

ASX / Media Release

20 June 2017

Ingenia sales momentum points to strong FY18

Highlights

- Target of 190 new home settlements for FY17 now achieved
- On track to deliver EBIT guidance of \$30 million for FY17
- Expect FY18 settlements in the range of 260-280 new homes
- EBIT guidance of \$42 - \$46 million for FY18, subject to no material change in market conditions

Ingenia Communities Group (ASX:INA) today announced that as at 15 June the Group had achieved its FY17 target of 190 new home settlements across the Group's Lifestyle Communities business, with 191 settlements completed and a further 19 contracted sales due to settle in June or early July. This result underpins delivery of the Group's FY17 EBIT guidance, of \$30 million.

Ingenia's CEO, Simon Owen, said the Group was well positioned to continue to deliver strong growth in settlements in FY18, with 136 homes contracted or deposited at 15 June.

"It is pleasing to report that we are continuing to see strong interest in our projects and that our development business is continuing to build momentum. May 2017 represented our strongest month for new home sales on record with 34 settlements achieved for the month."

With an average sale price for settled homes of over \$300,000 year to date the Group expects to deliver an average gross profit per home of approximately \$100,000 (subject to final sales mix).

"As we move into FY18 we will launch four new key greenfield and large scale expansion projects, further diversifying our sales base and contributing to a target of 260-280 settlements for the year. The expected increase in sales and the addition of new assets and rental contracts to our operating business support our target for increased EBIT (in the range of \$42-46 million) for FY18."

Mr Owen said the Group had assembled a valuable capital city and coastal land bank to support ongoing sales growth into FY19 and was continuing to invest in its development and sales platform to position the Group for a multi-year growth strategy.

Ingenia will provide the final full year FY17 settlements and an update on the Group's outlook and guidance with the release of Ingenia's full year results on 22 August 2017.

Further information on the Group's outlook and Ingenia's growth strategy in Western Sydney is found in the Investor Tour information released to the market today.

ENDS

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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).



Ingenia Lifestyle Lara

INGENIA COMMUNITIES GROUP

2017 Investor Tour

20 June 2017

Table of Contents

Simon Owen, CEO

- **Business Overview**
- **Strategy**
- **Guidance Update**
- **Development Overview**

Owen Burnie, Senior Development Manager

- **Structure and Process**
- **Supply Chain**
- **Evolution of Development**
- **Project Updates**
- **Avina**

Kate Melrose, General Manager Project Sales

- **Increasing Momentum**
- **The Foundation of Growth**
- **Case Studies**

Business Update

Simon Owen, CEO



Ingenia Albury, NSW

Our Business Drivers

Ingenia operates in two complementary sectors with strong growth prospects

Demand Drivers

Opportunity

01.

Affordable rent-driven seniors housing

- > Over 65's fastest growing demographic
- > More than 70% of seniors own home outright
- > Limited savings beyond family home

- > Grow market awareness and penetration
- > Convert home equity into comfortable retirement
- > Home design affordability and site yield

02.

Experience based tourism

- > Rapidly growing caravan and campervan registrations as population ages
- > Diminishing caravan parks – many being redeveloped

- > Drive revenue growth through product innovation and investment in digital
- > Conversion of land to highest and best use
- > Increase land utilisation – drive new revenue streams

Business Overview

Creating Australia's best lifestyle communities



Over 4,500 Residents



3,600
Occupied permanent homes



790,000+ room nights p.a
Villas and sites



Annual revenue **>\$160 million**
Stable rent base **>\$1.2 million/pw**



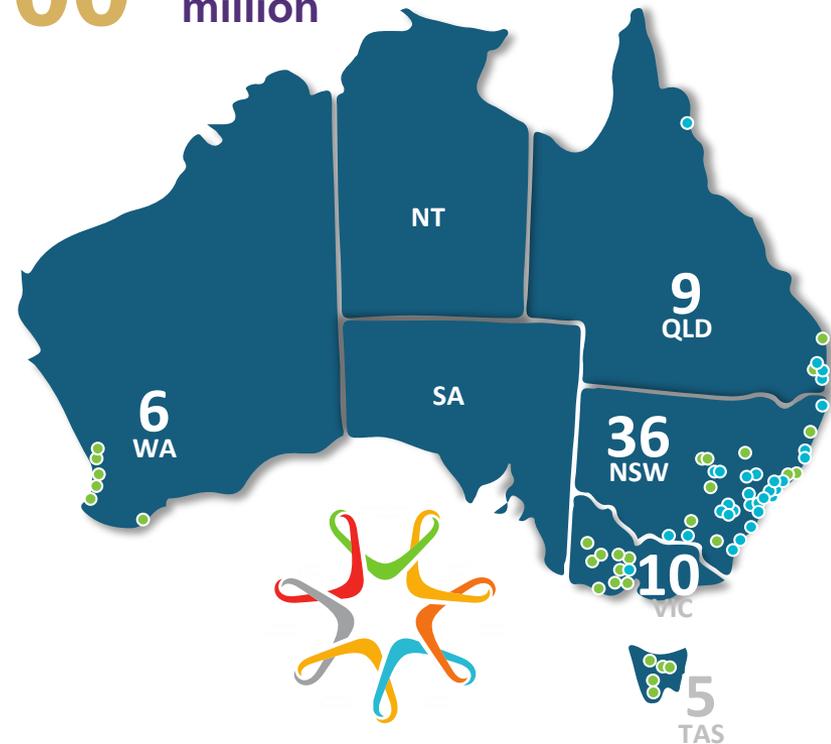
2,650 Potential development Sites

Ingenia has

66 Australian communities & growing

Portfolio now over

\$700 million



35 LIFESTYLE AND HOLIDAY PARKS

31 RENTAL VILLAGES

Note: Includes announced acquisitions yet to settle.

Key Drivers Remain Strong

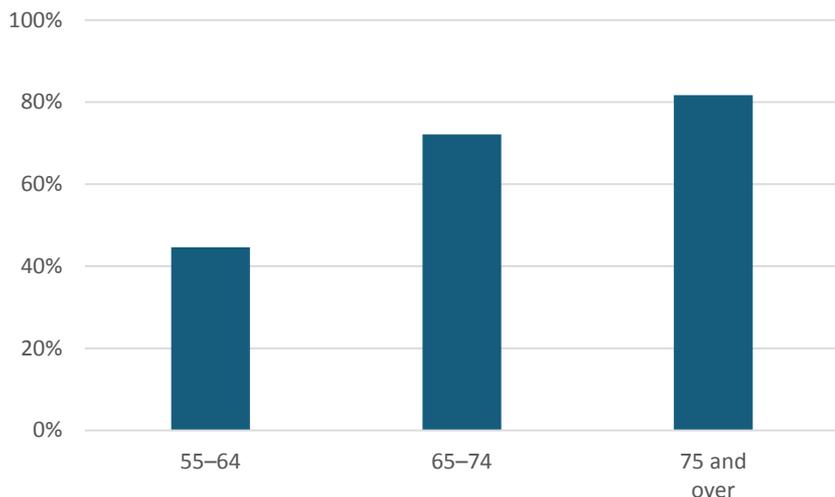


Ingenia Lifestyle Bethania, QLD

Strategy

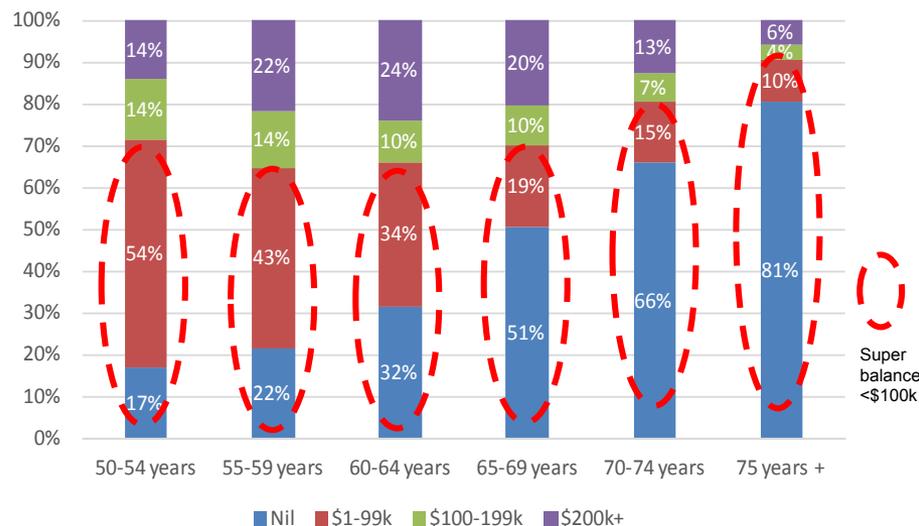
Supported by key growth drivers: Seniors Rental

Property ownership without a mortgage
(by age group)



Source: ABS.

