



**WHTM Rapid Insights  
Conference**

**2 June 2015**

**Morgan Stanley  
Aged Care Forum**

**3 June 2015**



- Founded in 2003 and listed in 2007
- Develop and manage land lease communities which generate long-term sustainable revenue streams
- Business focus on greenfield development not brownfield regeneration
- Anticipate having 1,144<sup>(1)</sup> homes under management at 30 June 2015 generating rental income of \$9.9 million/annum (annualised as at June 2015)
- Further 1,011<sup>(1)</sup> homes for development in the pipeline



Note: (1) Represents gross numbers not adjusted for joint venture interests



## Victoria provides:

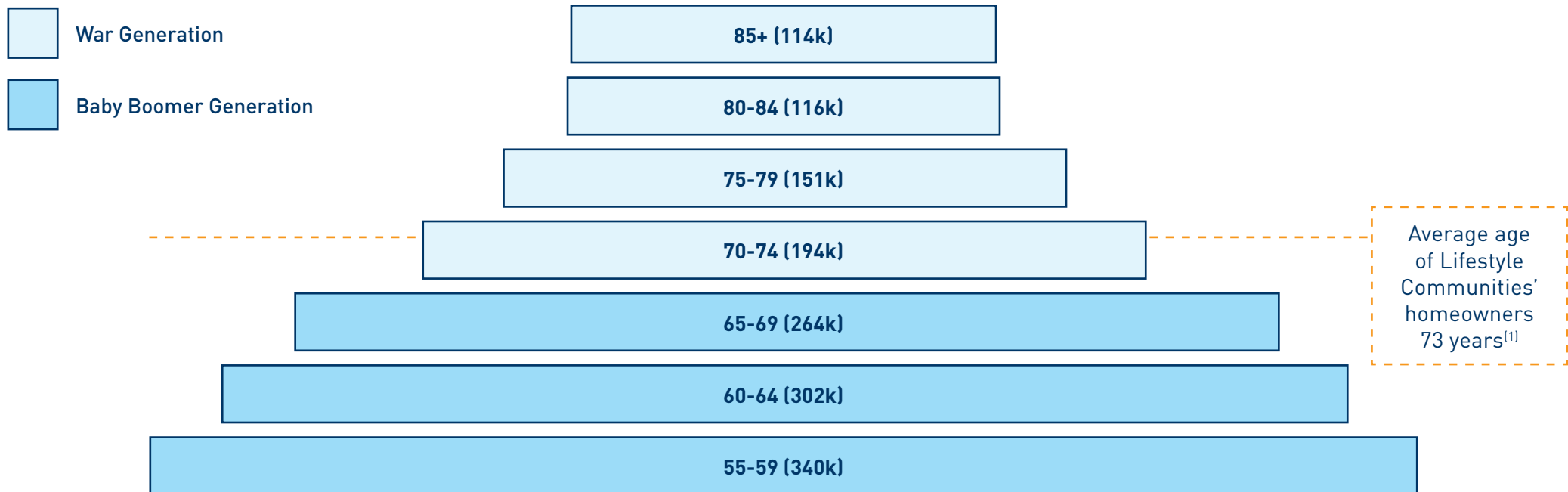
- Favourable planning legislation
- Better access to zoned, flat land for development
- Lowest saturation of land lease communities of any state
- Balanced state legislation for the management of communities



Note: (1) Commencement of construction subject to final contract becoming unconditional and planning approval



