Real Estate Community Living Group).

As mentioned in the Meeting Booklet that convened these meetings, although formally two meetings are required, one for each scheme, due to the stapled nature of the schemes, we will hold the meetings for each scheme simultaneously. And in this presentation, when I refer to 'meeting' and 'resolution', I mean each meeting and each set of resolutions for the two separate schemes.

My name is Michael Coleman, and I am the Independent Non-Executive Chairman of ING Management Limited (IML), the responsible entity of each scheme comprising the ING Real Estate Community Living Group or "ILF".

It is now just past 10:00am, the nominated time for the meetings. I have been informed by Link Market Services, ILF's unit registry, that a quorum for each meeting is present, so I am pleased to declare the meetings and subsequent polls of ING Real Estate Community Living Group open.

Slide 3: Agenda

There are a number of points to cover during our discussions this morning.

First, I would like to clarify the purpose of the meeting today before providing you with background to the proposal in relation to ILF.

Secondly, it is important to understand the detail of the proposal, and outline the considerations of the IML Board in developing the recommendations presented to unitholders.

We will then progress to the formal business of the meeting, where the resolutions provided in the Notices of General Meeting and Explanatory Memorandum dated 26 April 2012 will be put to vote.

We will allow time for questions and answers regarding the proposal before proceeding to vote on the resolutions.

Lastly, at the conclusion of the meeting, I would like to invite you to join the directors, management and me for morning tea in the foyer outside this room.

Slide 4: Chairman's welcome

I would like to start by introducing you to the board and directors that are present at this meeting.

To my right on the panel are IML Independent Non-Executive Directors Michael Easson and Phil Clark. Greg Inkson – Chief Executive Officer of ING Real Estate Investment Management Australia (REIMA) and Sarah Wiesener, REIMA Group General Counsel and IML Company Secretary. We also have Jim Hazel, the incoming Independent Non-Executive Chairman of Ingenia Communities Holdings Limited joining us today, and the final member of the team is Simon Owen – Chief Executive Officer of ILF.

In the front of the room, we also have Amanda Heyworth, incoming Independent Non-Executive Director of Ingenia Communities Holdings Limited.

Mr Hein Brand, an IML Non-Executive Director, who is based in Holland, is not able to be present today and sends his apologies.

Slide 5: Purpose of the Meeting

Internalisation is the term used where a fund or managed investment scheme is managed by a company owned by the unitholders.

The purpose of today's meeting is to consider the proposal presented to unitholders in the Notices of General Meeting and Explanatory Memorandum dated 26 April 2012, relating to the following matters and vote on the resolutions:

- For a recommended proposal for the management of ING Real Estate Community Living Fund and ING Real Estate Community Management Trust (ILF Group) to be internalised through:
 1. The issue of shares in Ingenia Communities Holdings Limited (IGCH) to unitholders of the ILF Group;
 2. The change of the responsible entity of each scheme in the ILF Group from ING Management Limited (IML) to Ingenia Communities RE Limited (New RE) (a wholly owned subsidiary of IGCH); and

3. The stapling of each share in IGCH to each existing stapled security in ILF Group to form a new stapled security.

Resolutions One, Two and Three as set out in the Notices of General Meeting relate to this proposal.

A fourth resolution presented for unitholder approval is the grant of quantum rights to Simon Owen.

It should be noted that Resolutions One, Three and Four are ordinary resolutions and each will be passed if more than 50% of votes are cast by eligible unitholders present in person or by proxy vote in favour of the resolution.

Resolution Two is a special resolution, and will be passed if more than 75% of the votes are cast by eligible unitholders present in person or by proxy vote in favour of the resolution.

Resolutions One, Two and Three for both schemes are interconditional and will only be passed if each resolution is passed by the requisite number of votes.

Resolution Four in relation to Simon Owen's quantum rights is a stand-alone resolution.

Slide 6: Background to the Proposal

In June 2010, ING Group announced that it was conducting a strategic review of its global real estate investment management platform and its position within the broader ING banking business which culminated in February 2011 with a decision by ING Bank NV to undertake a phased withdrawal from the Australian real estate investment management operations, (REIMA). Your fund, ILF, is the last of the five listed property funds which were managed by REIMA. IML has retired as responsible entity of the others over the course of the last two years.

