

ASX / Media Release

1 August 2017

Ingenia acquires fourth Brisbane lifestyle community

Highlights

- Acquires Sheldon Caravan Park located in metro Brisbane, located close to a major Westfield shopping centre
- Adds 276 sites with development upside
- Accretive to FY18 earnings

Ingenia Communities Group (ASX: INA) today announced that following completion of due diligence and final Board approval, the Group has exchanged unconditional contracts for the acquisition of Sheldon Caravan Park in Eight Mile Plains, Brisbane. The Park is the final acquisition that was originally announced on 3 May 2017 in conjunction with a fully underwritten \$74 million capital raising.

The Group expects to settle the acquisition of the Park, which is located approximately 15 kilometres south east of the Brisbane CBD, at the end of August.

Located on 5.8 hectares of freehold land Sheldon Caravan Park enjoys an excellent location with close proximity to the Brisbane CBD. Transport at the front of the Park and easy access to Westfield Garden City and a local supermarket provide a high level of amenity and convenience.

Simon Owen, CEO of Ingenia Communities, said that the recent addition of Durack Gardens and Sheldon Caravan Park significantly increased Ingenia's presence in the tightly held Brisbane market through the acquisition of two well-established, income producing communities with significant development and repositioning upside.

"Sheldon Caravan Park provides opportunities to enhance returns through active asset management and utilization of current non income producing land. Conversion of the currently modest tourism offer to rental homes, upgrading existing accommodation and the

development of additional homes will grow the return while retaining long term potential for a higher and better use,” Mr Owen said.

Sheldon Caravan Park is dominated by park owned homes which have a high level of occupancy and deliver consistent rental cashflows. In addition to converting the 35 tourist sites and upgrading older accommodation, the Group intends to add another 48 new homes which will increase revenue and returns.

Ingenia is acquiring the community for \$25 million, targeting a stabilised yield of over 10% and unlevered IRR of more than 12% through reconfiguration and expansion of the current village.

Accommodation at the community presently comprises 241 park owned rental homes and 35 tourist cabins and sites. Amenities include a swimming pool and barbeque area.

“Combined with the recent acquisition of Durack Gardens, on completion of this acquisition Ingenia will own four lifestyle communities in Brisbane, giving Ingenia a strong presence in one of our key target markets.”

“We are pleased to have secured a large-scale, established community with the opportunity to expand and increase the rental return,” Mr Owen said.



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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).