**As at 30 June 2013 there were over 574,000 Victorians aged over 70  
and over 906,000 aged between 55 and 69**

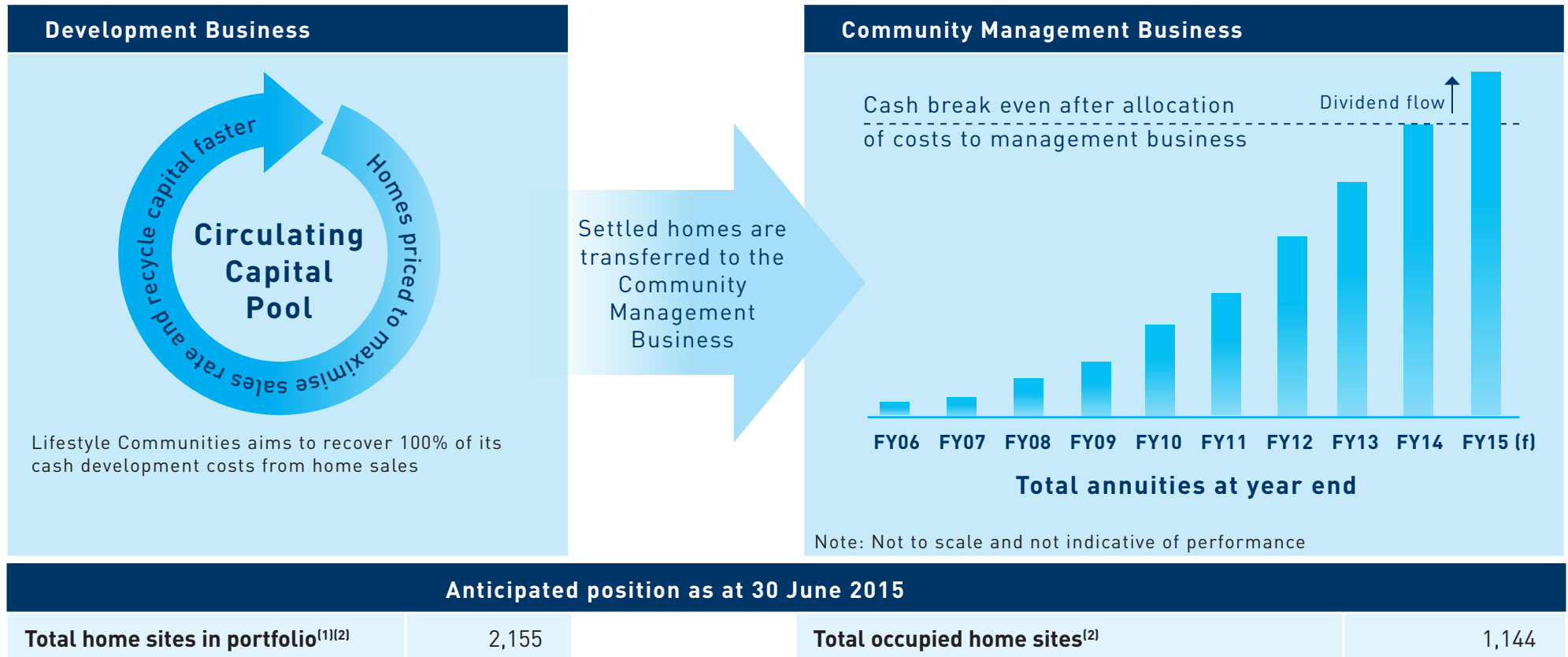


**Lifestyle Communities is well positioned to meet the needs  
of the baby boomer age wave**

Source: ABS 2014 Catalogue 3235.0  
Notes: (1) As at 30 April 2015



## Lifestyle Communities has a unique low risk sustainable business model that does not require further equity from the market