On 28 March 2012, the Independent Directors for ILF announced they had reached an agreement with REIMA to internalise the management of the fund. The Independent Directors believe internalisation of management will:

- Align management and unitholders' interest therefore enabling management to deliver on their business strategy for ILF;
- Result in a more transparent corporate structure; and
- Create better future value for unitholders.

Slide 7: Alternatives Considered

A number of alternatives were considered by the Independent Board Committee. They included:

- Offers for the existing stapled securities in the ILF Group;

- Merger with another party;
- An orderly disposal of assets;
- A change of responsible entity; and
- Internalisation of management.

The Independent Board Committee concluded that the internalisation proposal represents the best outcome available for unitholders. Therefore the Independent Directors unanimously recommend that unitholders vote in favour of the proposal resolutions, in the absence of a superior alternative.

The Independent Directors also unanimously recommend that unitholders vote in favour of Resolution Four to approve the long term incentive scheme for key executives of Ingenia Communities.

Slide 8: What internalisation means to unitholders

Ladies and gentlemen, before I proceed to summarising the benefits of the proposal, I would like to take this opportunity to summarise what internalisation means to unitholders and to briefly respond to a couple of the most commonly asked questions we received.

Since the Meeting Booklet was issued to unitholders, we have received some feedback from you on this sizable document and the clarity needed on the intricacies of this internalisation transaction. While you have all had an opportunity to review the Meeting Booklet and consider its impact on you personally, we feel a summary of the transaction would be helpful.

The proposal before you to internalise the management of ILF, if approved by unitholders, would result in the following steps:

- ING will cease to be the responsible entity for ILF which will be re-named Ingenia Communities Group;
- The new responsible entity, a wholly owned subsidiary of Ingenia Communities Holdings Limited, will become part of Ingenia Communities which will ultimately be owned by ILF unitholders;
- If the internalisation vote is successful, unitholders will have securities in the Ingenia Communities Group triple stapled group, which will comprise of the two existing trusts and a new management entity;
- The new responsible entity will have a new board which will comprise three Independent Directors including Phil Clark who is currently a director of IML and Simon Owen, current Chief Executive Officer of ILF;

- Existing key management of ILF will continue with Ingenia Communities, including Simon Owen and Nikki Fisher, current General Manager of the Australian Seniors business who will become the Chief Operating Officer of the fund;
- Notwithstanding ING ceasing to be the responsible entity for ILF, all necessary resource needed to actively manage this fund and pursue its growth strategy have been retained. This includes the appointment of ILF's new Chief Financial Officer, Tania Betts;
- In the current externally managed model, ILF pays management fees to ING. Post internalisation, the cost of managing the fund will be directly incurred by Ingenia Communities Group;
- In the medium term, the cost of managing the fund will increase. However this is largely off-set by the financial support that will be provided by ING;
- Independent Directors have valued this support between \$3.4 - \$3.9 million, whilst ING valued this support at \$4.1 million; and
- In addition to the internalisation vote, we have separately asked unitholders to approve the grant of performance rights for key executives of Ingenia Communities Group.

From the perspective of unitholders, the internalisation proposal mechanics can be summarised as below:

- ILF Fund will declare a distribution of \$6 million or approximately 1.36 cents per unit;
- This distribution will not be paid out to unitholders in cash as such, rather invested in the capitalisation of the new management entity;
- This means that the \$6 million investment in the new management entity will remain within the Ingenia Communities group;
- If the unitholder votes today are successful, internalisation will take effect from Monday 4 June 2012;
- The Ingenia Communities Group triple stapled group will commence trading on the ASX from Tuesday 5 June 2012 on a deferred settlement basis;
- The Ingenia Communities Group ASX ticker code will be changed from 'ILF' to 'INA'. However this change will only commence on the ASX as at 13 June 2012; and
- Barring any trades unitholders would have conducted before today's vote, the size of each unitholder's Ingenia Communities Group holding will not change post internalisation. The value of the holding may vary depending on unit price movements driven by factors such as market and economic forces.

As for a couple of commonly asked questions from unitholders, I would like to firstly address the question on fund strategy.

