

Ingenia Communities Group

2014 Half Year Results Presentation

25 February 2014



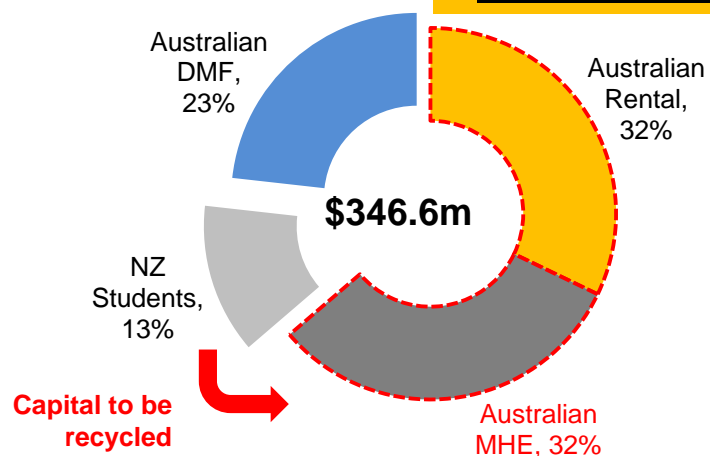
ASSEMBLING THE LEADING MANUFACTURED HOMES ESTATE PORTFOLIO

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Group overview as at 25 February 2014

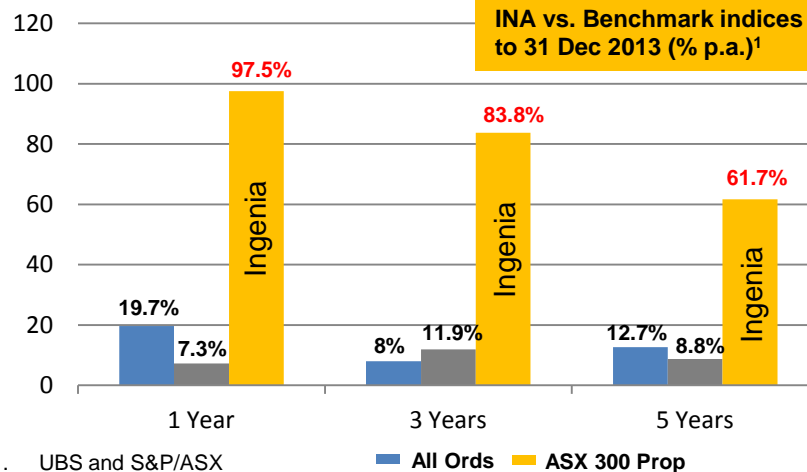
Diversified earnings base of 57 assets

Proforma asset value (post announced acquisitions)



Highest Performing S&P/ASX 300 AREIT over 1, 3 & 5 years

INA vs. Benchmark indices to 31 Dec 2013 (% p.a.)¹



Corporate

ASX Code	INA	Top Securityholders
Market cap (21 Feb 2014)	\$311m	Mercantile Investments
Securities on Issue	676m	Fisher Funds Mgmt
Register Top 20 (holdings)	76.8%	Vanguard Investments Australia
Register Top 50 (holdings)	82.1%	First Samuel
Total securityholders	3,800	

Board of Directors

- > Jim Hazel – Chairman
- > Amanda Heyworth – Non-Executive Director
- > Philip Clark AM – Non-Executive Director
- > Robert Morrison – Non-Executive Director
- > Simon Owen – Managing Director and CEO

Building market leading NSW portfolio

Contracts exchanged on further three communities

Key Metrics	Town & Country Estate Marsden Park (Sydney)	Sun Country Holiday Village Mulwala (SW NSW)
Location	Within North West growth corridor – one of the fastest growing residential markets in NSW	A unique and highly popular holiday and retirement destination for Melbournians in NSW
Purchase price	\$18m	\$7m
Projected stabilised yield	8%	19.8%
Unlevered IRR	15%	>15%
Permanent homes	224	34
Annual cabins	-	200
Short term tourist sites	14	23
Development potential	145+ sites (many with approvals)	107 permanent 36 short term
Acquisition subject to finalising due diligence with settlement likely in April 2014		

Town and Country, Sydney



Sun Country, Mulwala



Third acquisition announced, Sydney NSW

- > Ingenia has also exchanged contracts to acquire a third Manufactured Home and Tourist park in Sydney, subject to the completion of due diligence

Key highlights

> Accelerated acquisitions and development platform

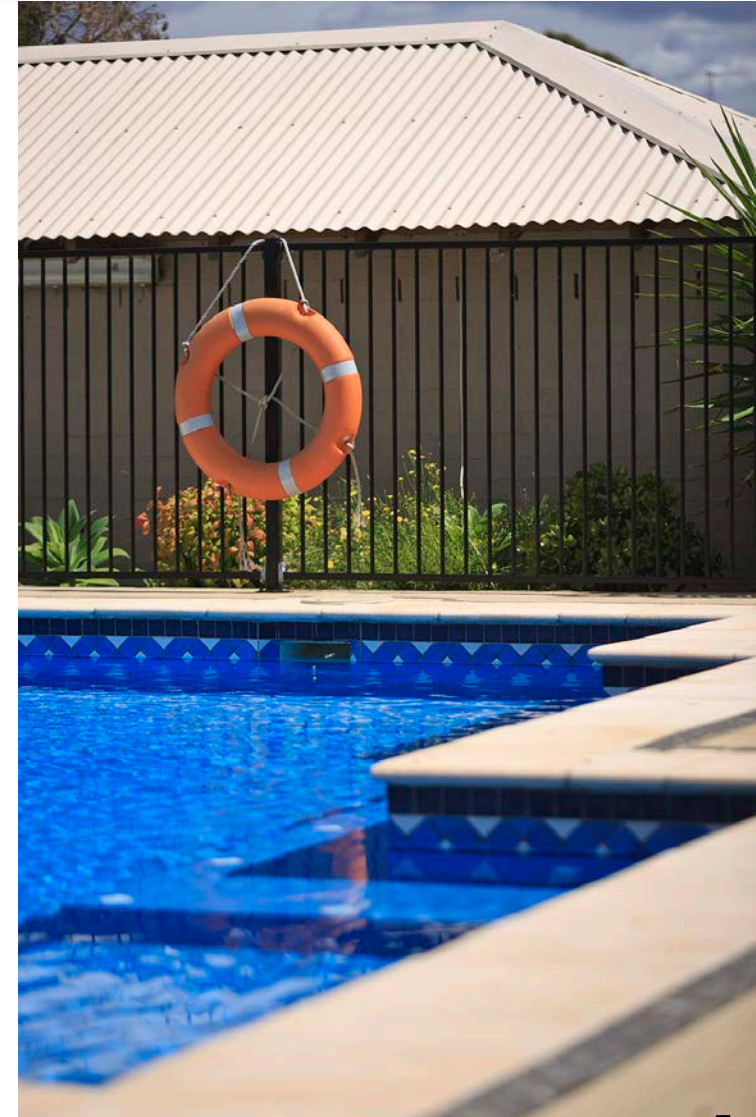
- Largest park owner in NSW – acquired 14 Manufactured Home Estates (MHEs) since Feb 2013
- Growing development pipeline of 1,111 units with \$277 million end value

> Improving operations with significantly stronger outlook

- Rising Rental portfolio occupancy closing at 86.0% at Dec 2013
- Successful roll-out of Ingenia Care Assist in Oct 2013 with 70 residents on care packages
- Ridge Estate Stage 2 completed with 12 contracts secured on 17-home development
- Increasing deposits and EOIs support strong 2H DMF and MHE sales

> Strengthening investor returns

- Highest performing S&P/ASX 300 AREIT across 1, 3 and 5 years
- Interim distribution stable at 0.5cps – target to increase in near term
- Actively assessing options to recycle low yield capital into growing MHE and development pipeline











Swimming pool at The Grange, Morisset NSW

Key financials



Outdoor pool at Drifters Village, Kingscliff NSW

Key financials

Key financial metrics	6 months to 31 Dec 2013	6 months to 31 Dec 2012	Change
Net profit / (loss)	\$4.3m	\$2.4m	 80%
EBIT– continuing operations ¹	\$4.9m	\$4.3m	 13%
Operating income – continuing operations ²	\$4.0m	\$1.3m	 215%
Operating income per security – continuing operations	0.7¢	0.3¢	 125%
Operating cashflow – continuing operations	\$3.4m	\$2.4m	 42%
	31 Dec 2013	30 Jun 2013	
Loan to value ratio (LVR)	22.9%	37.9%	 40%
Net asset value (NAV) per security	35.0¢	34.4¢	 1.7%
Interest Cover Ratio (ICR)	1.98x	1.96x	 1%

- > Results reflective of Group strategy to exit overseas operations and invest recycled and new capital into MHE acquisitions pipeline.
- > EBIT and Operating income from continuing operations up 13% and 215% respectively reflecting contributions from Garden Villages and MHE acquisitions in the last 12 months.
- > Operating cashflow from continuing operations impacted by investment in development of manufactured homes and lower conversion sales volumes.
- > LVR at 22.9% reflects pay down of debt until all capital raised is deployed in acquisitions under due diligence. Will trend towards 35.0% over next six months.

1. EBIT represents operating income less net interest expense and tax associated with operating income.

2. Operating income is a non-IFRS measure that presents, in the opinion of the Directors, the operating activities of INA in a way that reflects its underlying performance. Operating income excludes items such as unrealised foreign exchange losses, unrealised fair value gains / (losses), and includes the uplift in value of DMF units on first loan life leases. The reconciliation between net profit, EBIT and operating income is provided on slide 30 and has not been audited or reviewed by EY.