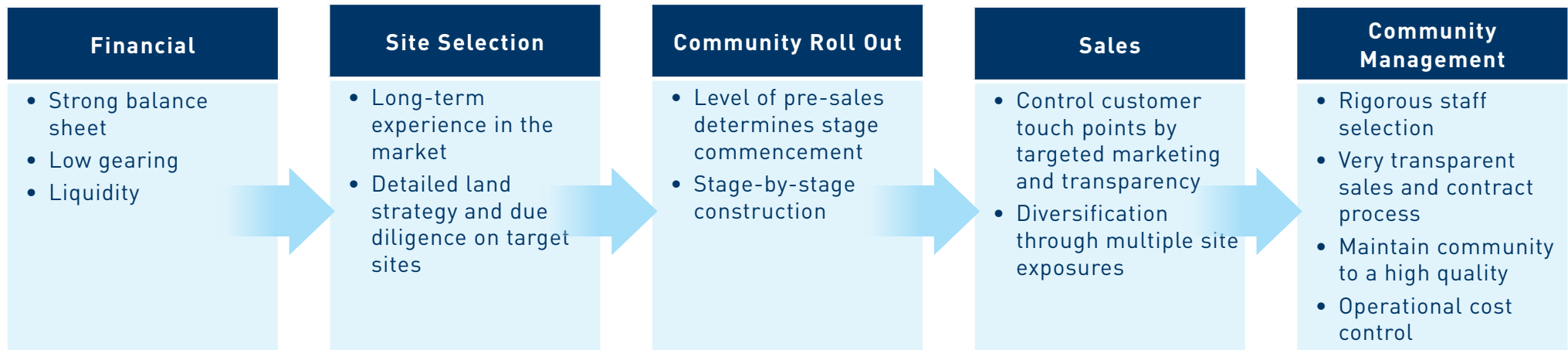


**Free cash flow from the community management business on track to deliver a dividend in respect of FY2015**

Notes: (1) Settled, under development or subject to planning  
 (2) Represents gross numbers not adjusted for joint venture interests