As detailed in the Meeting Booklet, the Ingenia Communities Group board has endorsed the current fund strategy adopted by the current responsible entity, and Simon and his team. These strategies include:

- A focus on providing superior unitholder returns through unit price growth and a potential reinstatement of distributions in 2012 where earnings and cashflow permit;
- Exploring options to unlock the remaining value within our US Seniors and NZ Students portfolio;
- Consolidating ILF's position as a leading provider of accommodation and care to Australian Seniors;
- Continuing to build and refine Ingenia Communities' operational and development capabilities;
- Coverting additional select rental villages to the DMF model to unlock earnings and cashflow; and
- To develop, acquire, and seed growth opportunities organically and through rigorously assessed bolt-on acquisitions with attractive risk-adjusted returns in existing and new markets.

To this note, the fund released an announcement last week on 23 May that it has entered into a conditional contract to sell its interests in the New York Seniors portfolio for a premium to its book value. This transaction is a step in the right direction in the fund's strategy to exit its offshore investments and its ability to reap considerable value for unitholders.

Another area on which we have received several questions is the remuneration for Managing Director, Simon Owen.

At the outset let me say that Simon's base salary will be lower under the proposal than his current arrangement with ING.

In line with advice from a remuneration consultant appointed to inform the boards of both IML and Ingenia Communities, Simon's fixed remuneration following internalisation is to be approximately 30% less than the commercial benchmark for comparable roles. This has been taken into account in devising the short and long-term incentive schemes. Both these schemes were also the subject of advice from that remuneration consultant and their key features are in-line with the recommendations of the consultant as representing market practice.

One of Ingenia Communities' key risks is its reliance on attracting and retaining quality senior executives. The short and long-term incentive schemes are being put in place to help address that risk. In particular, the retention quantum rights will incentivise Simon to remain with the business during the very important transitional phase, whilst the performance quantum rights will align his interests with those of unitholders.

Lastly, many unitholders enquired as to the recommencement of distributions. As highlighted in the Fund's past investor presentations, the current Responsible Entity and management reaffirmed the objective to recommence distributions in calendar year 2012 where trading conditions permit.

It should be noted that distributions will be funded out of recurrent earnings and not from asset sales. The directors of Ingenia Communities Responsible Entity believe in the need to

be financially disciplined, in making sure the business can support sustainable distributions for unitholders. The Fund is closely reviewing the recommencement of distributions and other capital management initiatives, balancing that with the ability to seed opportune growth opportunities to develop Ingenia Communities Group into a scalable and profitable business.

Slide 9: Benefits of the Proposal

I would now like to briefly walk you through the reasons that led to the Independent Directors' unanimous recommendation that ILF unitholders vote in favour of the resolutions.

- The Independent Directors consider the Proposal is in the best interests of unitholders, in the absence of a superior alternative.

As ING and REIMA explored various exit options for your fund, the directors appointed an Independent Board Committee (IBC) to oversee this evaluation process to ensure that any potential conflict of interest between REIMA and the current responsible entity was appropriately and transparently managed. The IBC comprised only independent directors of ING who were supported by financial and legal advisors.

As detailed in a prior slide, the IBC considered a range of options for the future of ILF. These options included offers for the existing stapled securities in ILF, an orderly disposal of the assets, a merger with another party, a change of the responsible entity for ILF and internalisation of management.

Following all these considerations, the IBC concluded that the internalisation proposal is in the best interests of unitholders and accordingly recommends the Proposal to unitholders in the absence of a superior alternative. To date, no superior alternative has emerged during this process.

- The Independent Expert has concluded that the Proposal is fair and reasonable and is therefore in the best interests of Non-Associated Unitholders, in the absence of a superior proposal.

In this context, the Non-Associated Unitholders are all unitholders excluding those associated with ING.

Deloitte Corporate Finance Pty Limited (the Independent Expert) was engaged by the Independent Directors of the current responsible entity to provide an assessment of the proposal for the benefit of unitholders. An excerpt of the conclusion reached by the Independent Expert was that:

"In our opinion the Proposed Transaction is fair and reasonable and is therefore in the best interests of Non-Associated Unitholders, in the absence of a superior proposal. In particular, in addition to the net financial benefit expected as a result of internalisation, we consider that the Proposed transaction is likely to result in clearer

alignment of management, board and unitholder interests, enhance ILF Group's attractiveness in any future takeover offers and may trigger a positive market rerating of ILF Group's unit price in the short term as well as improve ILF Group's ability to access capital."