Capital management



Open Day – showcasing Stage 2 development at Ridge Estate Village, Maitland NSW

Capital management

Capital recycling is a key near term priority

Australian debt facility increased and repriced

- > Existing facility refinanced to assist fund the Group's acquisition and development strategy
 - Facility increased by \$47.5m to \$129.5m
 - Improved pricing
 - Increased flexibility to deploy capital for acquisitions and development
- > Process commenced to expand and diversify access to debt capital

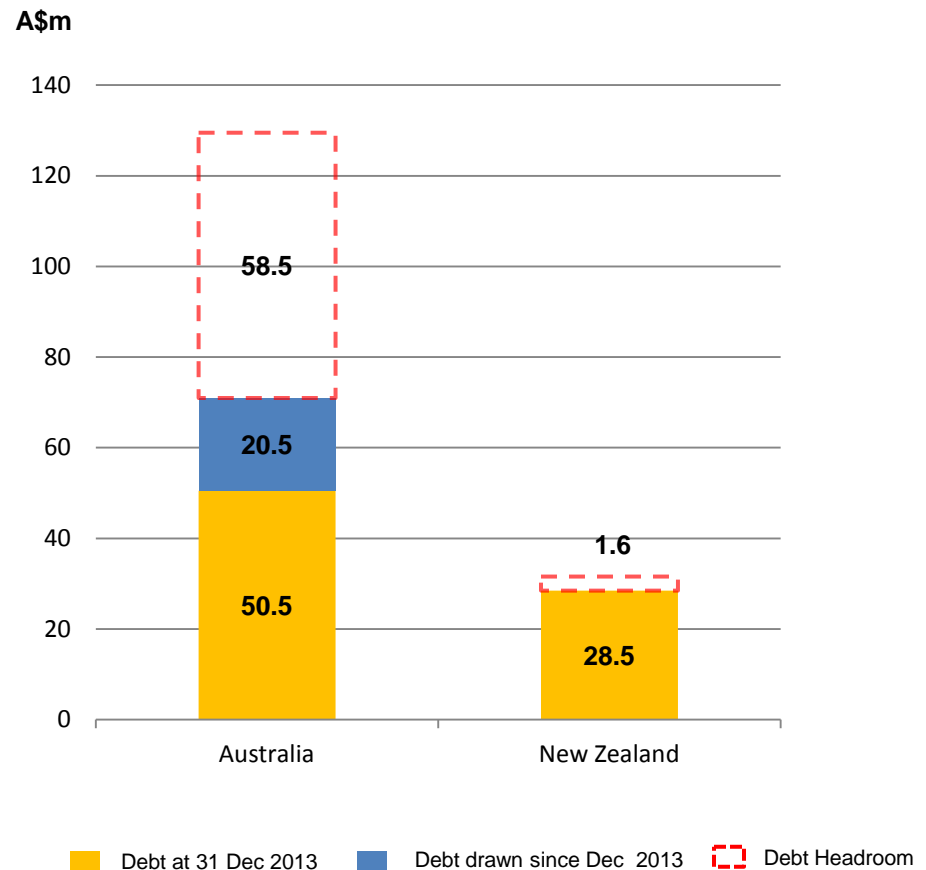
Ingenia to maintain target LVR of 30-35%

- > Substantial headroom with 50% covenant
- > Dec-13 LVR of 22.9% trending towards 35.0% pending acquisition deployment
- > NZ Students divestment will result in c\$15m to reinvest into MHE acquisitions and development pipeline

FY14 interim distribution declared at 0.5¢ per security

- > Payments to be made on 21 March 2014
- > Interim distribution will be 100% tax deferred
- > Committed to growing distributions in the near term

Debt headroom – 31 Dec 2013

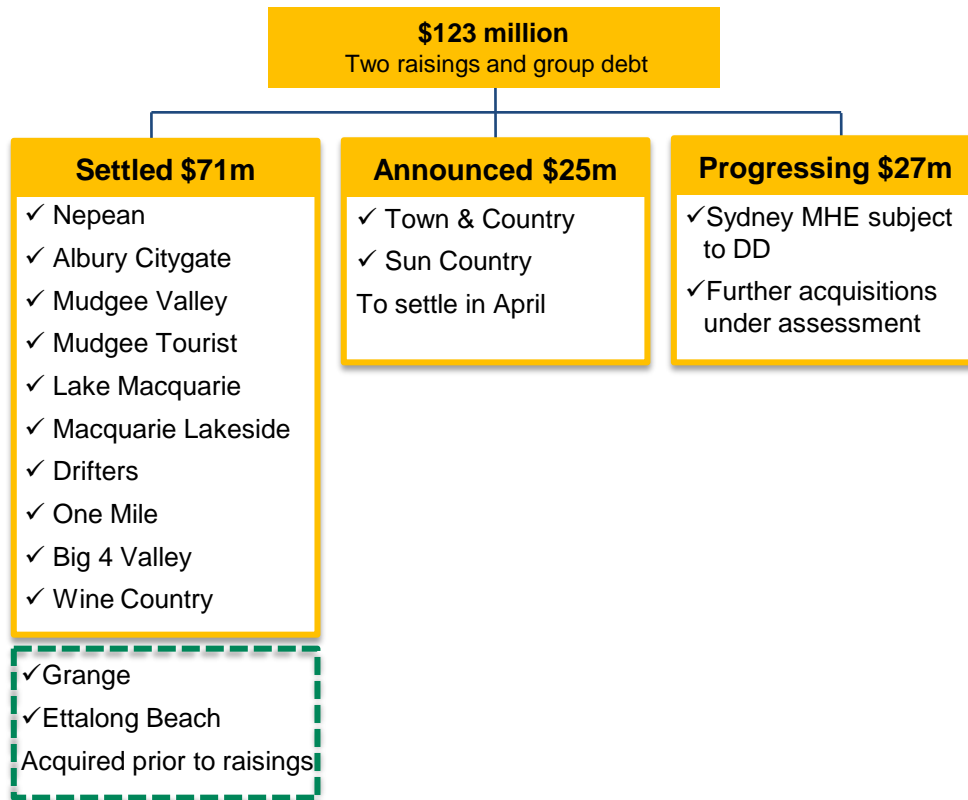


Capital management

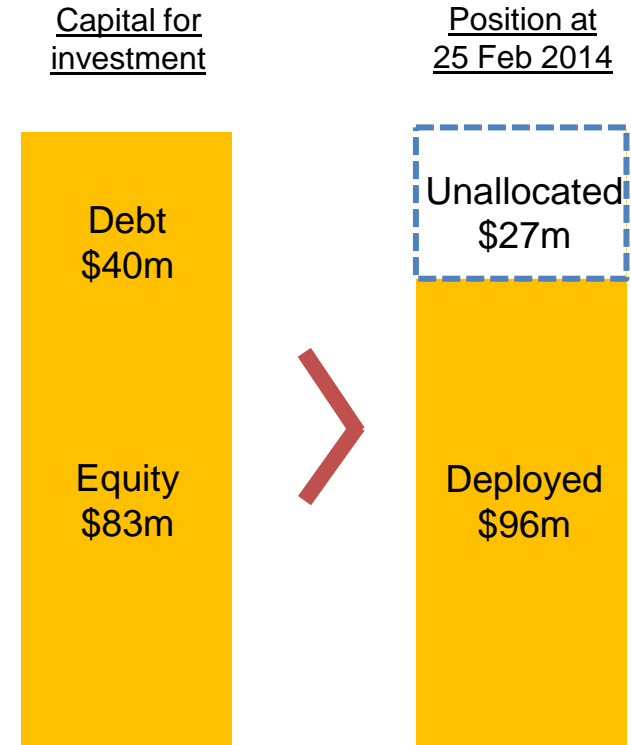
Steady deployment into immediately accretive acquisitions



12 on-strategy MHE acquisitions funded by two successful capital raisings with more to be announced



Capital deployment for MHE acquisitions



- > Anticipate full deployment in coming months
- > Capital released from New Zealand, low yielding asset sales and development earnings will fund further MHE growth



High quality tourist cabins at Nepean River Holiday Village, Penrith NSW

Portfolio update

Diversified Australian portfolio dominated by cash yielding assets



Today, Ingenia has **57** Australian communities and growing



Largest owner and operator of seniors **rental** villages in Australia

Largest owner and operator of **MHEs** in NSW



Rental ●

34 villages

- > 1,796 units
- > In all States except SA



Deferred Management Fee ○

9 villages

- > 961 units
- > WA, QLD and NSW
- > Five villages with development upside



Manufactured Home Estates ●

12 villages

- > 699 permanent homes
- > 842 short term sites
- > 570+ development sites
- > NSW only (QLD and WA to follow)