Superannuation account balances
(by age group)



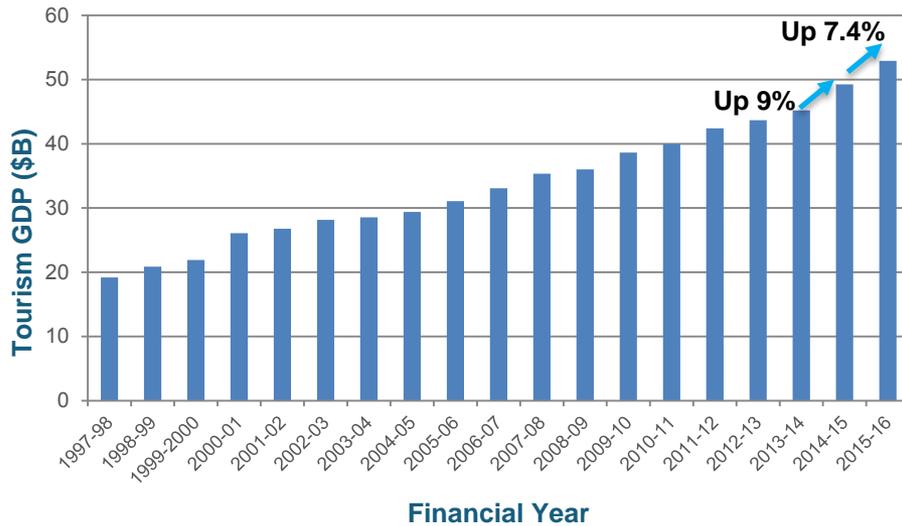
Source: ASFA Research and Resource Centre.

- > The maximum pension for singles is \$439 per week which is insufficient to fund a comfortable retirement
- > Australia's growing pool of retirees is living longer – for people aged 65–69 some 70% have <\$100k in accumulated superannuation
- > For many retirees, the sole source of accumulated wealth is ownership of the family home – releasing equity whilst retaining Government payments is increasingly attractive

Strategy

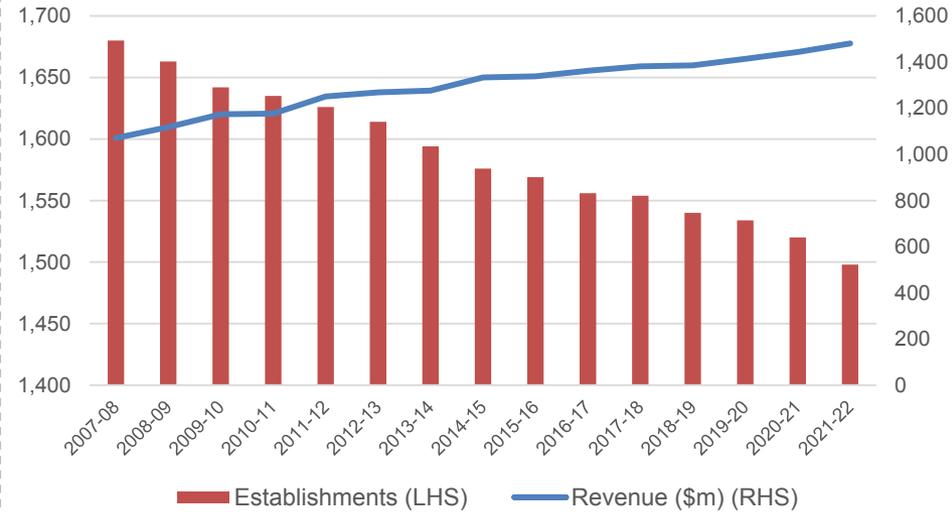
Supported by key growth drivers: Holidays

Tourism GDP



Source: ABS, Tourism Satellite Accounts.

Establishments vs. Revenue



Source: IBISWorld: Caravan Parks and Camping Grounds in Australia (September 2016).

- > Tourism is a growing industry in Australia, delivering GDP of \$53 billion in nominal terms (up 7.4%) in FY16¹
- > Caravan and RV registrations are growing at 2.5x car registrations and are highly leveraged to ageing population
- > Travelling seniors and families represent the largest market segments for holiday parks
- > Growing demand for holiday parks as supply declines, providing opportunity to build market share, grow revenue and expand margins

1. ABS, Tourism Satellite Accounts.

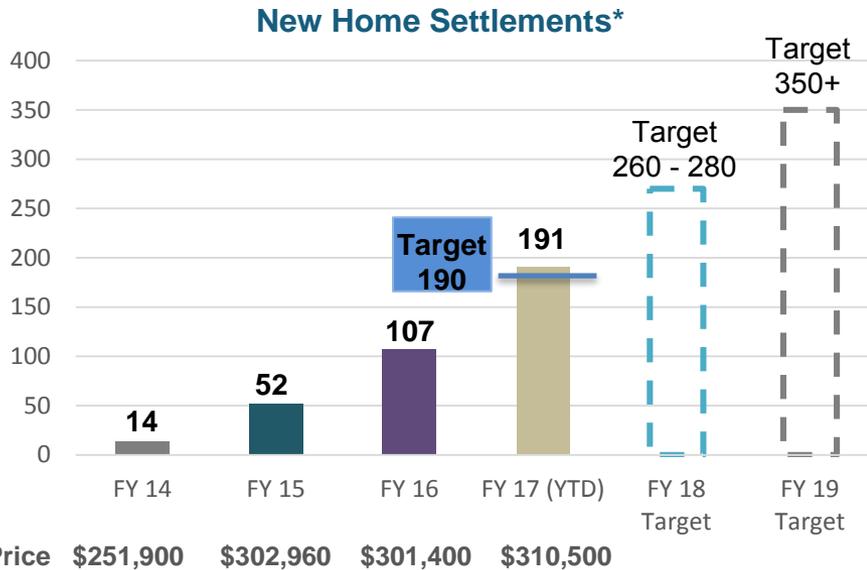
Guidance Update



Ingenia Lifestyle Bethania, QLD

On Track to Deliver Strong FY17 Result

Target of 190 new home settlements achieved



Settlement of 191 new homes to 15 June – target of 190 exceeded

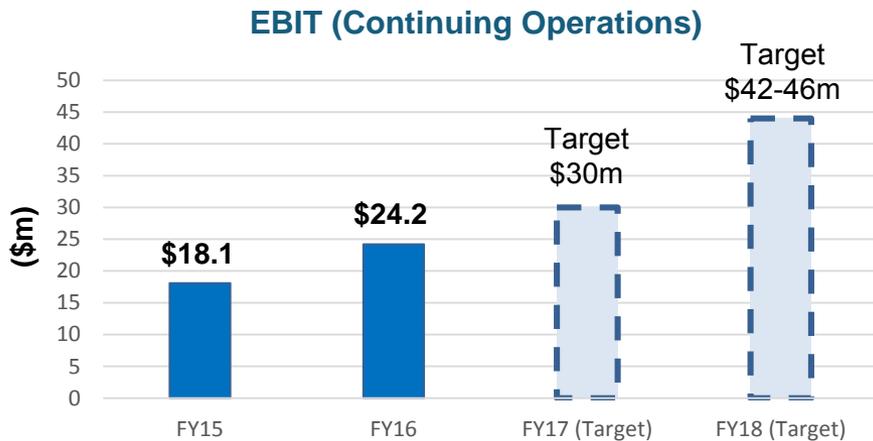
- > Further 19 settlements contracted that could fall into either FY17 or FY18 - anticipate settling ~200 new homes FY17
- > Stoney Creek sold out

On track to deliver ~\$100,000* new home gross development profit FY17

- > 2H17 margins impacted by asset mix – no discounting

At 15 June 2017 a further 136 homes deposited or contracted

Remain on track to achieve \$30 million EBIT guidance



* Excludes homes acquired as inventory and refurbishments.