- Benefits of an internalised structure include:
 - Greater alignment of interests between new unitholders and management of the new responsible entity as the proposed remuneration arrangements relate directly to Ingenia Communities and will be solely focused on Ingenia Communities Group and its future performance. The management team will be directly accountable to the new board;
 - Some investors prefer internally managed structures where any perceived conflicts between the manager and the investors may be minimised; and
 - Enhanced board accountability – the requirement for periodic election will ensure that the new board is directly accountable to new unitholders for the performance of Ingenia Communities.
- The proposal involves the provision of financial support for Ingenia Communities Group and provides a smooth transition for internalisation.

As part of the Proposal, ING has agreed to financially support Ingenia Communities Group to a value estimated by ING to be \$4.1 million. The Independent Directors estimated the value of this support to be between \$3.4 million - \$3.9 million. Importantly, no consideration will be paid by the new responsible entity or otherwise by the unitholders of ILF for the management rights of the current responsible entity.

To aid in a smooth transition for internalisation, an existing IML board member, Phil Clark, and key ILF management such as Simon Owen, the current Chief Executive Officer, Nikki Fisher, the current General Manager of the Australian Seniors business, and a small team of other support staff who currently directly support ILF for IML are transitioning over to Ingenia Communities Group.

Slide 10: Why you might vote against the Resolutions

- You do not agree with the conclusion of the Independent Directors;
- You do not agree with the conclusion of the Independent Expert;

- You do not think the financial support provided by IML and ING is sufficient to account for the expected future increases in costs going forward;
- You may think that the incremental cost base resulting from the Proposal will result in incremental operational leverage risk;
- You may think that the incremental costs from internalisation may be higher;
- You may be concerned about the potential dilution resulting from the long-term incentive plan;
- You may consider that the loss of ING expertise and investment exposure will have a detrimental impact;
- You may consider that another responsible entity is better placed to manage ILF;
- You may believe that your personal taxation position outweighs the benefits of the Proposal;
- You may believe the Proposal disadvantages Foreign Resident Holders as their interests in the Ingenia Communities will be compulsorily cashed out shortly after the Implementation date; and
- You may consider that the risks associated with the Proposal outweigh any potential benefits.

Section 2: Formal business of the meeting

Slide 11: Formal business of the meeting

Ladies and gentlemen, we will now progress to the formal business of today's meeting.

I have been informed that the Notices of General Meeting for each of ILF Fund and ILF Trust were sent within the notice periods required.

I now table the Notices of General Meeting for each of ILF Fund and ILF Trust. I will take the Notices as read unless anyone wishes me to read the Notices.

Slide 12: Admission cards

At the beginning of this meeting, I exercised my power as the Chairman to declare that a poll be conducted for the resolutions, and the poll remains open.

I would like to take a moment to remind unitholders that only those with a yellow voting card, which you can see here on the screen, are entitled to vote. You should have received this at registration before the start of the meeting.

Those in possession of either a yellow voting card or a red non-voting card are welcome to ask questions while those with a blue visitor card are kindly requested to only observe during this next part of the meeting. If you believe you have not received the correct card, please go to the registration desk where a Link Market Services representative will assist you.

Voting today will be by way of a poll supervised by Link Market Services.

In terms of process, all unitholders will be asked to consider the resolutions contained in the Notice of General Meeting of ILF Trust as detailed on pages 32-33 of the Meeting Booklet and the identical set of resolutions contained in the Notice of General Meeting of ILF Fund as detailed on pages 34-35.

Shortly, I will explain each of the resolutions and provide unitholders with the opportunity to ask questions. I will endeavour to give all unitholders who wish to speak a reasonable opportunity to do so. Ladies and gentlemen, we have quite a lot to get through today, therefore may I ask that you please keep your questions related to the matter at hand and as succinct as possible.

As noted in the Meeting Booklet and on the proxy form itself, where a proxy form has appointed the Chairman of the meeting as proxy but does not specify how the relevant votes are to be cast, those votes will be rendered as invalid.

After the question and answer session has been completed, I will disclose the status of the proxy votes in relation to the resolutions before proceeding to vote.

Should you need to leave before the conclusion of the meeting, you may provide a Link Market Services representative with your completed voting card as you leave.

Slide 13: Unitholder Resolutions

I would now like to walk you through the first three Resolutions. As noted earlier, Resolutions One, Two and Three are identical in substance in respect of both ILF Fund and ILF Trust, therefore I will be presenting each Resolution to you collectively.