Ingenia's current growth focus

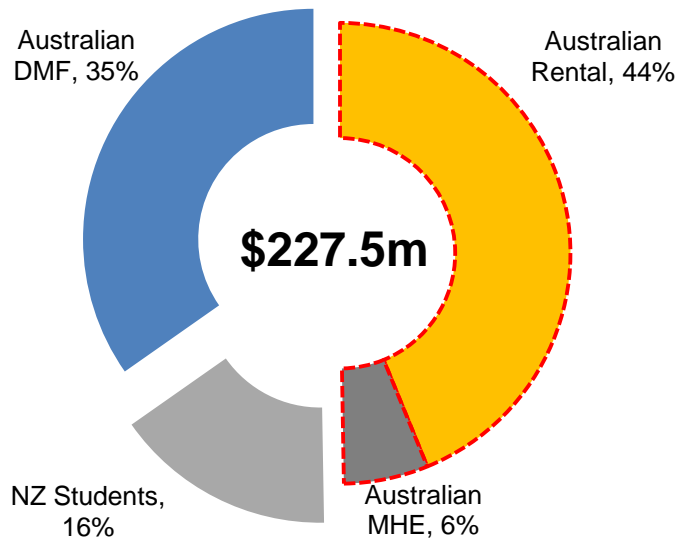
Two recent acquisitions in NSW (Marsden Park and Mulwala)

- > 258 permanent sites
- > 237 short term sites
- > 285+ development sites
- > Subject to due diligence
- > Further acquisitions to be announced in the coming months

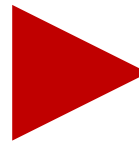
Portfolio update

Increasing emphasis on cash yielding assets

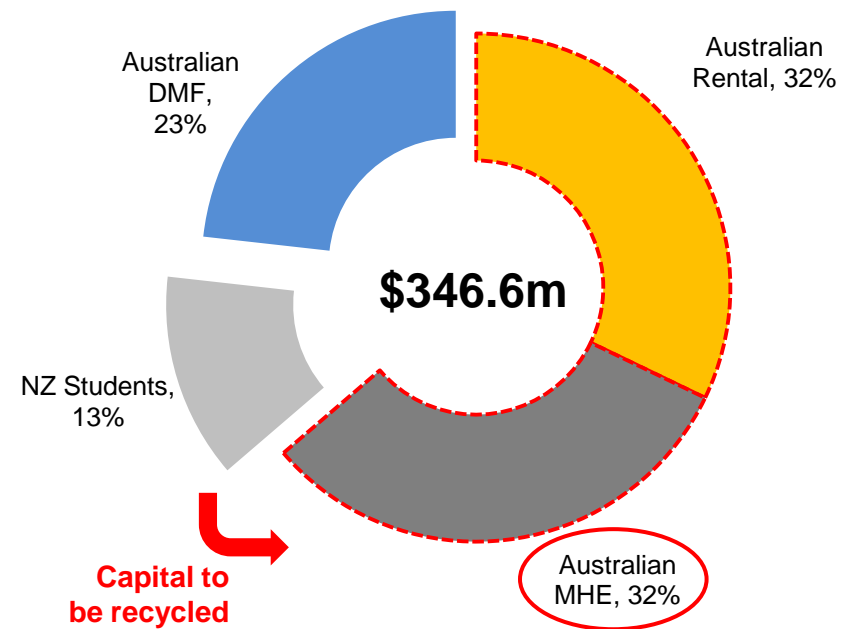
30 June 2013 asset value



\$119.1m



Proforma asset value (post announced acquisitions)¹



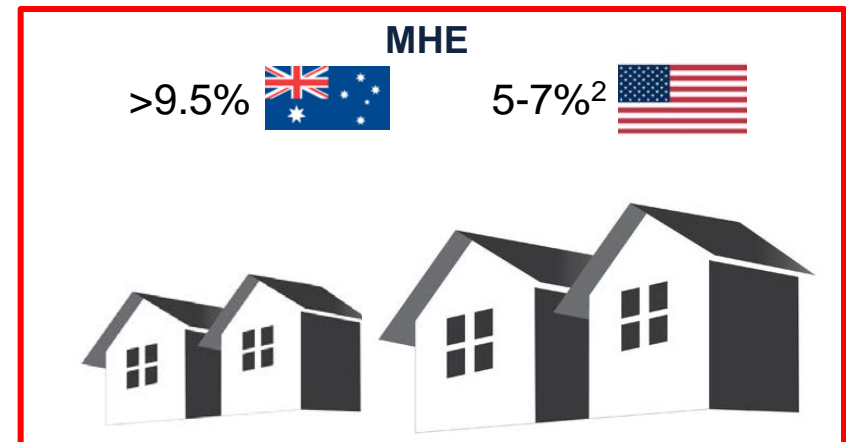
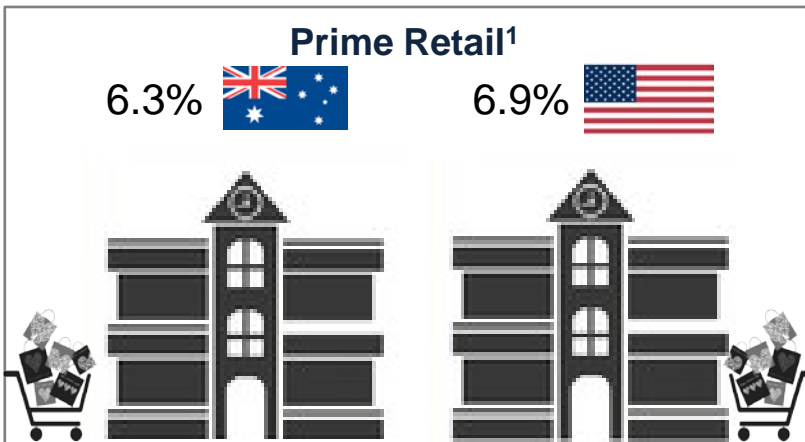
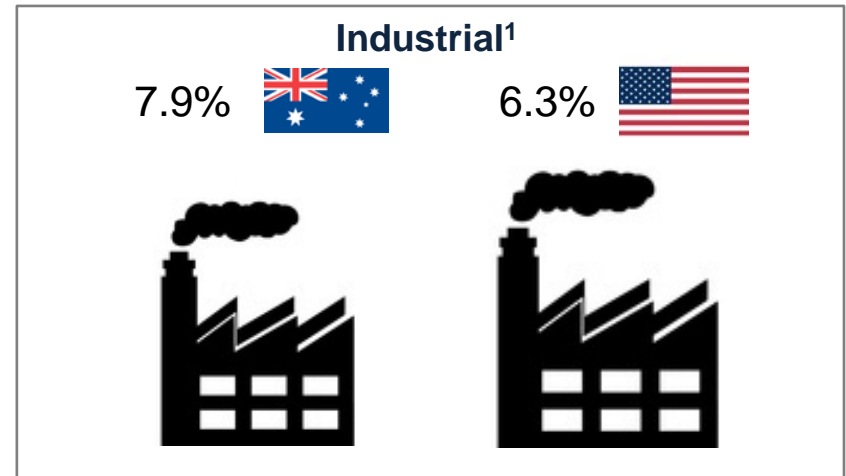
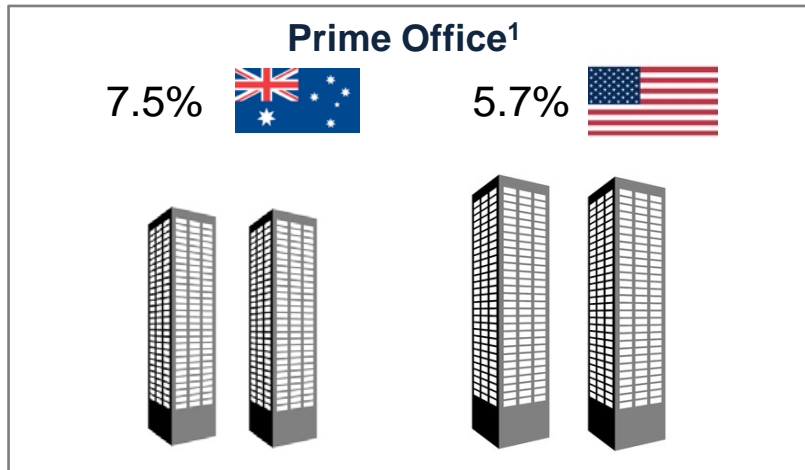
- > Cash yielding assets now comprises 77% of total portfolio
- > Since Jun-13 MHE portfolio has grown from two to 14 villages and now represents 32% of total asset value

1. Comprises five new rental villages (settled 30 Jan 2014), Big 4 Valley and Wine Country (settled 18 Feb 2014), Town and Country and Sun Country (announced on 25 Feb and to settle in Apr 2014).

Active Lifestyle Estates (MHE)

An emerging asset class

- > Manufactured homes are a long established property class in the US with multiple US\$1b+ Listed REITs
- > Significant potential for MHE cap-rate compression over next five years



1. Australian data sourced from UBS weekly market report (valuation criteria) as at 14 Feb 2014. USA data sourced from CBRE Cap Rate Survey First Half 2013
 2. Ingenia Research

Active Lifestyle Estates (MHE)

Key driver of earnings growth in future periods

KEY DATA	1H14
Total properties:	10
Total permanent sites:	693
Total short term sites:	668
Development pipeline units:	475+
Residential rental income:	\$1.3m
Short term rental income:	\$1.6m
Development income:	\$0.5m
EBIT:	\$1.3m

OVER THE SIX MONTHS to 31 DEC 2013

- > Transitioned eight new assets into the ALE portfolio.
- > Transitional period typically takes 3 – 6 months including recruiting/retaining village management, rebranding, systems implementation, compliance and operational integration.
- > Significant residential development and tourism master planning undertaken across acquisitions to capitalise on market opportunities and support future development pipeline.