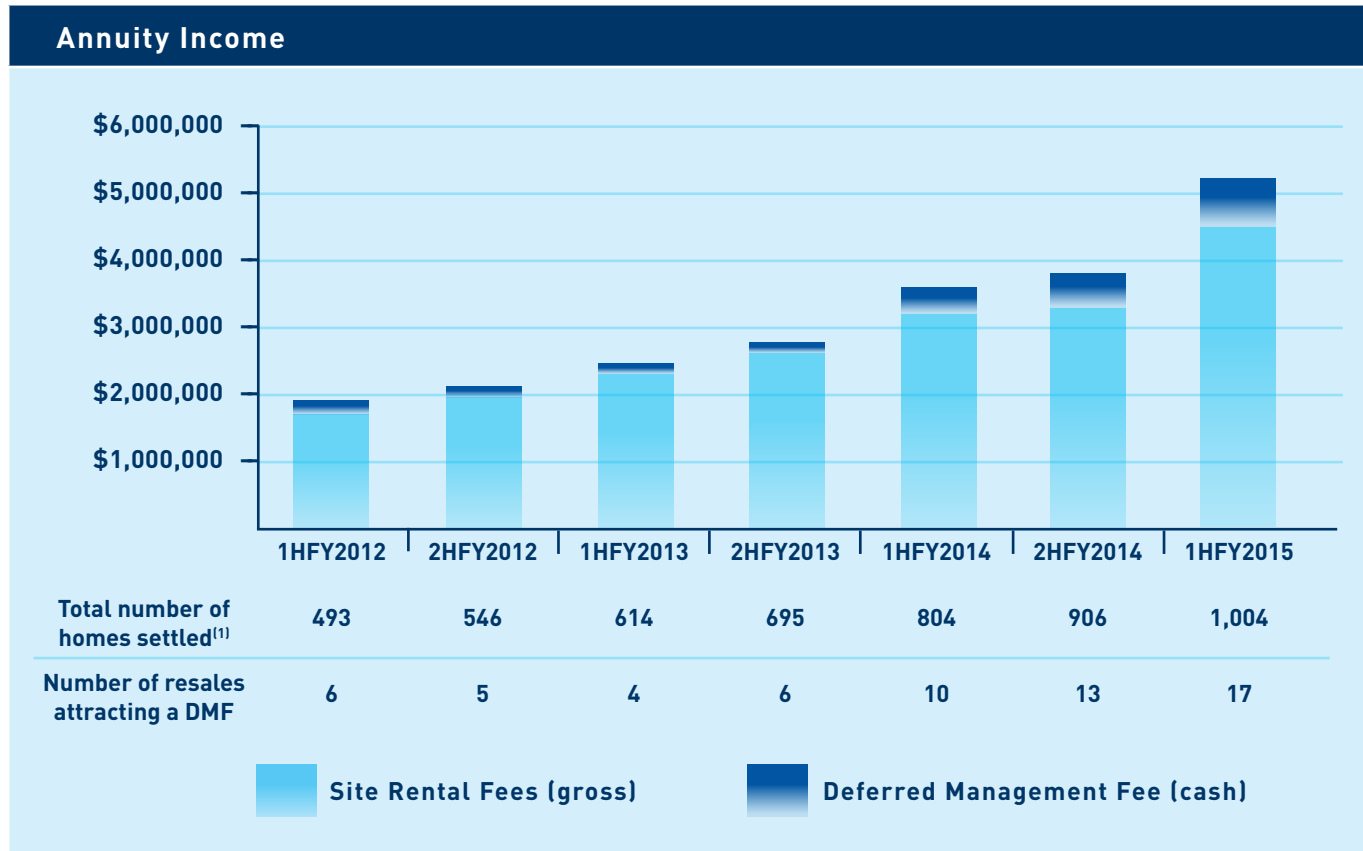


## The company ensures diligent risk management at each stage of the development cycle





## Over Nine Years of Growing Annuity Income Streams



- 98<sup>(1)</sup> annuities added to the community management business during 1HFY2015 with a further 140<sup>(1)</sup> anticipated in 2HFY2015
- 17 existing home sales attracting DMF settled during 1HFY2015 with a further 16 anticipated in 2HFY2015
- \$5.3 million (gross) received from site rental and deferred management fees during the 1HFY2015 compared to \$3.6 million in the corresponding period last year

**Annuity income will continue to increase through new home settlements, rent increases and resales of existing homes**

Note: (1) Represents gross numbers not adjusted for joint venture interests



## Future growth being driven by the baby boomer generation

### War Generation (1925-1945)

- Happy to give up control
- Happy to not own their own home
- Looking for more care
- Co-dependent

### Negative trigger buyer

- Health
- Security
- Less maintenance = less able
- Passive



### Baby Boomer Generation (1946-1964)

- Want to maintain control
- Home ownership is important
- Don't associate care
- Independent