Resolutions One, Two and Three are interconditional, which means if any one of the Resolutions are not passed for either schemes, the Proposal will not be approved.

For your consideration Resolution One for ILF Fund and ILF Trust are set out on the screen.

I will now give you a moment to read the resolutions. These resolutions relate to the change in Responsible Entity.

Resolution One for ILF Fund

“That, subject to and conditional on the passing of Resolutions Two and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for ING Real Estate Community Living Management Trust (ARSN 122 928 410) dated 26 April 2012:

- a) ING Management Limited retire as responsible entity of ING Real Estate Community Living Fund;***
- b) upon the retirement of ING Management Limited as responsible entity of ING Real Estate Community Living Fund, Ingenia Communities RE Limited be chosen as the new responsible entity of ING Real Estate Community Living Fund in accordance with section 601FL of the Corporations Act 2001 (Cth); and***
- c) ING Management Limited as responsible entity of ING Real Estate Community Living Fund be authorised to do all things necessary to give effect to this resolution, including without limitation, lodge with the Australian Securities and Investments Commission a Form 5107 for ING Real Estate Community Living Fund in relation to the change of responsible entity referred to in paragraphs a) and b) of this resolution.”***

Resolution One for ILF Trust

“That, subject to and conditional on the passing of Resolutions Two and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for ING Real Estate Community Living Fund (ARSN 107 459 576) dated 26 April 2012:

- d) ING Management Limited retire as responsible entity of ING Real Estate Community Living Management Trust;***
- e) upon the retirement of ING Management Limited as responsible entity of ING Real Estate Community Living Management Trust , Ingenia Communities RE Limited be chosen as the new responsible entity of ING Real Estate Community Living Management Trust in accordance with section 601FL of the Corporations Act 2001 (Cth); and***
- f) ING Management Limited as responsible entity of ING Real Estate Community Living Management Trust be authorised to do all things necessary to give effect to this resolution, including without limitation, lodge with the Australian Securities and Investments Commission a Form 5107 for ING Real Estate Community Living Management Trust in relation to the change of responsible entity referred to in paragraphs a) and b) of this resolution.”***

Resolution One is an ordinary resolution and therefore, to pass, it requires more than 50% of votes cast by unitholders to be in favour of the resolution. If sufficient votes in favour of the resolution are received and the other resolutions are passed, this resolution will come into effect.

Resolution Two for ILF Fund and ILF Trust are now set out on the screen.

I will now give you a moment to read the resolutions. These resolutions relate to the amendments to the constitution of ILF Fund and ILF Trust.

Resolution Two for ILF Fund

“That, subject to and conditional on the passing of Resolutions One and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for ING Real Estate Community Living Management Trust (ARSN 122 928 410) dated 26 April 2012:

- a) the constitution of ING Real Estate Community Living Fund be amended as set out in Attachment D of the Notice of Unitholders’ Meetings and Explanatory Memorandum to unitholders dated 26 April 2012 (Explanatory Memorandum); and***
- b) ING Management Limited as the responsible entity of ING Real Estate Community Living Fund be authorised to do all things necessary to give effect to this resolution, including without limitation, to execute and lodge with the Australian Securities and Investments Commission a supplemental deed in relation to the amendments referred to in paragraph a) of this resolution.”***

Resolution Two for ILF Trust

“That, subject to and conditional on the passing of Resolutions One and Three and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for ING Real Estate Community Living Fund (ARSN 107 459 576) dated 26 April 2012:

- c) the constitution of ING Real Estate Community Living Management Trust be amended as set out in Attachment D of the Notice of Unitholders’ Meetings and Explanatory Memorandum to unitholders dated 26 April 2012 (Explanatory Memorandum); and***
- d) ING Management Limited as the responsible entity of ING Real Estate Community Living Management Trust be authorised to do all things necessary to give effect to this resolution, including without limitation, to execute and lodge with the Australian Securities and Investments Commission a supplemental deed in relation to the amendments referred to in paragraph a) of this resolution.”***

Resolution Two is a special resolution and therefore, to pass, it requires more than 75% of votes cast by unitholders to be in favour of the resolution. If sufficient votes in favour of the resolution are received and the other resolutions are passed, this resolution will come into effect.

Resolution Three for ILF Fund and ILF Trust are now set out on the screen.

I will give you a moment to read the resolutions. These resolutions relate to the approval of the Proposal.