LOOKING FORWARD

- > Focus on driving operational performance and tourism revenue as asset performance stabilises post transition.
- > Momentum building in local markets. Ingenia well placed to capitalise on growing demand for affordable seniors housing.
- > Supply diversification now in place with two additional builders being used and further three under assessment.
- > New homes under construction for Mudgee Tourist, Albury Citygate and Nepean, with other villages to follow shortly.



New Parkwood home at The Grange, Morisset NSW

Active Lifestyle Estates (MHE)

FY14 Sales performance to date

Village (6 mths to 31 Dec 2013)	New Sales	Refurbished Sales	Contracted and Reserved	Available Stock	Homes under construction
The Grange (Morisset)	2	2	2	2	-
Nepean (Penrith)	1	-	2	1	5
Drifters (Kingscliff)	-	-	-	-	1
As at 18 Feb 2014					
The Grange (Morisset)	4	4	2	-	-
Nepean (Penrith)	2	-	1	1	4
Albury Citygate (Albury)	-	-	-	-	5
Mudgee Tourist (Mudgee)	-	-	-	-	2



Delivery and installation of a new manufactured home on-site at Nepean, Penrith

Active Lifestyle Estates (MHE)

Trading updates

The Grange Village, Morisset NSW

145 permanent homes / 50+ development upside

Settled March 2013

Development and Sales progress to 18 Feb 2014 (from acquisition)

New sales	4
Refurbished sales	4
Contracted and reserved	2
Available stock	-
Homes under construction	- (3 to be ordered in coming weeks)

Key value add initiatives implemented

- The highest achieved sale to date is \$300,000 significantly higher than acquisition feasibility
- No homes available for sale and waitlist in place for new home sites
- DA near ready for lodgement for 50+ homes, awaiting flood study results from Lake Macquarie City Council



New 2-bedroom home



Quality interiors

Active Lifestyle Estates (MHE)

Trading updates

Nepean River, Penrith NSW

101 permanent homes / 67 Short term tourist sites /

25+ development upside

Settled August 2013

Development and Sales progress to 18 Feb 2014 (from acquisition)

New sales	2
Refurbished sales	-
Contracted and reserved	1
Available stock	1
Homes under construction	4

Key value add initiatives implemented

- Recent opening of Sydney Wet'n'Wild driving significant tourism growth
- First new home sold in Nov 2013 for \$245,000. An 8.5% price increase was achieved in four months with the latest new home contracted for \$266,000
- Masterplanning well advanced for addition of new homes



New 2-bedroom home sold for \$254,000



Quality tourist cabins

Garden Villages (Rental)

Occupancy growth and acquisitions drive earnings growth



KEY DATA

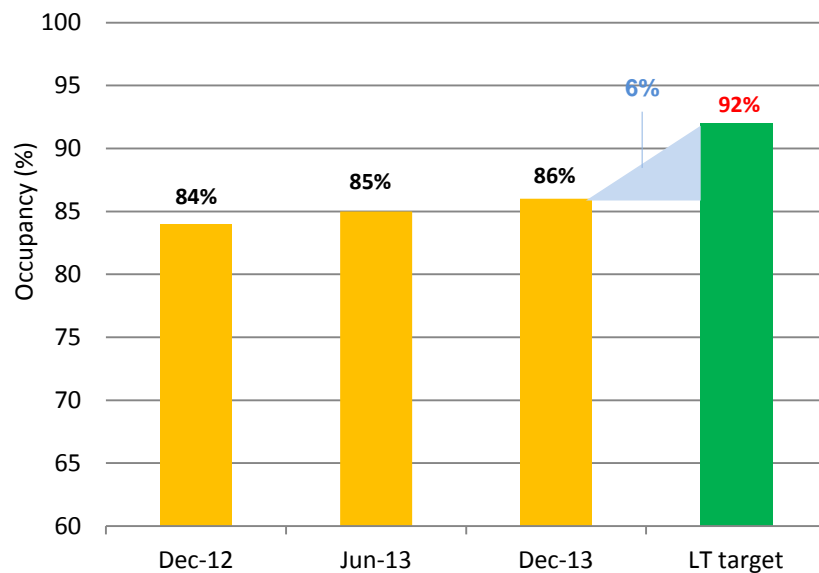
	1H14	1H13
Total properties	29	25
Total units:	1,522	1,324
Occupancy:	86.0%	83.9%
Like for like occupancy:	86.4% ¹	84.2%
EBIT:	\$4.9m	\$4.1m

OVER THE SIX MONTHS to 31 DEC 2013

- > Occupancy recovered from seasonal winter dip and closed at a high of 86% as at 31 Dec 2013.
- > Portfolio trending well towards long term target of 92%
- > Village Manager sales training and a resident and community engagement program raising sales conversion rates and occupancy.
- > Ingenia Care Assist piloted in October 2013 with an immediate and strong response in local markets, assisting occupancy growth.
- > Announced the acquisition of five highly accretive rental villages in Shepparton (VIC), Warrnambool (VIC), Mildura (VIC), Bathurst (NSW) and Launceston (TAS). Trailing yield expected to increase to 15.8% within three years.

LOOKING FORWARD

- > Roll-out of Ingenia Care Assist across the entire portfolio by May 2014.
- > Continue to leverage unique service proposition and wider community engagement through village events and across key communities.
- > Assessing expansion opportunities at two villages.



1. Excludes the four newly acquired villages post 1H13: Ocean Grove Gardens, Peel River Gardens, Wagga Gardens and Sovereign Gardens

Ingenia Care Assist (ICA)

Supporting occupancy growth within GV portfolio



What is Ingenia Care Assist?

- > A virtual care facilitation that delivers government funded home care packages to our villages by accredited local care providers
- > ICA is a free service for our residents enhancing our proposition, increasing existing resident tenure and attracting new residents
- > Program roll-out commenced in Oct 2013 across four Garden Villages (GV), and subsequently extended to eight villages
- > **70** residents currently accessing ICA
- > Since program launch, we achieved **20** move-out saves and six new move-ins
- > Equates to circa \$0.4m annualised gross income (~1% increase to year end occupancy)
- > Roll-out cashflow positive within six months
- > Significant buy-in from care providers, residents and their families
- > Ingenia's commitment is one Aged Care Executive coordinating the program
- > Full roll-out to whole GV portfolio by end of May 2014



Settlers Lifestyle (DMF)

Focus on low risk expansion of existing communities



KEY DATA

	1H14	1H13
Total properties:	9	9
Total units:	961	948
Development pipeline units:	160	323
Occupancy:	91%	88%
Accrued DMF income:	\$2.7m	\$2.4m
Development income:	\$1.3m	\$1.9m
EBIT:	\$1.7m	\$2.6m
New settlements:	21	28
Resident resales:	18	8
Contracted and reserved:	30	23
Average resale price	\$276k	\$315k
Average DMF collected on exit	\$50k	\$51k

OVER THE SIX MONTHS to 31 DEC 2013

- > Softer sales resulted in 21 settlements achieving \$4.0m, with an additional 30 contracts in place.
- > Challenging market across Forest Lake and Gladstone (QLD) and the slower moving 1-bedroom stock in Gladstone village have impacted 1H14 results.
- > WA market gaining momentum with strong enquiry for limited remaining stock.
- > Ridge Estate (Hunter region NSW) Stage 2 development completed in late Feb 2014. Contracts in place for 12 of the 17 homes and strong interest in the remainder.

LOOKING FORWARD

- > “Activate” – the highly successful resident and community engagement program will be trialed across key Settlers villages to enhance our service proposition.
- > Stronger second half sales forecast with 30 contracts in place.
- > Ridge Estate Stage 3 of 11 homes scheduled to commence in March with completion scheduled for October 2014.

New Zealand Students portfolio

Sale process underway



- > Refurbishment program complete and tertiary institutions moved in and paying rent
- > Significant interest in assets due to 15-year lease covenant
- > NZ property market very buoyant due to strong economy, reinvestment out of Christchurch and international investor demand
- > Sales agent appointed in Jan 2014 and marketing of the portfolio sale has commenced
- > Assets will be divested in one line or sold individually, with offers sought by end of Mar 2014
- > Divestment expected to conclude in next six months releasing circa A\$15 million
- > Portfolio debt in place until Jul 2018 eliminating funding pressure during sale process
- > Proceeds to be deployed into MHE acquisition and development pipeline