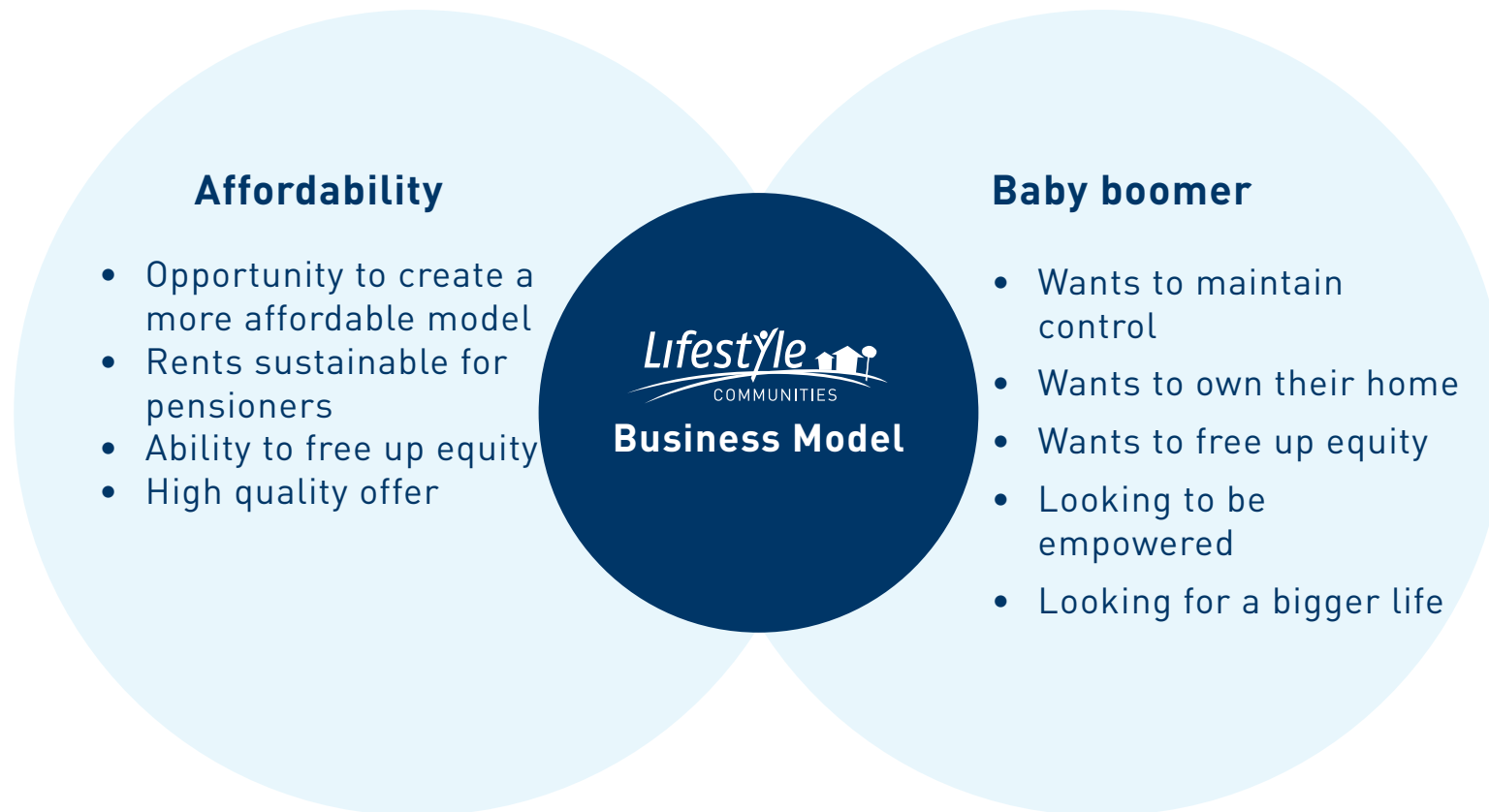
### Positive trigger buyers

- Free up equity
- Lifestyle
- Travel
- Less maintenance = more time





## The two key emerging trends come together to create the Lifestyle business model



**Current housing solutions are not satisfying the new emerging customer**



## Lifestyle Communities' marketing appealing to the baby boomer

**Lifestyle Communities**  
March 31 · 🌐

Affordable luxury living for over 50s. Downsize to a Bigger Life!



**Live it up in Luxury!**  
Enjoy a fabulous 5-star lifestyle with spectacular amenities designed to support an active life full of fun and vitality. All in the safety and security of a vibrant gated community!

[WWW.LIFESTYLECOMMUNITIES.COM.AU](http://WWW.LIFESTYLECOMMUNITIES.COM.AU) [Learn More](#)

Like · Comment · Share

👍 Barbara Goulet, Julie Browne, Mayzarni Kyaw and 49 others like this.

↪️ 1 share

**Karen Carter** Awesome!  
👍 1 · May 4 at 7:01am

**Penny Caulfield** Loving it!  
👍 1 · May 5 at 4:02pm

**Mike Mones** Kylie Mones I qualify.  
May 10 at 6:47pm

**Pauline Mercieca** That looks pretty good Rita Martin. Xx  
May 15 at 6:04pm

**Jeanne Stephens** Val, I will be visiting a client who has moved into a lifestyle village...think it's Carrum Downs...they seem to like it.  
May 23 at 6:54am

**Leonie Kelsall** Kathy Dimitropoulos Buckley, I'm ready when you are  
14 hrs

**THE UP SIDE**  
➔ **TO DOWN SIZING YOU CAN INVITE YOUR FRIENDS TO POOL PARTIES!**



**YOUR NEW COMMUNITY COMING SOON TO OFFICER**  
**LOW MAINTENANCE HOMES FROM \$169,000**

There are plenty of other benefits to downsizing at Lifestyle Officer besides free property maintenance. With new homes starting at just \$169,000 the profit from selling your family residence can give you the kind of financial freedom you've been waiting for. You also gain access to a heated swimming pool, bowling green, gym and fully equipped gym and even a private clubhouse. Not to mention the money you'll save from having no body corporate fees, rates or stamp duty to pay. Plus, you'll be buying into a warm and welcoming community of like-minded people over 55. So what's stopping you?

**OFFICER DISPLAY SUITE COMING SOON**  
**114 RIX ROAD, OFFICER OPEN 7 DAYS 11AM - 6PM**

Register Today 1300 50 55 60 [lifestylecommunities.com.au](http://lifestylecommunities.com.au)

**Lifestyle OFFICER**  
Downsize to a Bigger Life

**FACEBOOK FRIENDS? I HAVE 300 REAL ONES.**



**EASY LOW MAINTENANCE HOMES FROM \$169,000**  
**YOUR NEW COMMUNITY COMING SOON TO OFFICER**

Get connected into the most exciting new community in Officer. Because at Lifestyle Officer, you're not just buying a new home, you're buying into a vibrant new lifestyle. One that comes with free garden maintenance, a heated swimming pool, bowling green, gym and new private Clubhouse.