Strong Growth Anticipated FY18

New projects and recent acquisitions growing revenue earnings

Metric	FY18 Guidance	Comment
Settlements	260-280 homes	Will depend on launch timing of new projects (Latitude One, Conjola, Glenwood and Grange)
EBIT	\$42-46m	Dependant on settlement volumes and margins, timing of asset sales (earnings forgone) and contribution from recent acquisitions Continuing investment in development team including entry into Victorian market
Gross Sales Margin	~\$110,000	Dependent on contribution from high margin new projects (Latitude One, Glenwood and Grange)

Growth in development and operating profit leading to forecast increase in tax expense

- > Effective tax rate of 8 – 12% expected for FY18
- > No cash tax payable in FY18

LVR to be maintained within 30-40% range

- > Recent capital raise, existing debt capacity and strategic asset sales to fund accelerating development

Guidance subject to no material change in market conditions

Development

Large scale metro and coastal projects underpin growth

Development Portfolio*			
	Approved	Subject To Approval	Total
Metro (49%)	463	833	1,296
Coastal (38%)	594	408	1,002
Regional (13%)	280	72	352
TOTAL	1,337	1,313	2,650

Existing Large Scale Projects*

1. Lara – Outer Melbourne	125 sites
2. Bethania – Brisbane	261 sites
3. Chambers Pines – Brisbane	256 sites
4. Conjola – NSW South Coast	114 sites
5. Avina – Sydney	247 sites
6. Latitude One – NSW Coast	229 sites

Under Contract / Option

7. Glenwood – NSW Mid North Coast	196 sites
8. Upper Coomera – Bris/Gold Coast	235 sites
9. Hervey Bay – Qld, Fraser Coast	210 sites

Potential pipeline now 2,650 sites

- > Over 1,300 sites available for immediate development
- > Development underway in key metro and coastal assets with three projects soon to launch

Focus on large-scale, multi-year metro and coastal development projects

- > Target high sales velocity projects with attractive margins
- > Supplemented by expansion and conversion of existing and targeted lifestyle and tourism parks
- > Targeting IRR of 20% on new greenfields projects

Projects to launch FY18

- > First greenfield development in strongly performing NSW Mid North Coast cluster (Latitude One)
- > Expansion of The Grange now underway
- > Approval in place at Conjola (NSW South Coast) and Glenwood (NSW Mid North Coast)

* Includes communities under contract or optioned. At 31 December, adjusted for acquisitions.

Development

Owen Burnie, Senior Development Manager



New community centre installation at South West Rocks, NSW

Development – Structure and Process

In house team in place covering key disciplines

Design Team

Accounting & Finance

Customer Service

NSW Development Team

VIC Development Team

QLD Development Team

Risk & Compliance

- > In the past 12 months we have internalised the project management (site superintendent) capabilities to lower costs and significantly improve 'speed to market'
- > Further investment in development team will be made over the next 12 months to support further growth in new home sales over next 3 – 4 years



New community centre installation at The Grange, NSW

Supply Chain

Expanded supply chain

- > Now using 7 builders
 - Three on-site builders
 - Four manufactured home builders
- > Parkwood and Glendale remain key suppliers
 - Strong relationship in place and collaborative process
 - Provide approximately 45% of homes in FY17
- > Supply chain expanding to larger on-site builders to manage capacity
 - Resulting in supply chain certainty and pricing tension



Ezi Build Group Pty Ltd



Evolution of Development

Product innovation: on-site building



Avina – artists impression

Evolution of Development Process

Diversifying building methodologies

	Manufactured / relocatable homes built off-site	Relocatable homes built on-site
Product & Design	Constrained to transport and installation requirements – steps required	Able to meet market demand for level access homes and ‘bricks and mortar’ style
Cost	Low cost housing including transport cost	Additional cost in preliminaries and concrete slab – progress payments have a greater impact on working capital
Timing	10 – 12 weeks	~12-14 weeks allowing for wet weather contingency and concrete slab
Pricing	Affordable price point	Higher prices achievable based on traditional residential style and level access

Traditional manufactured home



Ingenia Lifestyle South West Rocks, NSW

On-site built relocatable home



Ingenia Lifestyle Bethania, QLD

Evolution of Development

Ingenia Design Standards

- > Ingenia's own 'standard' homes
 - Twelve key home designs
 - Standard specification with upgrade packages
 - Finish and façade options
 - External and internal colour options
 - Customers able to 'customise' from limited set of choices

- > Ability to tender to a range of builders

- > Cost and time efficiencies for sales launch and delivery

- > In-house expertise to design masterplan and lot sizes



For illustrative purposes only.

MAPLE FEATURES

- Enjoy a new home with modern finishes
- Modern kitchen
- 2 bedrooms + study
- 1 bathroom + separate toilet
- Single carport
- Separate laundry
- Entertainment deck
- Built-in robes in all bedrooms
- Heating + air conditioning
- Ceiling fans throughout



INTERNAL LIVING AREA	80.79m ²
EXTERNAL LIVING AREA	27.71m ²
CARPORT	21.00m ²
TOTAL	129.50m²



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The information is provided solely as general information and the final product may differ from what is displayed.

Evolution of Development

Product innovation: modern facades



For illustrative purposes only.

Ingenia Lifestyle The Grange, NSW

Project Update

Ingenia Lifestyle Lara, Melbourne / Geelong

- Acquired October 2015
- Expansion of partially complete community
- New product launched
- Final stage of civil works underway
- Building on-site
- Display village complete
- At 15 June YTD, 29 new homes settled, 20 homes deposited or contracted



Project Update

Ingenia Lifestyle Bethania, Brisbane

- Acquired July 2015
- Expansion of partially complete community (76 approved sites)
- Civil works completed for remaining 83 sites
- Using onsite builders (Ezi Build and MJH Multi)
- Two adjacent land parcels acquired (DA for 191 homes lodged December 2016)
- At 15 June YTD, 18 new homes settled, 15 homes deposited or contracted



Project Update

Ingenia Lifestyle Chambers Pines, Brisbane

- Acquired March 2015
- Council approval received for expansion of existing community on adjacent (golf course) land for 256 sites and community clubhouse
- Civil works for first stage of expansion and display home complete with community clubhouse under construction
- Using traditional offsite and onsite building (Glendale and MJH Multi)
- At 15 June YTD, 11 new homes settled, 8 homes deposited or contracted



Project Update

Ingenia South West Rocks, NSW Mid North Coast

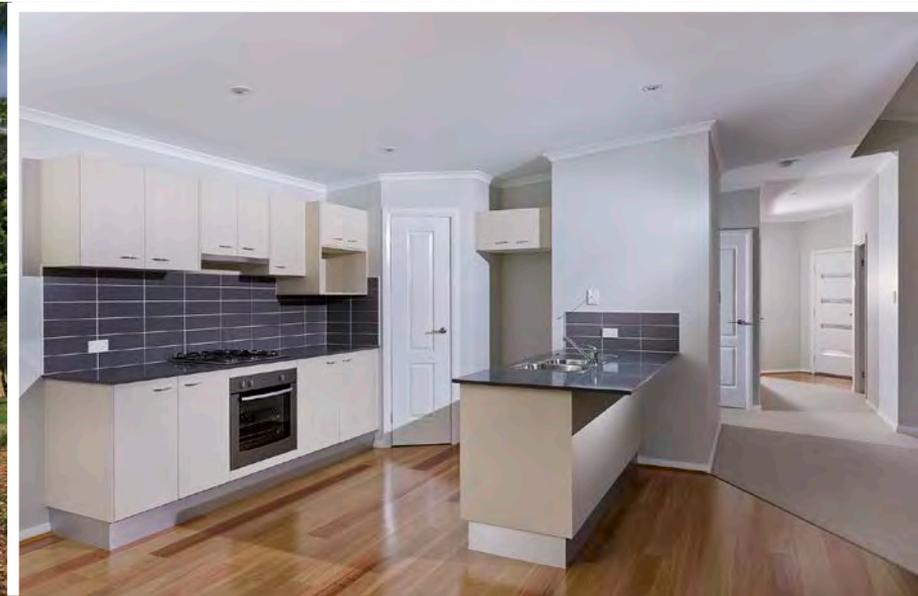
- Acquired February 2016
- Expansion of partially complete mixed-use community
- Community clubhouse and new entry complete
- All Stage 1 homes (24 sites) sold
- Stage 2 (27 homes) civil works underway for completion in July
- Using traditional offsite building
- At 15 June YTD, 14 new homes settled, 32 homes deposited or contracted