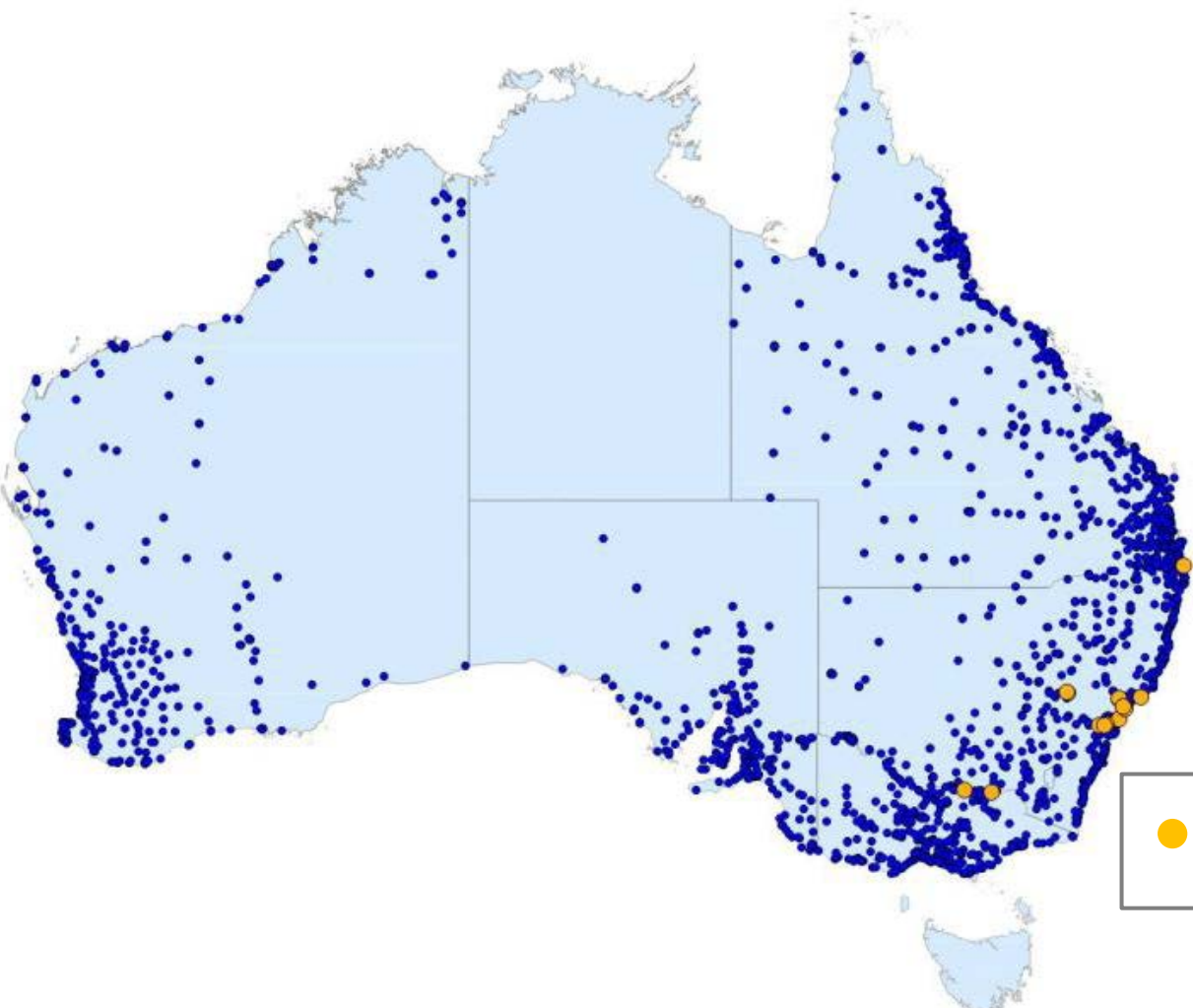
One Mile Beach Holiday Village, Anna Bay NSW

MHE Strategy

Abundance of opportunities for highly accretive growth



Two years of research invested in assembling a proprietary database of over 2,000 Caravan and Tourist Parks and MHEs across the East Coast and WA



- > Existing key participants own < 5% of the market – considerable opportunity for large scale roll-up
- > Tightly held market with few on-market transactions. Ingenia's database delivers clear competitive advantage
- > No logical entry points for new scale competitors
- > Limited new supply and many existing assets significantly under-capitalised
- > Ingenia has significant deal flow in place supplemented by existing owners contacting the Group directly

● 15 announced Ingenia MHE acquisitions

MHE strategy

Acquire, reposition, develop

Well advanced

1 **Acquire and integrate MHE and Tourist Parks with significant land bank and upside potential**

In 12 months, we have established a market leading portfolio of 14 MHEs in NSW comprising over 2,000 home and tourist sites and a development pipeline of over 850 sites. More accretive opportunities being reviewed.

Underway

2 **Reposition and upgrade acquired sites to increase existing cash yields**

Well advanced at The Grange and Nepean, and in progress at Ettalong, Albury Citygate, Mudgee Tourist and Lake Macquarie.

Underway

3 **Develop vacant and under-utilised land embedded within existing parks**

Six new homes sold at The Grange and Nepean with more on order. First new homes will be delivered for Albury Citygate and Mudgee Tourist in April and orders soon to be placed for Drifters and Lake Macquarie. DA about to be lodged for Ettalong. Masterplanning underway for remaining villages.

Underway

4 **Assess greenfield opportunities that offer scale, returns and development pipeline**

Assessing several opportunities in existing clusters in NSW. Preference to option or JV land to improve return on equity.

Development

Significant low risk pipeline now in place to drive medium term growth

Development pipeline as at 21 February 2014

	Completion Value (\$m)	Vacant Stock (no.)	Development Potential (no.)	FY14	FY15	FY16	FY17+	Medium term target
MHE (all in NSW)								Delivery of 240 homes p.a.
The Grange NSW	12.5	-	50+					
Ettalong Beach NSW	7.5	-	30+					
Nepean NSW	6.7	2	25+					
Albury Citygate NSW	26.0	-	130+					
Mudgee Valley NSW	12.5	-	50+					
Mudgee Tourist NSW	10.0	-	40+					
Lake Macquarie NSW	15.0	-	60+					
Macquarie Lakeside NSW	5.0	-	20+					
Drifters NSW	6.3	-	25+					
One Mile NSW	11.3	-	45+					
Big 4 Valley Vineyard NSW	15.0	-	60+					
Wine Country NSW	8.8	-	35+					
Sun Country NSW	35.8	-	143					
Town & Country NSW	36.3	-	145+					
DMF								
Ridge Estate NSW	5.2	6	11					
Meadow Springs WA	24.9	3	60					
Gladstone QLD	15.7	3	53					
Rockhampton QLD	7.5	15	18					
Forest Lake QLD	8.6	54	-					
Cessnock NSW	6.3	10	18					
\$276.7 million Total: 1,111 units								

■ Represents sell down and development periods

Note: Development potential comprises DA approved sites, vacant land with approved zoning and tourism conversions

Outlook

- ▶ Continue to assess accretive MHE opportunities to capitalise on Ingenia's first movers advantage
- ▶ Strong DMF sales and increasing MHE earnings will contribute toward stronger 2H results
- ▶ Expand Ingenia Care Assist across Garden Villages to support occupancy growth and resident tenure
- ▶ Conduct strategic review of investment in DMF and conclude sale of NZ Students within next six months
- ▶ Reaffirm intention to increase distributions in near term