Not to mention the peace of mind that comes with living in a secure and welcoming community of like-minded people over 55. And with no body corporate fees, rates or stamp duty to pay, it makes good financial sense too.

So what's stopping you?

**Lifestyle OFFICER**  
DOWNSIZE TO A BIGGER LIFE

**OFFICER DISPLAY SUITE COMING SOON**  
**114 RIX ROAD, OFFICER OPEN 7 DAYS 11AM - 6PM**  
**REGISTER TODAY 1300 50 55 60 [lifestylecommunities.com.au](http://lifestylecommunities.com.au)**

Digital marketing is driving future growth with 50% of leads from our website



## Our product keeps evolving to meet the emerging baby boomer





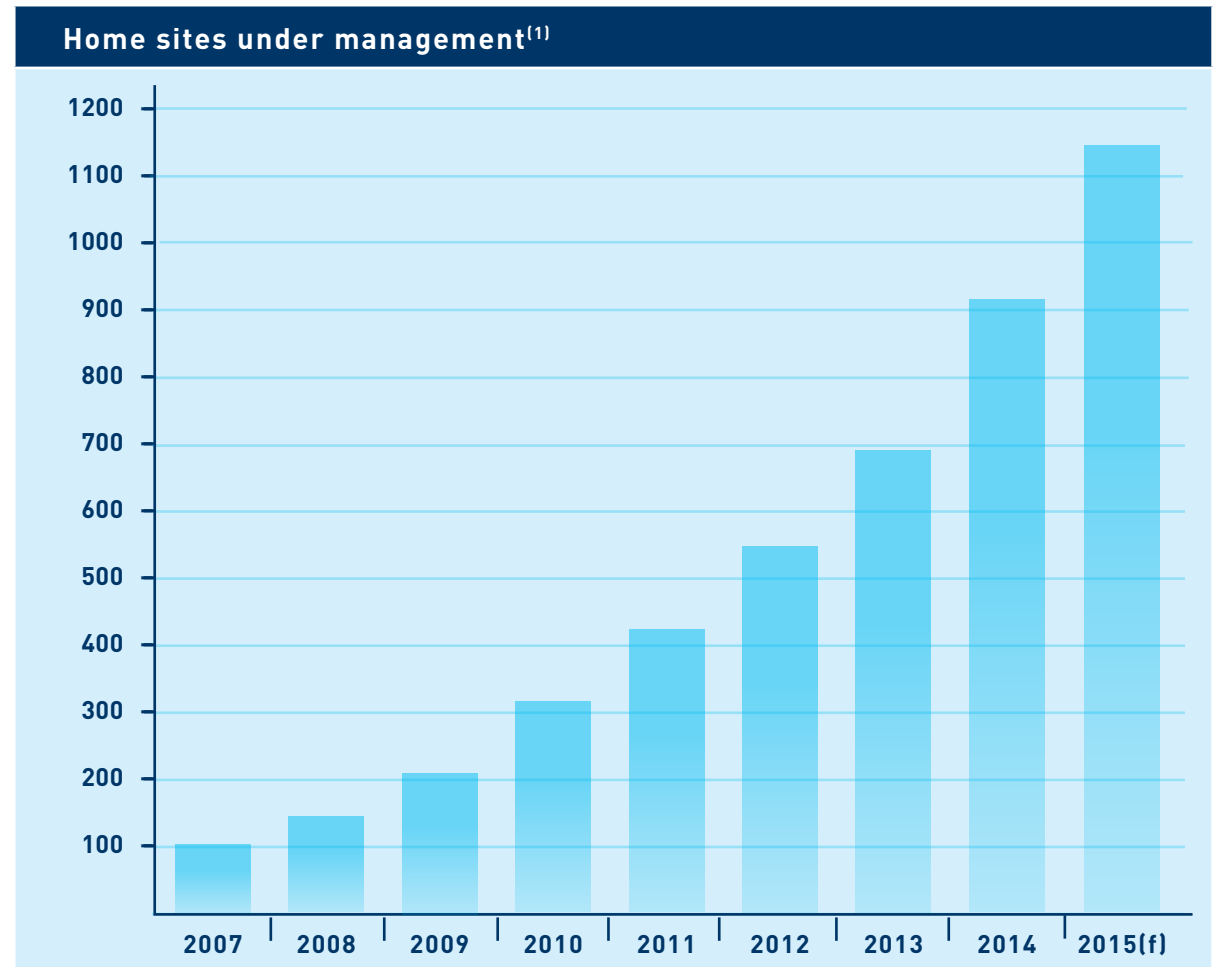
- 238<sup>(1)</sup> new home settlements either settled or confirmed to settle in FY2015. This number is not expected to materially change by 30 June 2015. This represents a slight increase on prior guidance of on or around 230<sup>(1)</sup> homes and an increase on the 211<sup>(1)</sup> new home settlements achieved in FY2014
- 33 resale homes attracting Deferred Management Fees are settled or expected to settle in FY2015. This is an increase compared to the 23 resale home settlements achieved in FY2014

