

ASX / Media Release

14 June 2016

Ingenia to acquire four Lifestyle Parks underpinned by underwritten \$60 million equity raising

Highlights:

- Acquisition of four Lifestyle Parks for \$59.2 million in key Metro and Coastal locations – three under conditional contract with negotiations well advanced on the fourth
- Earnings accretive from deployment of capital raising proceeds
- Includes strategic acquisition of last A-Grade freehold caravan park in Sydney and significant land bank
- Adds 760 income producing sites in total – increases investment in Lifestyle Parks sector by circa 20%
- Enhances development pipeline through additional 215 sites, including 190 in Sydney (STCA)
- Acquisitions to be funded via fully underwritten Institutional Placement (\$60 million)
- Security Purchase Plan (non-underwritten) to be offered to all eligible Securityholders in Australia and New Zealand at an Offer Price of \$2.80

Ingenia Communities Group (ASX:INA) today announced the acquisition of an additional four Lifestyle Parks to be financed via a \$60 million Institutional Placement at an Offer Price of \$2.80 per new security.

The Offer Price of \$2.80 per new security represents:

- 6.4% discount to the closing price of \$2.99 at 10 June 2016
- 6.0% discount to the 5 day VWAP of \$2.98.

New securities issued via the Institutional Placement and Security Purchase Plan will be entitled to the FY16 final distribution of 4.9 cents per security, payable in September 2016.

Funds raised via the Institutional Placement will be fully allocated towards the acquisition of four Lifestyle Parks, with three under conditional contract and the fourth in advanced negotiations. Targeted settlement for the acquisitions is Q1 FY17, subject to satisfactory completion of due diligence and final Board approval.

The four Lifestyle Parks are quality, on-strategy parks which enhance Ingenia's exposure to metropolitan and coastal locations. Combined, the acquisitions will add a total of 760 permanent, annual and short term sites and enhance the development pipeline through a further 215 development sites, including 190 sites in Sydney (STCA).

Ingenia CEO, Simon Owen, said the acquisitions are high quality parks that provide real scale to the Group as it builds out its portfolio of lifestyle and tourist parks in sought after East Coast locations.

“On full deployment of the capital raising we will have 30 Lifestyle Parks positioned in key metro and coastal markets with 4,475 permanent, annual and short term income generating sites.”

“The acquisition of the last A-Grade freehold caravan park in Sydney and an adjoining land bank capable of supporting 190 new homes is a transformational opportunity for Ingenia. It further strengthens our foothold in the tightly held Sydney market and enables the Group to build on the strong sales success we have experienced this year at our Stoney Creek community in Marsden Park”.

Details of the four acquisitions include:

- Conditional contract exchanged for the purchase of a 5.1 hectare mixed-use park located in Sydney. The park includes an additional 10.4 hectares of adjoining land capable of supporting the development of circa 190 new manufactured homes
- Conditional contract exchanged for the purchase of the 8.4 hectare Ocean Lake Caravan Park, situated in the Group's NSW South Coast cluster

- Negotiations well progressed for the acquisition of a mixed-use freehold park situated on the NSW coast within an established cluster
- Conditional contract exchanged for the acquisition of a mixed-use park in Hervey Bay on the Queensland Fraser Coast, establishing a new cluster in a strong tourism and retiree location.

In addition, Ingenia's acquisition pipeline includes a substantial number of opportunities under exclusivity or active assessment comprising a mix of existing parks with redevelopment opportunity and some greenfield sites in key growth corridors.

Negotiations continue with the global investment and asset management group in relation to the DMF portfolio. In parallel, management has undertaken a wider sales process and several parties have submitted highly conditional offers subject to due diligence, ranging from individual assets through to the entire portfolio. Each offer will be assessed on its merits with a view to maximising value on the exit of this portfolio.

Moelis Australia Advisory Pty. Ltd., Morgans Corporate Limited and Petra Capital Pty Ltd are acting as Joint Lead Managers and Joint Underwriters to the Placement.

Further details on the acquisition and capital raising can be found in the Presentation lodged on the ASX today and via Ingenia's website at (www.ingeniacommunities.com.au).

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Ingenia Communities Holdings Limited (ACN 154 444 925), Ingenia Communities Fund (ASRN 107 459 576) and Ingenia Communities Management Trust (ARSN 122 928 410). The Responsible Entity for each scheme is Ingenia Communities RE Limited (ACN 154 464 990) (AFSL415862).