Project Update

Ingenia Lifestyle The Grange, Lake Macquarie NSW

- Ingenia's first lifestyle community was acquired in March 2013
- Expansion of 56 sites on vacant land approved by Council and civil works underway
- New community centre in place – opening in conjunction with first display homes (anticipated July 2017)
- Using traditional offsite building
- Expected to be a key contributor to FY18 sales



Project Update

Ingenia Lifestyle Latitude One, Port Stephens NSW

- Acquired December 2016
- Approved Greenfield development
- Contract awarded for Stage 1 civil works – commencing mid 2017
- S82 approval for onsite building obtained by Ingenia subsequent to purchase
- Investigating options to improve yield

Project Update

Ingenia Lifestyle Lake Conjola, NSW (coastal)

- Acquired September 2015
- Ingenia subsequently achieved DA approval on adjacent (golf course) land for 114 sites and community clubhouse
- Civil works to commence 2017
- Will utilise traditional offsite building
- Significant interest through pre-launch phase
- Targetting sales in late FY18



Avina Van Village



Indicative artist impression

Overview: Avina Van Village

Acquired October 2016

- Located on 5.1 hectares 50 kilometres from Sydney CBD (Hawkesbury LGA)
- Provides development opportunity in key Sydney market

Mixed-use community with existing tourism and permanent homes (5.1 hectares)

- 41 existing and occupied homes
- 56 tourism cabins
- 65 tourism sites
- Facilities include pool, restaurant, barbeque area, playground

Additional 14.4 hectares of surrounding land acquired or under option

- Potential to create new master planned seniors community in strong growth market



Asset Strategy



Priority – development of new masterplanned community

- > DA lodged September 2016 for 247 new homes and community facilities
- > New development on vacant land, with separate entry
- > Planning pathway through the Joint Regional Planning Panel (JRPP)

Continue to own and operate existing community (tourism and permanent sites)

- > Over time invest in selected improvements including:
 - New and upgraded cabin stock
 - Expansion
 - Additional amenities

Masterplan



Homes



- 2 – 3 bedrooms
- 1.5 – 2 bathrooms
- 1 – 2 car garages
- Lot sizes average 250 sqm

Indicative artist impression

Facilities



- Outdoor swimming pool
- Walking trail
- Lake
- Landscaped gardens
- Bowling green
- BBQ area
- Library
- Workshop
- Community clubhouse
- Dining and lounge areas

Indicative artist impression

Development Update

- **DA Lodged September 2016 for 247 new homes and community facilities**
- **Council and Joint Regional Planning Panel process continuing**
 - **JRPP conducted site visit in March 2017**
 - **Request for information returned 5 June**
- **Current status: waiting on Council to submit report to JRPP meeting**



Sales and Marketing

Kate Melrose, General Manager, Sales



Ingenia Lifestyle

Land Lease Communities

Increasing Momentum

- Increasing awareness of the land lease model
- Momentum continues – sales guidance upgraded as market recognition grows and new records set
- Pension change impacts 2017
- Budget changes supportive
- Market conditions

The Foundations of Growth

- Maturing portfolio mix reduces risk
- Investment in systems and processes
- Marketing evolution

Case Studies

- Bronze – Stoney Creek
- Silver – Lara
- Gold – Avina and Latitude One

Growing Recognition of the Simplicity of the Model

**Land Lease Communities are the “disruptor” of the retirement sector.
A “fair go solution” for Aussies**

“MHE/LLC’s will be bigger than the village sector”

*(Chris Baynes – Leaders Summit 2017
Five predictions of the retirement village sector)*



“Land Lease Communities are popping up at a rate that can’t keep up with demand” (ACA)



Broader Exposure Increased Media Coverage

The Courier Mail

PLANNING AHEAD



Don and Helen Govan have downsized to Ingénia Lifestyle Chambers Pines to save on maintenance and enhance their social life. Picture: Arnette Dew

NEW LEASE OF LIFE

BELINDA CHILTON

Seniors are flocking to over 50s lifestyle communities seeking lower maintenance properties and an active lifestyle.

Land lease community, Ingénia Lifestyle Chambers Pines has fast-tracked its next release of homes to the market following a surge of deposits. Ingénia Lifestyle Chambers Pines project sales manager Lynda Rutledge said the demand for land lease communities among downsizers was clear at a recent open day.

"We saw more than 30 groups flock to the community to inspect our homes and speak to residents already enjoying the social and financial benefits of active lifestyle living," Ms Rutledge said.

Chambers Pines residents Don and Helen Govan chose to move to the community after realising their family home required too much work to maintain. "I realised I was getting older and we couldn't do what we used to do," Mr Govan said. "After researching, I only took a week here and it already felt like we'd lived here most of our lives. It's very friendly atmosphere and we are really looking forward to being able to enjoy the new clubhouse and see the new master plan for the community." Mr Govan said retirees needed to start thinking ahead and not leaving their move too late.

"I think people leave downsizing until too late and the kids start to worry," he said.



THE BASICS

INGENIA LIFESTYLE CHAMBERS PINES
Developer: Ingénia Lifestyle
Price: From \$210,000
Location: Kippirik Road, Chambers Pines

A low-maintenance and social lifestyle appealing to the over-50s who are wanting a better, more active lifestyle.

"We wanted to have the power to decide where we wanted to live - it was about us being proactive and not reactive."

Ms Rutledge said there was no doubt the land lease model was becoming sought after.

"Our homes are tailored to meet the needs of active seniors with the next stage of the community to include a modern clubhouse, a resort-style swimming pool and a competition standard bowling green, all which encourage a healthy lifestyle," she said. Ingénia Lifestyle Chambers Pines offers new home ownership from \$210,000 for a two-bedroom, one-bathroom home. Chambers Pines has Open Homes today and April 22.

Herald Sun Sense of community

Land leases are an alternative to village life, writes Cheryl Critchley

DOWNSIZERS have more options than ever.

While retirement villages remain popular, some over-55s are joining a lifestyle-focused land lease community.

Like retirement villages, land lease communities offer features such as security, community centres, swimming pools, recreation facilities and health programs.

But they are different in several ways and can offer some financial advantages for over 55s.

Land lease community residents buy their home and retain the capital gain if they sell.

They lease the land, which eliminates stamp duty, entry/exit fees and body corporate charges.

A regular site fee covers water and council rates, maintenance/operations, facilities and management staff. Resident rights are covered by Victorian legislation.

In comparison, retirement villages are governed by the Victorian

buy a strata title or leasehold over the unit or villa.

Depending on their contract, village residents also pay monthly fees and then exit fees upon leaving.

Whether they share capital gain depends upon their contract.

Ingénia Lifestyle has 29 Australian lifestyle communities offering affordable housing and support programs.

Its Lara community, for example, offers Ingénia Care. It co-ordinates a range of services and an eight-week Ingénia Wellbeing program with local health professionals.

Ingénia chief operating officer Nikki Fisher said seniors were attracted to the flexible and low-maintenance lifestyle.

She said land lease community residents often paid less for their home, while avoiding stamp duty and complicated exit fees. Some could also access rental assistance.

"Other financial gains include the home being part of your estate as a willable asset," Ms Fisher said.

Ingénia Lifestyle Lara's new homes start at \$209,000. The average resident is 68, with many still working or volunteering.

"They're looking to improve their lifestyle, make new friends or improve health or finances," Ms Fisher said.

"Land lease communities provide security and peace of mind, with residents able to lock up and leave and head out to travel, visit friends and family, or experience something new."

TIPS

Considering downsizing and lease community

Land lease community locations and the lifestyle you want age, treachance, metro, close to family (ids).