| Community                      | New home settlements | Resale settlements |
|--------------------------------|----------------------|--------------------|
| Melton                         | -                    | 14                 |
| Tarneit                        | 1                    | 5                  |
| Warragul                       | 12                   | 7                  |
| Cranbourne <sup>(2)</sup>      | 43                   | 5                  |
| Shepparton                     | 37                   | -                  |
| Chelsea Heights <sup>(2)</sup> | 61                   | 2                  |
| Hastings                       | 81                   | -                  |
| Wollert                        | 3                    | -                  |
|                                | <b>238</b>           | <b>33</b>          |

Notes: (1) Represents gross numbers not adjusted for joint venture interests  
 (2) 50/50 joint ventures



- Forecast 238<sup>(1)</sup> homes settled FY2015, up 13% on FY2014
- Forecast 1,144<sup>(1)</sup> occupied home sites as at 30 June 2015, up 26% on 30 June 2014
- Portfolio of 2,155<sup>(1)(2)</sup> home sites, up 21% on 30 June 2014
- Emerging baby boomer, affordability and the ageing population will continue to drive business growth



Notes: (1) Represents gross numbers not adjusted for joint venture interests  
 (2) Settled, under development or subject to planning



- This Presentation contains general background information about Lifestyle Communities Limited (LIC) and its activities current at 2 June 2015 unless otherwise stated. It is information in a summary form and does not purport to be complete. It should be read in conjunction with LIC's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at [www.asx.com.au](http://www.asx.com.au).
- This Presentation has been prepared by LIC on the information available. To the maximum extent permitted by law, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions in this presentation and LIC, its directors, officers, employees, agents and advisers disclaim all liability and responsibility (including for negligence) for any direct or indirect loss or damage which may be suffered by any recipient through use or reliance on anything contained in or omitted from this presentation.
- Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.
- This Presentation contains certain "forward-looking statements" and prospective financial information. These forward looking statements and information are based on the beliefs of LIC's management as well as assumptions made by and information currently available to LIC's management, and speak only as of the date of this presentation. All statements other than statements of historical facts included in this presentation, including without limitation, statements regarding LIC's forecasts, business strategy, synergies, plans and objectives, are forward-looking statements. In addition, when used in this presentation, the words "forecast", "estimate", "expect", "anticipated" and similar expressions are intended to identify forward looking statements. Such statements are subject to significant assumptions, risks and uncertainties, many of which are outside the control of LIC and are not reliably predictable, which could cause actual results to differ materially, in terms of quantum and timing, from those described herein. Readers are cautioned not to place undue reliance on forward-looking statements and LIC assumes no obligation to update such information.
- The information in this Presentation remains subject to change without notice.
- In receiving this Presentation, you agree to the foregoing restrictions and limitations.

**This Presentation is not for distribution or release in the United States or to, or for the account or benefit of, US persons.**



Lifestyle Communities Limited  
Level 2, 25 Ross Street  
South Melbourne VIC 3205  
Ph: (03) 9682 2249

[www.lifestylecommunities.com.au](http://www.lifestylecommunities.com.au)