Big 4 Valley Vineyard, Cessnock NSW

Appendix 1

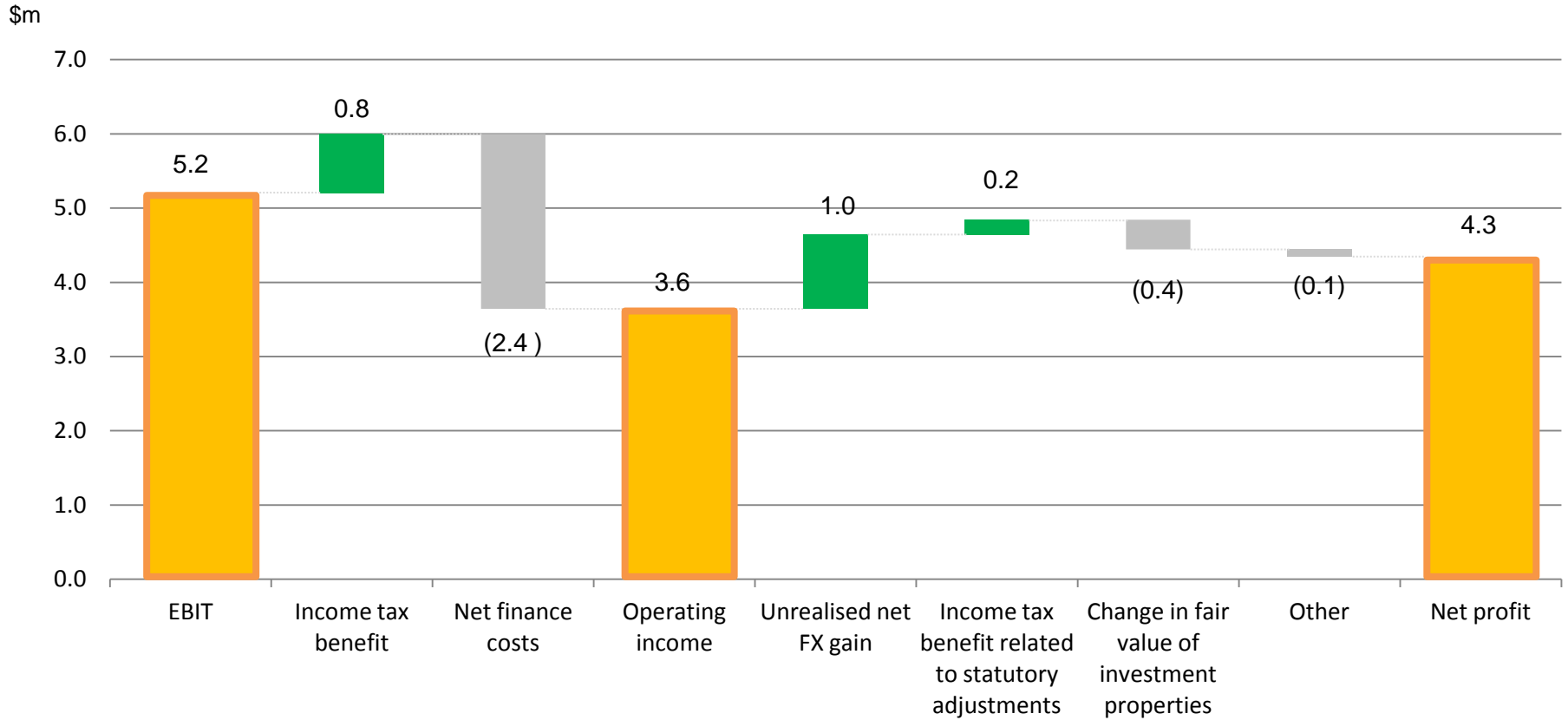
Operating income



	1H14 (A\$m)	1H13 (A\$m)	Comments
Operating income			
Continuing operations			
- Garden Villages	4.9	4.1	Higher occupancy & 6 month contribution from 5 new villages
- Settlers Lifestyle	1.7	2.5	Lower conversion sales volumes
- Active Lifestyle Estates	1.3	-	Only two properties held for entire 6 months
Portfolio EBIT	7.9	6.6	
Unallocated Corporate costs	(3.0)	(2.3)	Incremental costs of activating growth strategy
EBIT – Continuing operations	4.9	4.3	
Net finance costs	(1.7)	(3.0)	Capital raised temporarily applied to debt
Income tax benefit	0.8	-	Recognition of 1H14 tax losses following ICMT tax consolidation
Operating income – Continuing operations	4.0	1.3	
Discontinued operations			
- US Seniors	-	3.0	US divestment completed February 2013
- NZ Students	0.3	0.7	Assets offline during refurbishment
EBIT – Discounted operations	0.3	3.7	
Net finance costs	(0.7)	(1.4)	US debt repaid following divestment
Operating income – Discontinued operations	(0.4)	2.3	
Operating income - Total	3.6	3.6	
Statutory adjustments	0.5	(1.7)	Includes fair value movements & FX movements
Tax benefit associated with adjustments	0.2	0.5	Tax associated with ICMT adjustments such as fair value movements
Net Profit	4.3	2.4	

Appendix 2

EBIT to net profit reconciliation



Appendix 3

Cashflow in detail

Cashflow	Amount (A\$m)
Opening cash at 1 July 2013	37.6
Cashflow generated from operations:	
Continuing Operations	5.6
Discontinuing Operations	0.4
Net borrowing costs paid	
Continuing Operations	(2.1)
Discontinuing Operations	(0.7)
Income tax paid – Continuing Operations	(0.1)
Net Cashflows from Operations	3.1
Acquisitions of investment properties	(61.1)
Proceeds from sale of investments	6.4
Capital expenditure and development costs	(12.6)
Payments for lease arrangements	(0.1)
Purchase of Plant & Equipment	(0.1)
Net Cashflows from Investing	(67.5)
Debt repayments – Continuing operations	(17.6)
Debt repayments – Discontinued Operations	9.0
Proceeds from equity placement	61.7
Issue costs on equity placement	(2.7)
Distributions to security holders	(2.5)
New Zealand debt refinance costs	(0.1)
Net Cashflows from Financing	47.8
Total Cashflows	(16.6)
Closing cash at 31 December 2013	21.0

Closing cash at 31 December 2013	A\$m
Continuing operations (Balance sheet's "cash and cash equivalents")	19.8
Discontinued operations - cash (note 5 of financial statements)	1.2
Total cash	21.0

Appendix 4

Balance sheet

Balance sheet (A\$'000)	Australian Operations	NZ Students	Adjustments ¹	Total Statutory Balance Sheet
Cash	19,784	1,236	(1,236)	19,784
Inventory	998	-	-	998
Investment property and property under development	437,162	45,269	(45,269)	437,162
Other assets	9,765	125	(125)	9,765
Assets of discontinued operations	-	-	46,630	46,630
Total assets	467,709	46,630	-	514,339
Borrowings	53,456	28,403	(28,403)	53,456
Derivatives	216	-	-	216
Retirement village resident loans	177,890	-	-	177,890
Other liabilities	16,728	1,145	(1,145)	16,728
Liabilities of discontinued operations	-	-	29,548	29,548
Total liabilities	248,290	29,548	-	277,838
Net assets	219,419	17,082	-	236,501
Net asset value per unit – cents	32.5	2.5	-	35.0
Assets less cash and resident loans	270,035	45,394		
Total debt less cash	33,672	27,167		
Gearing (%)	12.5%	59.8%		
Secured assets ²	220,366			220,366
Borrowings (AU) ³	50,500			50,500
Actual loan to value ratio (LVR)	22.9%			22.9%

1. Adjustments relates to NZ Students classification as a discontinued operation.

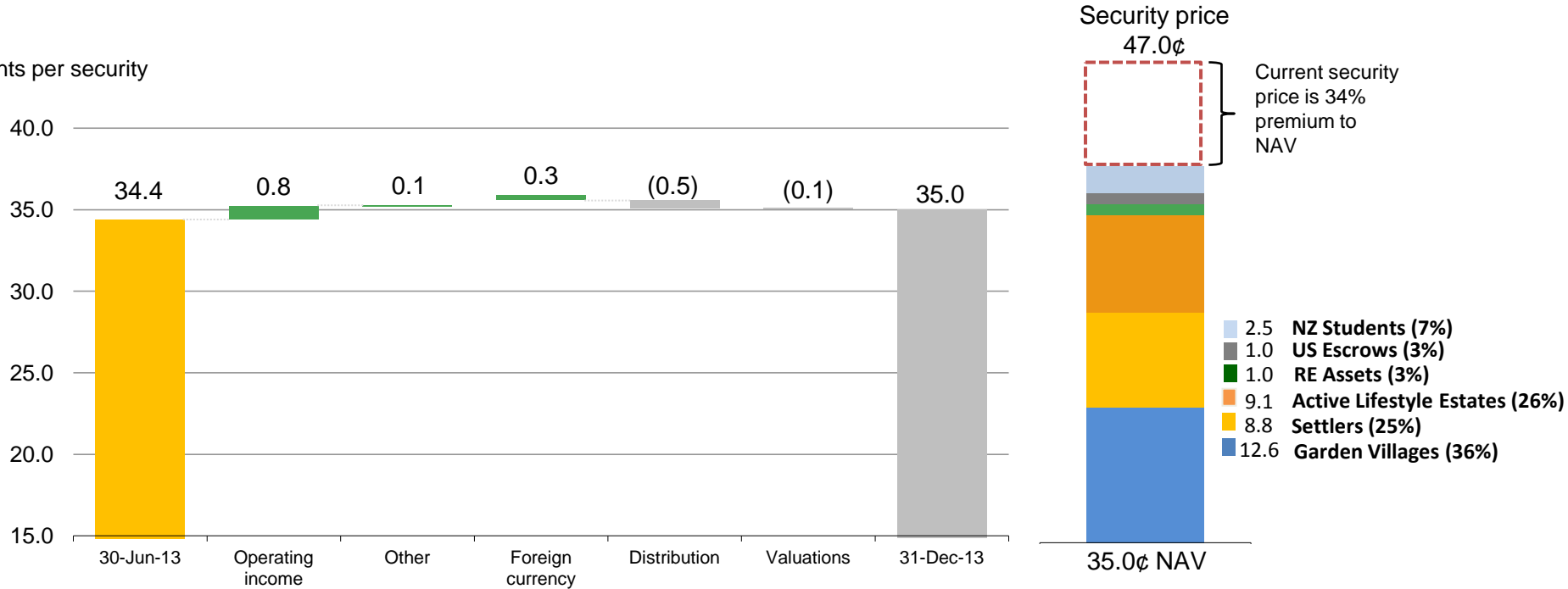
2. This excludes Macquarie Lakeside Village and One Mile Holiday Park, which were pledged as security after the reporting date for \$14.7m.

3. Borrowings (AU) excludes pre-paid borrowing costs and finance lease liabilities (refer to Note 9 of Financial Report) .

Appendix 5

Net Asset Value (NAV)

Cents per security



- > Active Lifestyle Estates portfolio now accounts for 26% of NAV at 9.1¢ compared to 17% as at 30 Jun 2013
- > Overall recurring rental stream portfolios of Garden villages and Active Lifestyle Estates represents 62% of NAV

Notes:
 - RE Assets represent cash required to be held under the Australian Financial Services License (AFSL) requirements
 - Security price of 47¢ as at 21 February 2014

Appendix 6

Valuations summary

Valuations	31 Dec 13	30 Jun 13	Movement	Movement	31 Dec 13	30 Jun 13	Key drivers of valuation movement
	Valuation	Valuation			Cap rate/ Discount	Cap rate / Discount	
	(\$m)	(\$m)	(\$m)	(%)	rate ¹ (%)	rate ¹ (%)	
Garden Villages (Rental)	101.5	99.7	1.8	1.9	10.0	9.6	<ul style="list-style-type: none"> • Net uplift from improved performance of newly acquired assets (\$0.4m). • Remaining uplift relating to improving occupancy.
Settlers (DMF)	80.5	79.0 ²	1.5	1.9	15.0	14.1	<ul style="list-style-type: none"> • Monetisation of stock. • Capital works for Ridge Estate Stage 1 (\$2.8m).
Active Lifestyle Estates (MHE)	73.9	13.5	60.4	449	9.5	11.5	<ul style="list-style-type: none"> • Significant investment in MHEs and tourism assets (\$60.6m being purchase price plus acquisition costs). • External valuations reaffirm acquisition price for The Grange and Ettalong.
NZ Students (NZ\$m)	49.2	42.0	7.2	17.1	7.8 ³	7.8 ³	<ul style="list-style-type: none"> • Ongoing capital works at McKenzies (NZ\$8m). • Refurbishment works completed in Dec 2013.