Central Coast Express Advocate

Perfect fit for downsizers

Modern pre-built homes offer a stress-free, affordable and speedy alternative to building from scratch



Price tag
Over 50s lifestyle communities are offering more than 3000sqm of space in a modern, well-appointed setting. The communities are offering a range of options, from a single bedroom to a three bedroom home. The price range is from \$210,000 to \$350,000. The communities are offering a range of options, from a single bedroom to a three bedroom home. The price range is from \$210,000 to \$350,000.

Sunday Mail

A lot of things are coming and going in the news. And it's hard to do more than...
Stephen Hudson writes



It's a common sight in retirement villages and land lease communities. A sign that says "FRUGALITY IN THE FIRING LINE". The sign is a reminder to be frugal with money. It's a good message to have in retirement. The sign is a reminder to be frugal with money. It's a good message to have in retirement.

Land lease community locations and the lifestyle you want age, treachance, metro, close to family (ids).

FINANCE



NEW ASSET TEST FOR PENSIONS

The change, due on January 1, offers a timely reminder for seniors to evaluate their finances.

Downsizing might be the answer for the more than 180,000 Australian pensioners who will need to start looking to lower their pension asset test thresholds that come into effect January 1.

Over 50s finance expert and author Rachel Berris (above) said now was the right time for seniors to evaluate their finances. With the new asset test being introduced, it's important for seniors to understand what assets they need to be able to meet the new asset test.

"It's incredibly important for seniors to understand what assets they need to be able to meet the new asset test," she said.

"The new asset test will be a crucial factor in how much pension a senior can receive. It's important for seniors to understand what assets they need to be able to meet the new asset test."

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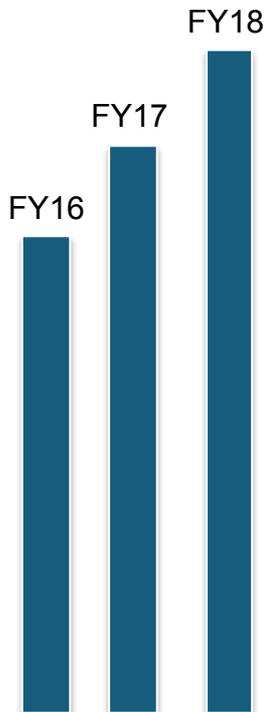
Sector Maturing

From caravan conversions to masterplanned communities

Increased diversity of product and price point will drive sales momentum into FY18 and beyond

Median House Price

Sydney	Melbourne	Brisbane
\$1.15m	\$843k	\$655k



Gold

\$400k - \$1m+

- Avina
- Latitude One
- Glenwood

Silver

\$250k - \$390k

- Lara
- Bethania
- Chambers Pines
- The Grange

Bronze

\$150k - \$250k

- South West Rocks
- Hunter Valley
- Stoney Creek
- Albury

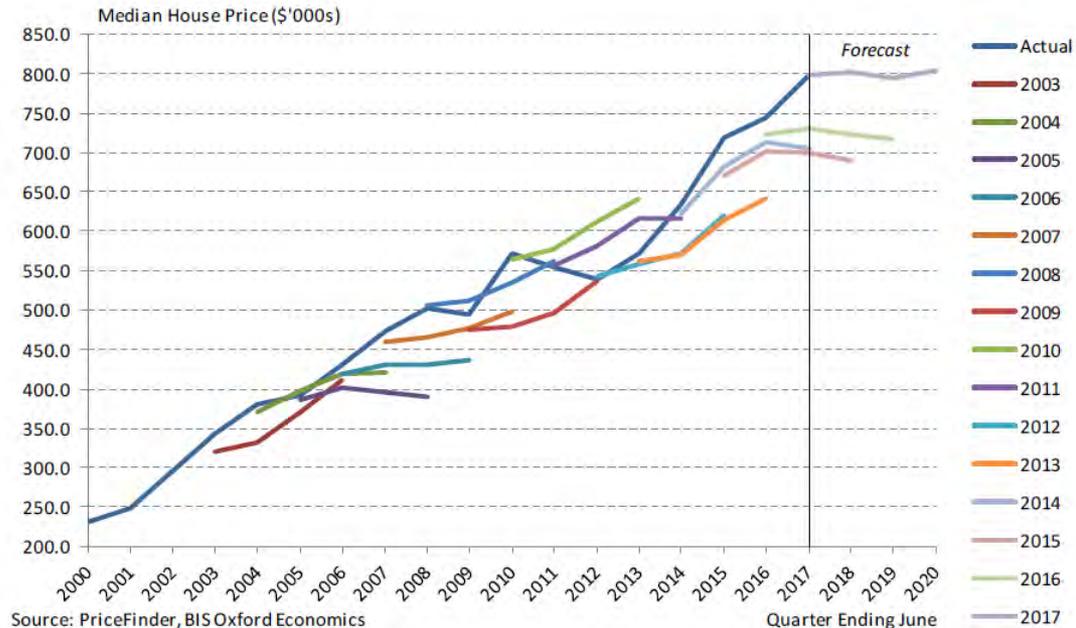


National Market Outlook

Key housing market indicators for Sydney/Melbourne and other capital cities, other than Perth, show a stable outlook

1. Price growth slowing
 2. Rental growth stable
 3. Discounts balanced or falling
 4. Days on Market still ≤ 45 days
 5. Stable construction pipeline
- Our market perceive their homes are worth less than they are achieving. Shifting sales process to capture increase spending capacity.
 - Ingenia's portfolio mix in FY18 has a more balanced exposure to Brisbane, Sydney and Melbourne property markets.

Comparison of average annual median house price growth (%) forecast in each of BIS Oxford Economics' reports versus actual median house price over the three year period, Australia



Two Budget Incentives Will Mobilise Our Target Market

1. Incentives to downsize with increased super contribution will appeal more to self-funded retirees

- Contribution of up to \$300,000 into super from the proceeds of the sale of their home (\$600k couple)
- Principal home must be owned for 10 years – disadvantage to second dip downsizers
- The work test will not be applied
- Over 75 will be able to contribute in excess of the concessional caps
- Likely to appeal to self-funded retirees and those who are currently deemed “to old” to contribute to superannuation

Pensioners are assessing the pros and cons of the income test, asset test and super contributions on their downsize decision



Ingenia Lifestyle

The incoming, the ongoing and the outgoing to downsizing

As house prices in Australia's capital cities boom, many downsizers who are asset-rich but cash-poor, are missing out on an opportunity to unlock their existing home equity and improve their lifestyle.



Affair and finance expert, Rachel Lane (left) and everyone had the option of staying in their own home, but many found it to be too much maintenance or too costly if they had lost a spouse.

"A lot of people look at downsizing to either a lifestyle community or retirement village, because they are distinctly different and that costs can be hard to compare.

"My advice is to break it down to the incoming, the ongoing and the outgoing costs of each. The incoming amount is normally straight forward – the amount paid for the home or unit.

"The outgoing cost in a retirement village is the general air air charge, in a land lease community it is the site fees. The usage charging model in a land lease community allows you to own your own home and lease your land, which means many downsizers are eligible for rent assistance on their site fees.

"The greatest confusion comes from the exit fees, also called deferred management fees. These are standard in traditional retirement villages, and normally a percentage accrued over a period of time, typically anywhere between 20% and 50% after 10 years and there can be sharing in capital gains to factor in as well.

"Land lease communities have no government charges (stamp duty or council rates), and there are no exit fees, and with your ongoing cost of having the land being reduced through government assistance, it is a very popular and affordable housing option," Rachel said.

"If we take a look at a case study we can examine how much financial sense also play when making the decision to live in a lifestyle community.

Case study for lifestyle community living

Jean is a single pensioner born and bred on the NSW Central Coast. She is looking to downsize her home having lost her husband seven years ago. The house Jean would like to buy has two bedrooms, a study and a powder room, perfect for when her favourite grandson comes to stay. The price of the brand new home is \$450,000 and the site fees are \$100/week. Selling her home to buy a house in the community will ensure that Jean will have an extra \$50,000 in her investments.

Income:	
Sale of former investments	\$450,000
Personal effects	\$50,000 (including car)
Total	\$500,000
Outgoing Costs:	
Purchase of home	\$330,000
Legal Fees	\$500
Total	\$330,500
Jean's net cash \$169,500 to invest or enjoy!	