Resolution Three for ILF Fund

“That, subject to and conditional on the passing of Resolutions One and Two and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for ING Real Estate Community Living Management Trust (ARSN 122 928 410) dated 26 April 2012, approval is given for the Proposal.”

Resolution Three for ILF Trust

“That, subject to and conditional on the passing of Resolutions One and Two and the passing of Resolutions One, Two and Three as set out in the Notice of Unitholders’ Meeting for ING Real Estate Community Living Fund (ARSN 107 459 576) dated 26 April 2012, approval is given for the Proposal.”

Resolution Three is an ordinary resolution and therefore, to pass, it requires more than 50% of votes cast by unitholders to be in favour of the resolution. If sufficient votes in favour of the resolution are received and the other resolutions are passed, this resolution will come into effect.

The final Resolution – Resolution Four for ILF Fund and ILF Trust is now set out on the screen.

I will give you a moment to read the resolution. This resolution relates to the grant of quantum rights to Simon Owen.

Resolution Four for ILF Fund and ILF Trust

“That, subject to and conditional on the implementation of the Proposal described in the Notice of Unitholders’ Meetings and Explanatory Memorandum for ING Real Estate Community Living Group comprising ING Real Estate Community Living Fund (ARSN 107 459 576) and ING Real Estate Community Living Management Trust (ARSN 122 928 410) dated 26 April 2012, approval is given for all purposes, including for the purposes of ASX Listing Rule 10.14, to the acquisition by the Managing Director and Chief Executive Officer, Simon Owen, under the Ingenia Communities Long-term Incentive Scheme of each of the performance quantum rights and retention quantum rights no later than 12 months after the date of this meeting and the New Stapled Securities on the vesting of some or all of those performance quantum rights and retention quantum rights on the terms set out in the Notice of Unitholders’ Meetings and Explanatory Memorandum for ING Real Estate Community Living Group comprising ING Real Estate Community Living Fund (ARSN 107 459 576) and ING Real Estate Community Living Management Trust (ARSN 122 928 410) dated 26 April 2012.”

Resolution Four is also an ordinary resolution and therefore, to pass, it requires more than 50% of votes cast by unitholders to be in favour of the resolution. If sufficient votes in favour of the resolution are received and the other resolutions are passed, this resolution will come into effect.

I would now like to open the floor to unitholder or proxy holder questions or comments on the resolutions or the overall proposal. Please raise your hand and a microphone will be brought to you. May I request that you take the time to identify yourself before asking your question and in the case where you are a proxy holder, please identify on whose behalf you are holding the proxy.

Slide 18: Proxy Votes

As there are no further questions, we will proceed to disclosing the outcome of the proxy votes. A summary of the proxy votes received is now displayed on the screen.

We will now conduct the voting poll.

May I ask that you complete your yellow voting card for the resolutions in accordance with your voting preference. To cast your vote for, against or abstain from voting on the resolutions, place a mark in the corresponding box on your ballot paper. If you place a mark in more than one box in relation to a resolution, your vote for that resolution will be invalid. If you are voting in more than one capacity, for example as a unitholder and proxy holder, you will have received two separate yellow voting cards enabling you to vote in each capacity.

May I now ask that you ensure you have completed your yellow voting cards – Link Market Services staff will now collect the card from you.

If you have not lodged your yellow voting cards, please do so now as I am about to close the polls.

Thank you, I now declare the poll for the meeting closed.

Slide 19: Next steps

The final results of the voting poll will be announced to the ASX this afternoon.

A reminder that if approved, new securities will continue to trade under ASX ticker 'ILF' and 'ILF Group' trading name until 13 June 2012. The new ticker 'INA' and new trading name 'Ingenia Communities Group' will take effect on 13 June 2012.

Slide 20: Close of meeting

Ladies and gentlemen, this concludes the formalities and I now declare the meeting closed. I thank you for your attendance and contribution today and invite you all to stay for morning tea which will be served in the foyer area outside this room.

Thank you.

For further information, please contact

Michael Coleman
Independent Chairman -
ING Management Limited
Australia

T: +61 2 9033 1300

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 a stapled group comprising two externally managed ASX-listed real estate investment trusts that own, manage and develop a diversified portfolio of seniors housing communities. A reference to a unit is to stapled unit. Together the stapled group has total look-through assets under management of \$562 million with operations located predominantly throughout Australia and the United States.