1. Weighted average capitalisation rate for all portfolios, Settlers DMF assets use weighted average discount rate

2. Prior year comparative restated to include vacant land

3. Reflects cap rate based on 'as complete' value of portfolio following refurbishment works

Appendix 7

Australian debt facility

Australian Debt¹

Commentary for Australian Debt

Limit (\$m)	Revolver A\$129.5m	Increase of \$47.5m. New facility includes a reduction in facility line fees and margin.												
		<table border="1"> <thead> <tr> <th></th> <th>Line fee</th> <th>Margin</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>LVR 40%-50%</td> <td>1.05%</td> <td>1.05%</td> <td>2.10%</td> </tr> <tr> <td>LVR < 40%</td> <td>0.925%</td> <td>0.925%</td> <td>1.85%</td> </tr> </tbody> </table>		Line fee	Margin	Total	LVR 40%-50%	1.05%	1.05%	2.10%	LVR < 40%	0.925%	0.925%	1.85%
	Line fee	Margin	Total											
LVR 40%-50%	1.05%	1.05%	2.10%											
LVR < 40%	0.925%	0.925%	1.85%											
Amount drawn at 31 Dec 2013 (\$m)	A\$50.5m													
Loan to value ratio (LVR) actual ²	22.9%													
LVR bank covenant	50%													
Interest cover ratio (ICR) actual	1.98x													
ICR bank covenant	1.5x during FY14 1.75x during FY15	Redefined to more closely link to statutory profit. Development related profit is excluded from calculation.												
Leverage ratio actual	27.4%													
Leverage covenant	50%													
% Hedged (interest rates)	89%													
Facility expiry	Sep 2015													

1. Australian debt facility was refinanced on 21 February 2014.

2. This excludes Macquarie Lakeside Village and One Mile Holiday Park, which were pledged as security after the reporting date for \$14.7m.

Appendix 8

Portfolio statistics: Active Lifestyle Estates (MHEs)



Property Name	Location	Book Value 31 Dec 2013 (A\$m)	Cap Rate	Permanent Sites	Short Term Sites ¹	Total Sites	Development upside
Manufactured Home Estates							
The Grange	Morissett, NSW	10.8	9.1%	145	-	145	50+
Ettalong Beach	Ettalong Beach, NSW	2.5	20.0%	85	30	115	30+
Nepean	Penrith, NSW	10.9	10.5%	101	67	168	25+
Albury Citygate	Albury, NSW	2.5	7.2%	26	56	82	130+
Mudgee Valley	Mudgee, NSW	4.5	8.8%	37	77	114	50+
Mudgee Tourist	Mudgee, NSW	7.8	9.3%	99	73	172	40+
Lake Macquarie	Morissett, NSW	7.6	5.1%	41	26	67	60+
Macquarie Lakeside	Chain Valley Bay, NSW	4.0	8.9%	43	35	78	20+
Drifters	Kingscliff, NSW	11.4	10.0%	114	68	182	25+
One Mile	Anna Bay, NSW	11.9	10.6%	2	236	238	45+
TOTAL/AVERAGE – ACTIVE LIFESTYLE ESTATES		73.9	9.5%	693	668	1,361	475+

1. Short term sites include annuals, self-contained accommodation, ensuites, caravan and camping sites

Appendix 9

Portfolio statistics: Garden Villages (Rental)

Property Name	Location	Book Value 31 Dec 2013 (A\$m)	Cap Rate	Total Units	Occupancy 31 Dec 2013	Occupancy 30 Jun 2013
Western Australia						
Swan View Gardens	Swan View	5.5	10.3%	72	100%	100%
Yakamia Gardens	Yakamia	2.5	10.5%	57	77%	65%
Sea Scape Gardens	Erskine	4.2	10.3%	51	100%	100%
Seville Grove Gardens	Seville Grove	3.3	10.0%	45	100%	100%
Carey Park Gardens	Bunbury	3.2	10.5%	51	100%	92%
Ocean Grove Gardens	Mandurah (acq Feb-13)	3.3	10.5%	45	100%	100%
Total / Average – WA		22.0	10.3%	321	96%	93%
Queensland						
Marsden Gardens	Marsden	8.2	11.4%	96	91%	91%
Jefferis Gardens	Bundaberg North	2.6	11.0%	51	90%	98%
Total / Average – QLD		10.8	11.3%	147	91%	93%
New South Wales						
Taloumbi Gardens	Coffs Harbour	4.2	10.5%	50	100%	100%
Mardross Gardens	Albury	2.5	6.5%	52	62%	58%
Chatsbury Gardens	Goulburn	2.9	10.0%	49	94%	96%
Wheeler's Gardens	Dubbo	3.8	10.0%	52	98%	100%
Taree Gardens	Taree	3.4	10.5%	51	63%	68%
Oxley Gardens	Port Macquarie	3.1	10.3%	45	87%	78%
Dubbo Gardens	Dubbo (acq Dec -12)	3.3	10.5%	55	67%	73%
Peel River Gardens	Tamworth (acq Mar-13)	3.0	10.0%	51	61%	53%
Wagga Gardens	Wagga Wagga (acq Jun-13)	4.0	11.8%	49	96%	88%
Total / Average – NSW		30.2	10.2%	454	80%	79%

Appendix 9 (continued)

Portfolio statistics: Garden Villages (Rental)



Property Name	Location	Book Value 31 Dec 2013 (A\$m)	Cap Rate	Total Units	Occupancy 31 Dec 2013	Occupancy 30 Jun 2013
Victoria						
Grovedale Gardens	Grovedale	3.9	10.3%	51	94%	98%
St Albans Park Gardens	St Albans Park	3.6	10.5%	53	76%	83%
Townsend Gardens	St Albans Park	3.4	10.3%	50	88%	92%
Horsham Gardens	Horsham	2.9	9.8%	47	81%	85%
Brooklyn Gardens	Brookfield	3.0	9.8%	51	78%	77%
Coburns Gardens	Brookfield	3.0	9.8%	51	75%	77%
Hertford Gardens	Sebastopol	3.7	10.3%	48	85%	94%
Sovereign Gardens	Ballarat (acq Jun-13)	3.3	5.3%	50	78%	80%
Total / Average – VIC		26.8	9.5%	401	82%	86%
Tasmania						
Glenorchy Gardens	Glenorchy	3.3	10.0%	42	100%	100%
Elphinwood Gardens	Launceston	2.9	10.0%	55	84%	87%
Claremont Gardens	Claremont	3.3	10.0%	51	100%	84%
Devonport Gardens	Devonport	2.5	6.0%	51	71%	55%
Total / Average - TAS		12.0	9.2%	199	88%	81%
TOTAL / AVERAGE - GARDEN VILLAGES		101.5	10.0%	1,522	86%	85%

Appendix 10

Portfolio statistics: Settlers (DMF)



Property Name	Location	Book Value 31 Dec 2013 (A\$m)	Discount Rate	Total Units	Occupancy 31 Dec 2013	Occupancy 30 Jun 2013
Traditional DMF Villages						
Lakeside	Ravenswood, WA	23.1	13.5%	241	97%	96%
Ridgewood Rise	Ridgewood, WA	19.6	13.5%	240	100%	100%
Meadow Springs	Mandurah, WA	2.9	14.5%	56	95%	95%
Meadow Springs - land	Mandurah, WA	2.5	N/A	N/A	N/A	N/A
Noyea Park	Mt Warren Park, QLD	6.2	14.5%	149	99%	99%
Ridge Estate	Gillieston Heights, NSW	5.2	17.1%	16	94%	94%
DMF Conversion¹						
Forest Lake	Forest Lake, QLD	8.1	16.7%	86	63%	55%
Rockhampton	Rockhampton, QLD	5.0	17.9%	74	74%	65%
South Gladstone	South Gladstone, QLD	3.4	15.0%	56	89%	84%
South Gladstone - land	South Gladstone, QLD	0.8	N/A	N/A	N/A	N/A
Cessnock	Cessnock, NSW	3.9	18.2%	43	70%	85%
TOTAL/AVERAGE – SETTLERS		80.5	15.0%	961	91%	90%

1. Valuation discount rates for DMF Conversion assets represent a blended discount rate applied to the cashflows.

Appendix 11

Settlers (DMF) sales

	Traditional DMF					DMF Conversions				Total
	WA		QLD	NSW	QLD			NSW		
	Lakeside	Meadow Springs	Ridgewood Rise	Noyea (strata)	Ridge Estate	Rockhampton	Forest Lake	Gladstone	Cessnock	
6 months to 31 Dec 2013										
No. of new sales	2	-	-	1	-	9	5	2	2	21
Average new sales prices (\$'000)	333	-	-	245	-	169	172	143	222	191
No. of resales	3	1	4	6	-	1	-	3	-	18
Average resale prices (\$'000)	295	285	389	252	-	137	-	198	-	276
DMF collected on exit (\$'000)	129	82	286	352	-	4	-	43	-	897
Average resident tenure on exit (yrs)	5.6	6.0	7.8	13.2	-	1.0	-	2.0	-	7.8
As at 31 Dec 2013										
Units available for sale	13	6	1	15	1	20	54	7	13	130
Occupancy (%) ¹	97%	95%	100%	99%	94%	74%	63%	89%	70%	91%
Average resident entry age (yrs)	69	71	70	71	69	74	72	72	77	70
Average resident age (yrs)	77	78	76	81	71	75	74	74	77	77
Average resident tenure (yrs)	8.4	6.8	6.0	10.7	1.4	1.2	1.2	1.7	0.7	6.7