Income:	
Pension withdrawal	\$22,800 p.a. (\$5700 per fortnight)
State assistance	\$1,200 p.a. (\$300 per fortnight)
Cash invested @ 2%	\$1,990 p.a. (Cash remaining after sale)
Total	\$25,990
Ongoing Costs:	
Site fee	\$1,788 p.a. (\$350 per week)
Living expenses	\$38,200 p.a. (\$750 per week)
Total	\$39,988
Jean's Cash Flow	\$1,202 p.a.

If Jean joined the community and sells her home she will receive 100% of the capital gains made on the house, less any sales commission. It's important to note that residents also gain more from living in a lifestyle environment, by belonging to a like-minded community, significantly enhancing their quality of life while also making the most of an investment in yourself.



A new GOLD CLASS Lifestyle Community Coming Soon

Ingenia Lifestyle is pleased to announce a brand new premium 155 community is coming to the NSW Central Coast of Port Stephens, located in Arns Bay. The Gold Class community is situated in a highly sought after location and will offer all the lifestyle benefits of a resort with facilities including a wellness centre with a spa, tennis and pool, a clubhouse with a bar and lounge area and more. The site will also have plenty of greenery and beautiful views. Register now. For more information please call Sherryn on 0568 292 737 or visit www.lifestyleingenia.com.au

Two Budget incentives will mobilise our target market

2. First home buyers (FHB) super savers scheme increase demand for the stock our market is selling

Mum and Dad trying to mobilise the adult kids out of the house so they can downsize see the FHB incentive plus the extra cash they will have as an opportunity help kids and have a fresh start

- FHB voluntary super contributions quarantined for a house deposit will boost FHB activity however it still makes affordability in Sydney a challenge
- Key driver to downsize amongst our market is to help kids out
- Key obstacle to downsizing is the adult child still living at home



Ingenia provides customers with quality educational resources

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Ingenia Lifestyle



WATCH: NOEL WHITTAKER'S INTERVIEW WITH INGENIA LIFESTYLE ABOUT DOWNSIZING

The great Australian dream of keeping the family home well into retirement may be under threat with Australian Bureau of Statistics stats showing that nearly 50% of seniors are expected to run out of money during their life span. Finance expert and international bestselling author Noel Whittaker said the biggest challenge facing seniors today is many people are outliving their money. [WATCH NOW](#)



Downsizing allows you more opportunity to free up a little cash so you can spend more time doing what you want to do, like locking up to leave and travel!

[ENQUIRE TODAY](#)

[ENQUIRE TODAY](#)

MAY eNEWS UPDATE



REVIEW: HOW DO THE BUDGET CHANGES IMPACT DOWNSIZERS?

Over 55s finance author, Rachel Lane & Noel Whittaker, review the new budget announcement and its impact on downsizers. **EXCLUSIVE OFFER:** Take a free, confidential assessment from the Village Guru team to see how the changes may affect you. [READ MORE](#)

FIVE PREDICTIONS FOR THE RETIREMENT VILLAGE SECTOR

The executive editor of Villages.com, Chris Baynes presented at the Leaders Summit last month with some predictions for the sector and why land lease communities will overtake the DMF model in the near term. [VIEW VIDEO](#)



INNOVATIVE HOME CONSTRUCTION THE FUTURE FOR DOWNSIZERS

The home building industry is setting new benchmarks in innovative construction allowing a traditional-built home to be delivered under Ingenia Lifestyle's land lease ownership model offering more benefits to downsizers. [READ MORE](#)



HEAD AWAY ON AN INGENIA HOLIDAY WITH OUR HOT DEALS & DISCOUNTS!

If you're thinking of taking a break, take advantage of these specials from our sister company, Ingenia Holidays. Check out the Hot Deals section for all our seasonal specials, plus we also offer a 10% Seniors discount off standards rates. [CLICK FOR MORE HOT DEALS](#)



Ingenia e-news contains key topics and insights from our panel of experts:

- ✓ Downsizing tips
- ✓ Impact of Budget Changes
- ✓ Sector growth
- ✓ Home innovations
- ✓ Travel opportunities

Focus on customer education to support informed decisions and reduce lead time to sale

Pension Changes

Pro-actively educating the market to avoid 'change paralysis'



Ingenia Lifestyle

Active Life

COMMUNITY NEWS - AUTUMN 2017 EDITION

Noel Whittaker on Downsizing: "It's your solution to a dwindling retirement income."

The great Australian dream of keeping the family home well into retirement may be under threat with Australian Bureau of Statistics stats showing that nearly 50% of seniors are expected to run out of money during their life span.

Between 2014 and 2015, the ABS said only 27% of people reported they were planning on relying on government pension allowance as their source of primary income at retirement. But, in the latest data nearly 50% of Australian retirees said that they had relied on these avenues to keep them afloat, indicating that seniors do not have enough in the bank to fund their retirement.

Finance expert and international bestselling author Noel Whittaker said the biggest challenge facing seniors today is many people are outliving their money.

"The simple fact is most people don't have enough money to retire on, especially when a lot of that money is tied up in a house," Mr Whittaker said.

"The trouble is you can't sell the back steps of your home.

"For many seniors, downsizing is an effective way of unlocking the large amounts of capital trapped in the family home - a crucial step to retaining financial independence and enjoying a comfortable lifestyle."

Mr Whittaker said one of the major impediments that tend to make people reluctant to downsize their home is stamp duty. "There is an innovative and sensible housing model seniors need to consider - land lease communities let you upgrade to a brand new home putting money in your pocket," he said.

With no stamp duty or no exit fees like traditional retirement models, land lease communities are helping Australians release the equity in their old home, improve their lifestyle and keep their hard earned money when they leave.

"The great thing about a land lease community is transparency and flexibility, there is no stamp duty, no hidden exit fees, you get to keep all of the capital gains and you get a great social network, that's why people are choosing it."

"Ingenia Lifestyle's unique housing model offers downsizers a great lifestyle as well as

the flexibility and affordability, which for most people is what retirement is all about," he said. Land lease communities are becoming an increasingly popular choice for downsizers as an alternative accommodation solution, satisfying lifestyle changes and financial security.

View our full interview

To view the full three minute video on Noel Whittaker's interview with Ingenia Lifestyle, visit our page at ingenialifestyle.com.au/noelwhittaker

PLUS: The first 100 enquiries to complete the survey on downsizing will receive the new book from Rachel Lane and Noel Whittaker - The Affordable Living Handbook Volume 1.



Ingenia Lifestyle

The incoming, the ongoing and the outgoing to downsizing

As house prices in Australia's capital cities boom, many downsizers who are asset-rich but cash-poor, are missing out on an opportunity to unlock their existing home equity and improve their lifestyle.



Author and finance expert, Rachel Lane (left) said everyone had the option of staying in their own home, but many found it to be too much maintenance or too lonely if they had lost a spouse.

"A lot of people look at downsizing to either a lifestyle community or retirement village, however they are distinctly different and the costs can be hard to compare."

"My advice is to break it down to the incoming, the ongoing and the outgoing costs of each. The straight forward - the amount paid for the home or unit."

"The ongoing cost in a retirement village is the general service charge, in a land lease community it is the site fees. The unique ownership model in land, which means many downsizers are eligible for rent assistance on their site fees."

"The greatest confusion comes from the exit fees, also called deferred management fees. These are standard in traditional retirement villages, and normally a percentage accrued over a period of time, typically anywhere between 25% and 50% after 10 years and there can be sharing in capital gains to factor in as well."

"Land lease communities have no government charges (stamp duty or council rates), and there are no exit fees, and with your ongoing cost of leasing the land being reduced through government assistance - it is a very popular and affordable housing option," Rachel said.

If we take a look at a case study we can examine how much finances come into play when making the decision to live in a lifestyle community.

Case study for lifestyle community living

Jean is a single pensioner born and bred on the NSW Central Coast. She is looking to downsize her home having lost her husband seven years ago. The house Jean would like to buy has two bedrooms, a study and a powder room, perfect for when her favourite grandson comes to stay. The price of the brand new home is \$330,000 and the site fees are \$169/week. Selling her home to buy a house in the community will mean that Jean will have an extra \$120,000 in her investments.

Assets	
State of home	\$450,000
Investments	\$30,000
Personal effects	\$10,000 (including car)
Total	\$490,000
Incoming Costs	
Purchase of home	\$330,000
Legal Fees	\$500
Total	\$330,500

Jean now has \$149,500 to invest or enjoy!

Income	
Pension entitlement	\$22,805 p.a. (\$877.10 per fortnight)
Rent assistance	\$3,896 p.a. (\$150.60 per fortnight)
Cash invested @ 2%	\$2,990 p.a. (Cash remaining after sale)
Total	\$29,691
Ongoing Costs	
Site fee	\$18,200 p.a. (\$169 per week)
Living expenses	\$8,788 p.a. (\$350 per week)
Total	\$26,988

Jean's Cash Flow \$2,203 p.a.

If Jean leaves the community and sells her home she will receive 100% of the capital gains made on the house, less any sales commission. It's important to note that residents also gain more from living in a lifestyle environment by belonging to a like-minded community, significantly enhancing their quality of life while also making the move as an investment in yourself.

A new GOLD CLASS Lifestyle Community Coming Soon

Ingenia Lifestyle is excited to announce a brand new premium new 55+ community is coming to the NSW Hunter Region of Port Stephens, located in Arnie Bay. The Gold Class Community is situated in a leafy suburb close to local beaches and will offer all the lifestyle benefits of a resort with facilities including a wellness centre with a gym, pool and spa, a clubhouse with beautiful lounge areas, and social bar which will play host to plenty of entertaining get-togethers.

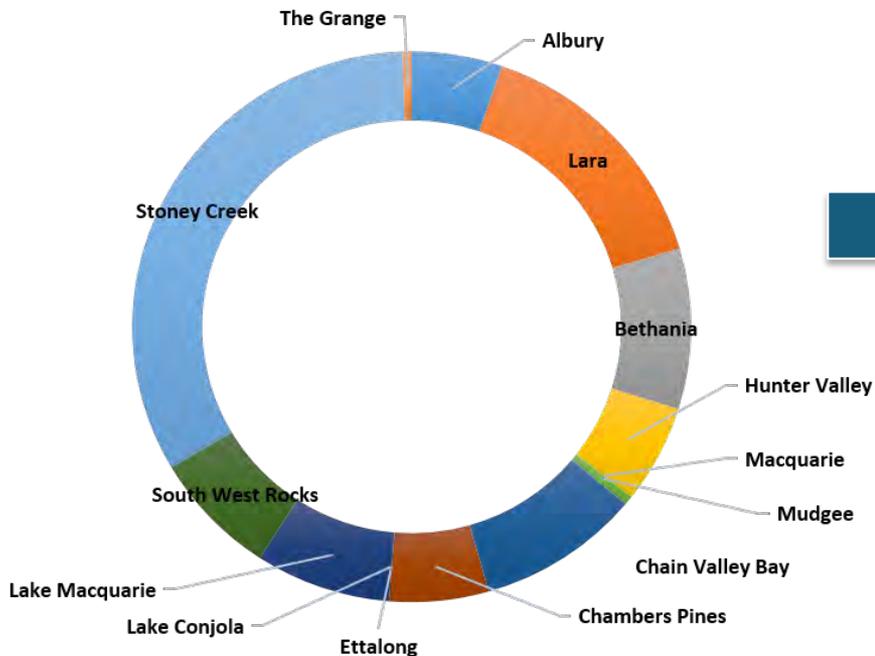
Register now. For more information please call Sherron on 0408 265 757 or visit www.lifestyleportstephens.com.au

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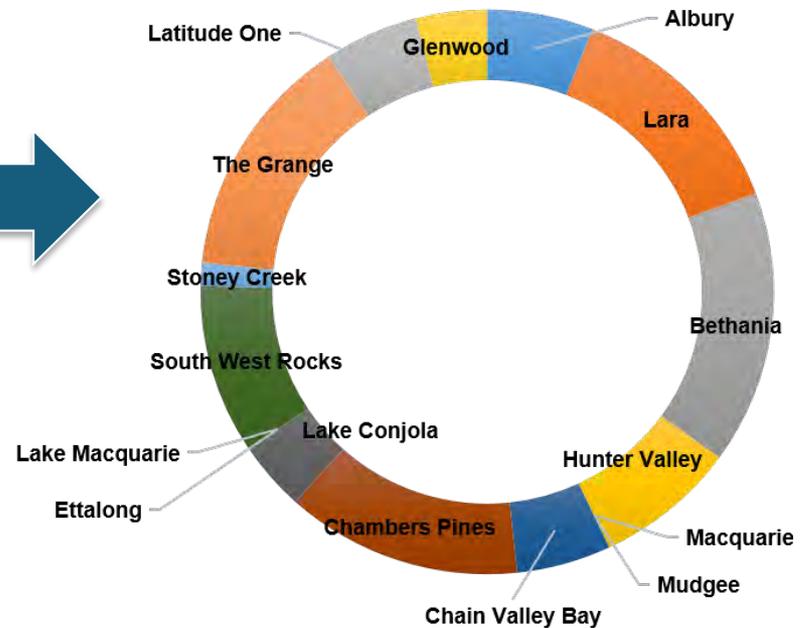
Ingenia Lifestyle – Increasing momentum

Diversified base of development projects to drive momentum

YTD (15 June 17) Project Mix



Target FY 18 Project Mix



No project expected to be more than 16% of FY18 settlements

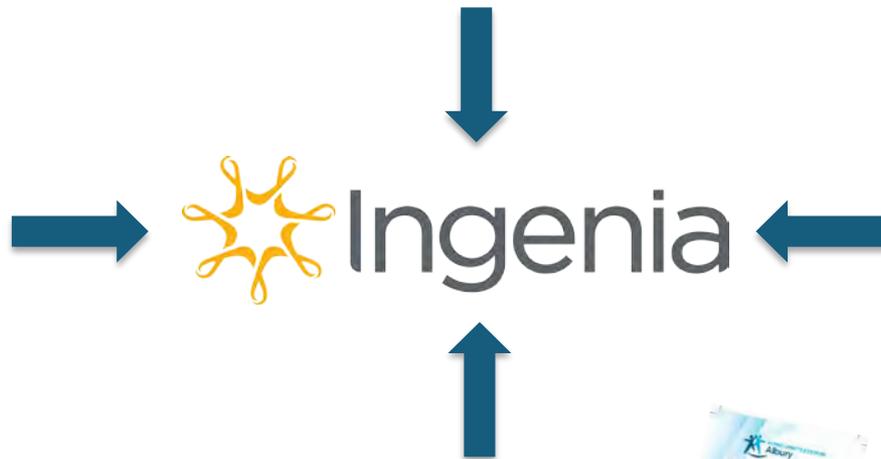
The Foundations for Growth

A simplified brand, a clear product suite and improved customer insight plus improved systems and processes create a foundation for growth

Better Portfolio of Projects

Evolved product suite

Customer Insight



Marketing & Brand clarity



Belong



Care



Freedom



Quality

The Foundations for Growth - Design



New Marketing Initiatives

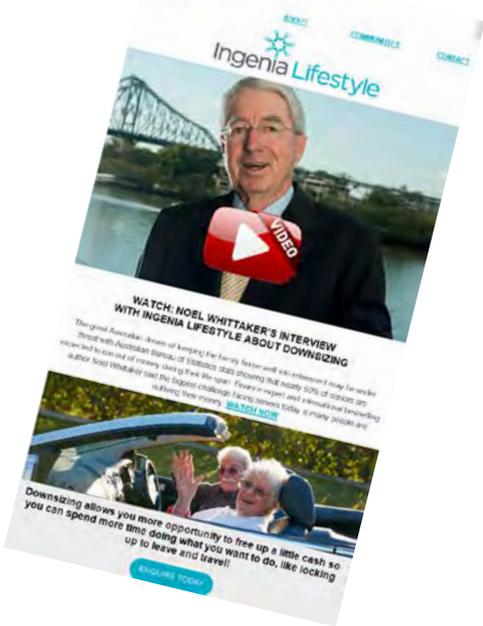
- Digital touchscreens
- Project Brochures
- Educational tools
- Digital Campaigns
- 360 degree virtual tours
- Virtual fly throughs



FY17 Marketing Results



- ✓ FY17 marketing initiatives generated over 5,000 new leads
- ✓ Total database now over 8,000 leads
- ✓ 4,000 email subscribers
- ✓ Average of 8 EDM's (Electronic Direct Mail) every month
- ✓ 78% open rate – an engaged database seeking knowledge
- ✓ Cost per lead reducing
- ✓ Strong educational content



Stoney Creek's Value Adding Transformation

Before



Physical repositioning stage 1

Public Sales Launch Mar-15

Displays and Off Plan Sales

Sold out Jun-17

Community Centre FY18

Contract to Settlement (3-12 weeks)

After



Case Study

Ingenia Lifestyle Stoney Creek – a bronze project

The image displays three real estate listings for retirement homes at Stoney Creek. Each listing includes a photograph of the home's exterior, the price, the agent's name (Rachel Pullicino), and the date the home was sold. The first listing is marked 'SOLD OUT' in a large orange banner. To the right of the listings is a larger image of a home's exterior and a floor plan.