1. Occupancy for traditional DMF villages includes units which may not be physically occupied but contractually subject to DMF fees

Appendix 12

Portfolio statistics: Offshore assets



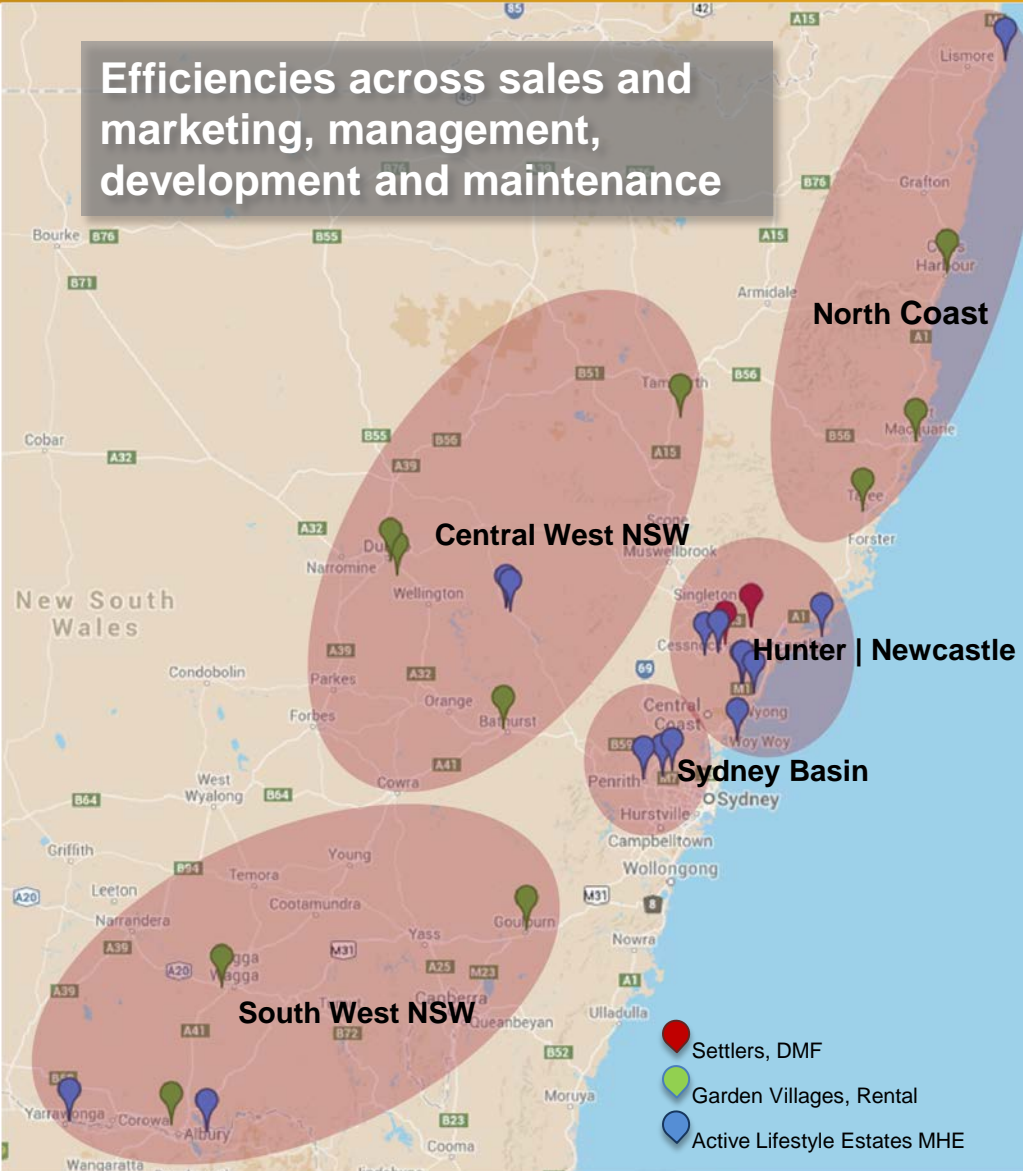
Property Name	Location	Book Value "as complete" (NZ\$m)	Book Value 31 Dec 2013 (NZ\$m)	Book Value 31 Dec 2013 (A\$m) ¹	Cap Rate "as complete"
<u>NZ Students assets</u>					
Cumberland House	Wellington, NZ	16.4	15.8	14.5	7.8%
Education House	Wellington, NZ	8.1	7.7	7.0	7.8%
McKenzie Apartments	Wellington, NZ	26.8	25.7	23.7	7.8%
TOTAL / AVERAGE – NZ STUDENTS		51.3	49.2	45.2	7.8%

1. Exchange rate of A\$1 = NZ\$1.0879

Appendix 13

Cluster strategy drives operational efficiencies

Efficiencies across sales and marketing, management, development and maintenance



NORTH COAST NSW

Garden Villages, Rental

- Talumbi Gardens, Coffs Harbour
- Oxley Gardens, Port Macquarie
- Taree Gardens, Taree

Active Lifestyle Estates MHE

- Drifters Holiday Village, Kingscliff

CENTRAL WEST NSW

Garden Villages, Rental

- Wheelers Gardens, Dubbo
- Dubbo Gardens, Dubbo
- Bathurst Gardens, Bathurst
- Peel River Gardens, Tamworth

Active Lifestyle Estates MHE

- Mudgee Tourist and Van Resort, Mudgee
- Mudgee Valley Tourist Park

HUNTER | NEWCASTLE NSW

Active Lifestyle Estates MHE

- Ettalong Beach Holiday Village
- The Grange Village Morisset
- Lake Macquarie Village Morisset
- Macquarie Lakeside Village Chain Valley Bay
- Big4 Valley Vineyard Tourist Park Cessnock
- Wine Country Caravan Park Cessnock
- One Mile Beach Holiday Park Anna Bay

Settlers DMF

- Settlers Cessnock
- Settlers Ridge Estate Maitland

SYDNEY BASIN NSW

Active Lifestyle Estates MHE

- Nepean River Holiday Village
- Town & Country
- OK Caravan Park

SOUTH WEST NSW

Garden Villages Rental

- Mardross Gardens, Albury
- Wagga Gardens, Wagga
- Chatsbury Gardens, Goulburn

Active Lifestyle Estates MHE

- Albury Citygate Caravan and Tourist Park
- Sun Country Holiday Village Mulwala

Appendix 14 Ingenia operating model

A scalable platform to enable quick and efficient growth



Ingenia Corporate Office

The Corporate office is responsible for strategy development and execution, capital management, preparation of consolidated accounts, development and investor relations

Key responsibilities

- > Executive Management
- > Group strategy
- > Acquisitions and divestments
- > Treasury
- > Investor relations and corporate affairs
- > Corporate governance
- > AFSL compliance

Brisbane Service Centre

The Service Centre is responsible for operational management, sales and market and administration.
The Service Centre is based in suburban Brisbane due to a materially lower cost base.

- > Resident billing
- > Accounts payable
- > Sales and marketing
- > Payroll and Human Resources
- > Management accounting
- > Procurement
- > Compliance and operational risk management
- > Village integration

Cluster

Ingenia's cluster strategy provides for significant scale efficiencies across sales and marketing, purchasing and operations as well as providing localised support for the Village Managers

- > Management of staff and villages within the cluster
- > Driving sales and occupancy targets
- > Delivering budget outcomes and monitoring costs
- > Observing competitor activities and pricing
- > Developing KCC's (Key Community Contacts)
- > Village compliance especially meal preparation and food quality



Ingenia villages in the Hunter/Newcastle cluster

Village

Support from Brisbane Service Centre and Regional Manager enables Village Manager to focus on operating a harmonious community with happy residents and to spend appropriate time on sales inspections









- > Day-to-day village operations
- > Resident and family engagement
- > Village sales and occupancy
- > Maintenance and gardening
- > Local community engagement
- > Meal preparation and service (Garden Villages only)



Appendix 15

MHE Competitive landscape

Major operators represent <5% of market opportunity

	Major Operators	No. of parks	Locations	Strategy
	Discovery Holiday Parks	3 in NSW 28 Total	Across Australia, mostly in QLD, TAS and WA	Largest Parks portfolio recently acquired from private equity by SunSuper. Exclusively tourist and mining accommodation.
	Aspen Parks Property Fund	6 in NSW 24 Total	Across Australia, mostly in WA	Second largest Holiday Parks Portfolio. Parent entity (ASX: APZ) assessing strategic options for their Parks Fund. Predominantly tourist and mining accommodation.
	Gateway Lifestyle Residential Parks	6 in NSW 10 Total	QLD and NSW	Strategic partnership with Alceon (key principals Trevor Loewensohn and Phil Green). Acquisitive with recent focus on chasing yield
	Hampshire Villages	6 in NSW 7 Total	NSW and VIC	Privately owned portfolio of regional residential parks.
	Lifestyle Communities	8 in VIC	VIC only	Developer and operator of greenfield residential parks (ASX: LIC).
	Living Gems	6 in QLD	QLD only	Privately owned developer and operator of greenfield residential parks.
	National Lifestyle Villages	10 in WA	WA only	Developer and operator of greenfield residential parks. Separate brands for premium and affordable.
	Palm Lake Resorts (Walter Elliott)	5 in NSW 19 Total	VIC, NSW and mostly in QLD	Privately owned developer and operator of greenfield residential parks.

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