Price	Address	Sold Date	Agent
\$259,000	141/140 Hollinsworth Road, Marsden Park	28 Oct 2016	Rachel Pullicino
\$299,000	132/140 Hollinsworth Road, Marsden Park	19 May 2017	Rachel Pullicino
\$345,000	203/140 Hollinsworth Road, Marsden Park	28 Apr 2016	Rachel Pullicino

\$205,000

Initial refurbishment homes



\$385,000

Final stage new homes

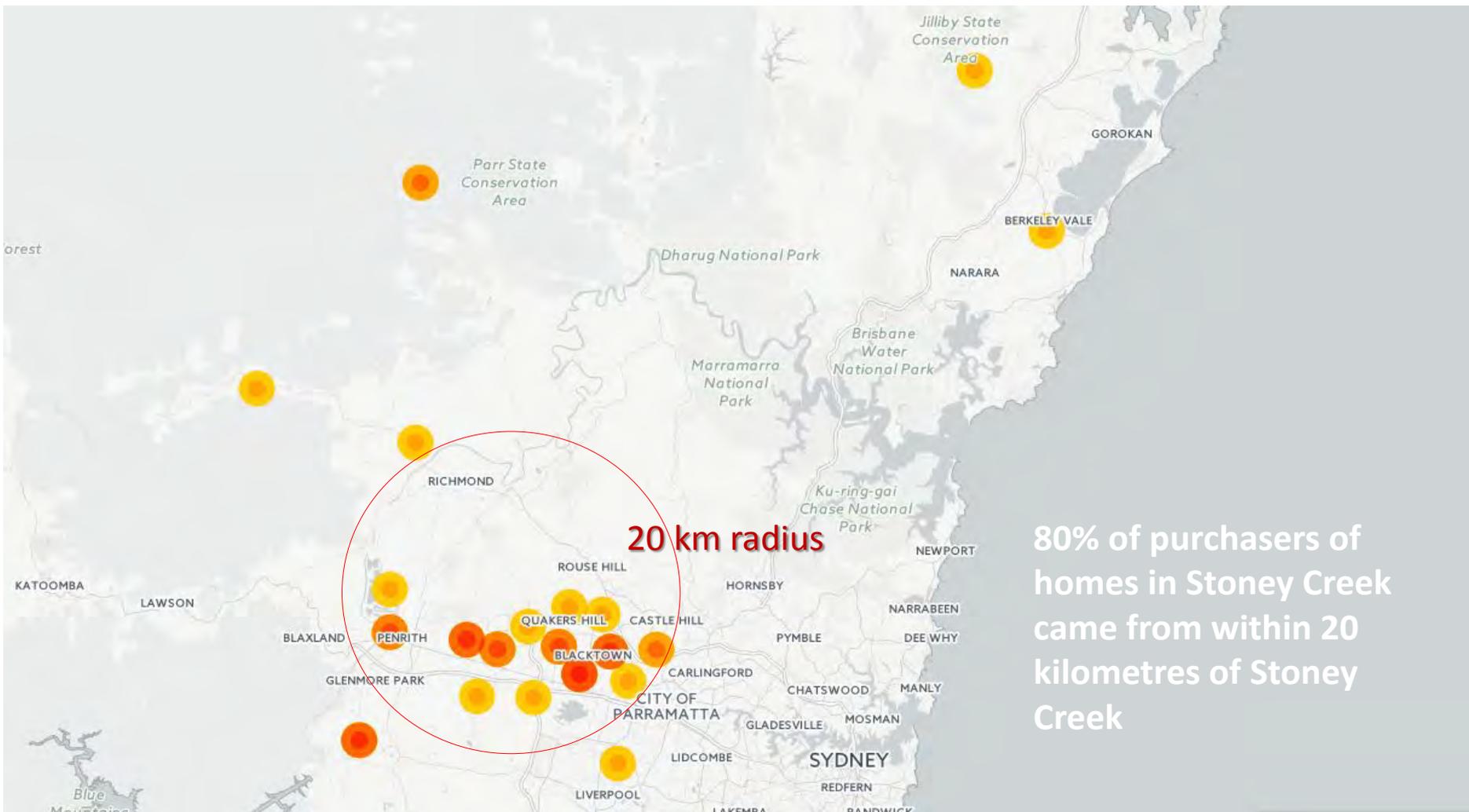
Product and price diversity underpinned strong sales at Stoney Creek. Now sold out - final homes will settle early FY18

A physical repositioning of entry works, streetscape and community facilities plus the significant external works associated with the surrounding business park supported strong revenue uplift at Stoney Creek

- ✓ Average Spend Ratio = 48% (27% to 80%)
- ✓ Settlements varied from 1 to 12 per month – average 4 over life of project

Ingenia Lifestyle Stoney Creek

Strong local demand



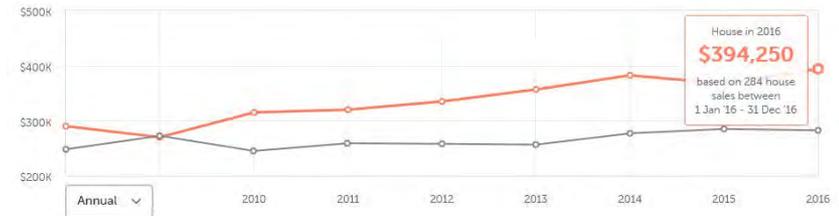
80% of purchasers of homes in Stoney Creek came from within 20 kilometres of Stoney Creek

Ingenia Lifestyle Lara, VIC – A Silver Project

Product innovation driving sales volume and price escalation



Lara median house price (realestate.com)



New product released in March and the opening of the new Display Village in May has had a positive impact on sales volumes and revenues.



Product	Internal (sq.m)	Original Price and \$/sq.m int	Current Price and \$/sq.m int
Azalea	88.80	\$199,000 (\$2,240/sq.m)	\$219,000 (\$2,466/sqm) - +\$20K
Fuchsia	102.09	\$215,000 (\$2,106/sq.m)	\$239,000 (\$2,343/sqm) - +\$24K
Waratah	116.49	\$229,000 (\$1,965/sq.m)	\$269,000 (\$2,309/sqm) - +\$40k
Maple	129.50	\$269,000 (\$2,077/sqm)	\$329,000 (\$2,540/sqm) - +\$60K
Eucalyptus	137.52	\$269,000 (\$1,956/sq.m)	\$229,000 adjoining the sound attenuation wall and \$339,000 (\$2,465/sqm) on a premium lot - +\$70k

Ingenia Lifestyle Lara, VIC

Adding value through design efficiency



Lara's light open living space has improved perceived value



New Gold Class Projects

Avina, Latitude One, Glenwood



Avina, Latitude One & Glenwood represent the first stand alone fully master planned communities for Ingénia

- ✓ Provide increased margins
- ✓ Require longer planning lead times
- ✓ Greater opportunity to engage and educate the market
- ✓ Build pent up demand
- ✓ A more strategic launch campaign
- ✓ Typical time from initial marketing launch to settlements is longer than park conversions - approx. 6 - 12 months
- ✓ Build database to sell down initial stages
- ✓ Align clients capacity to settle with delivery of homes
- ✓ Latitude 1 has built a database close to 500 leads in 5 weeks

Questions



Disclaimer

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