



Business for Purpose

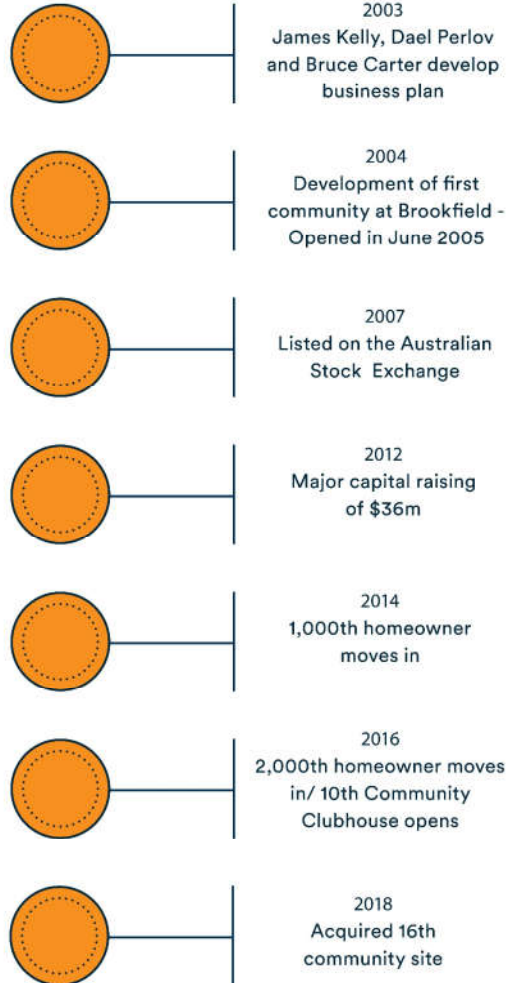
CCZ Presentation

1 November 2018





# Our Story



*“Lifestyle Communities redefines the way Australians can downsize in a resort-style community, while still having all the benefits of owning your home and having total independence.”*

An affordable housing option to the 50% of Australians aged over 50 who have less than \$550,000 in total equity

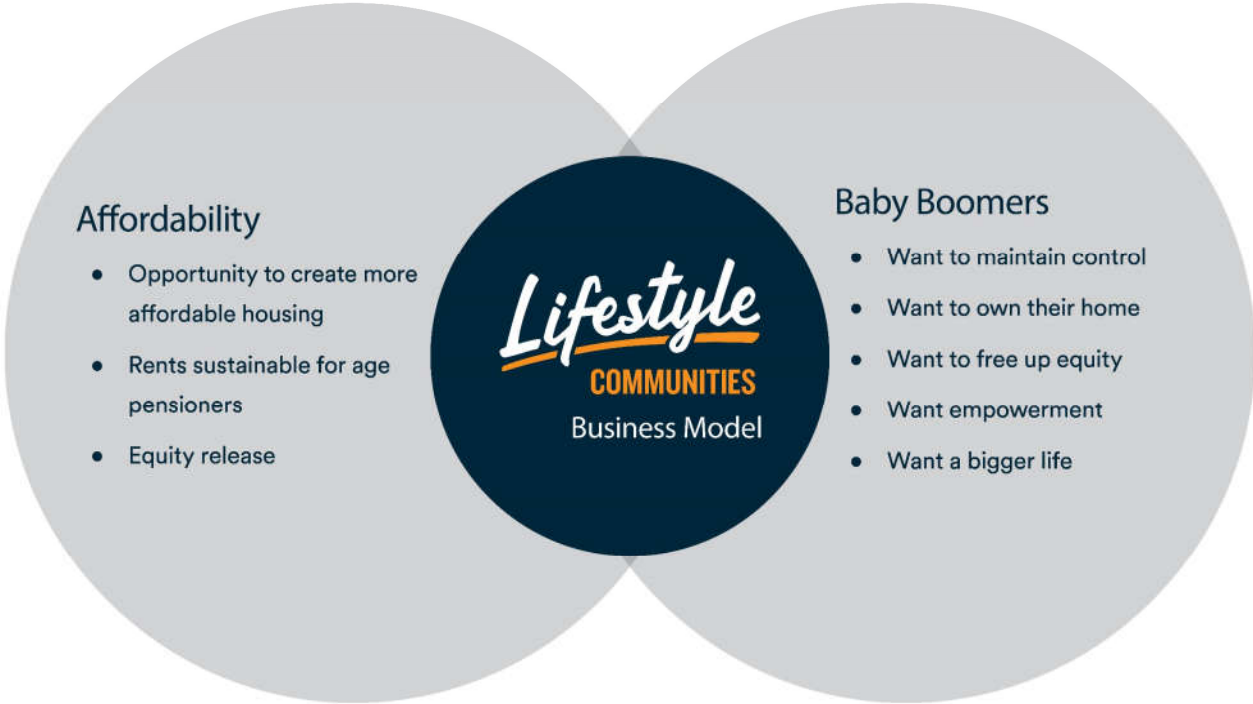
An affordable and sustainable financial model where homeowners can prosper

A respectful but highly engaging service strategy

High quality resort style facilities that exceed expectation

# Key themes

Two key emerging trends come together to create the Lifestyle Communities business model



# Community Overview

How does the Lifestyle Communities model of living work?

Homeowners at Lifestyle Communities own their own home and lease the land upon which their homes are located, via a weekly site fee.



Homes typically priced at 75-80% of the median house price.

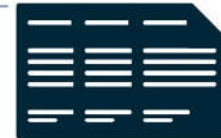
**90 YEAR LEASE**

A 90 year lease provides security of tenure.



**AFFORDABLE LIVING**

The weekly site fee is approx. 20% of the Age Pension after receipt of the Commonwealth Rental Assistance.



Homeowners at Lifestyle Communities are protected by the Residential Tenancies Act.

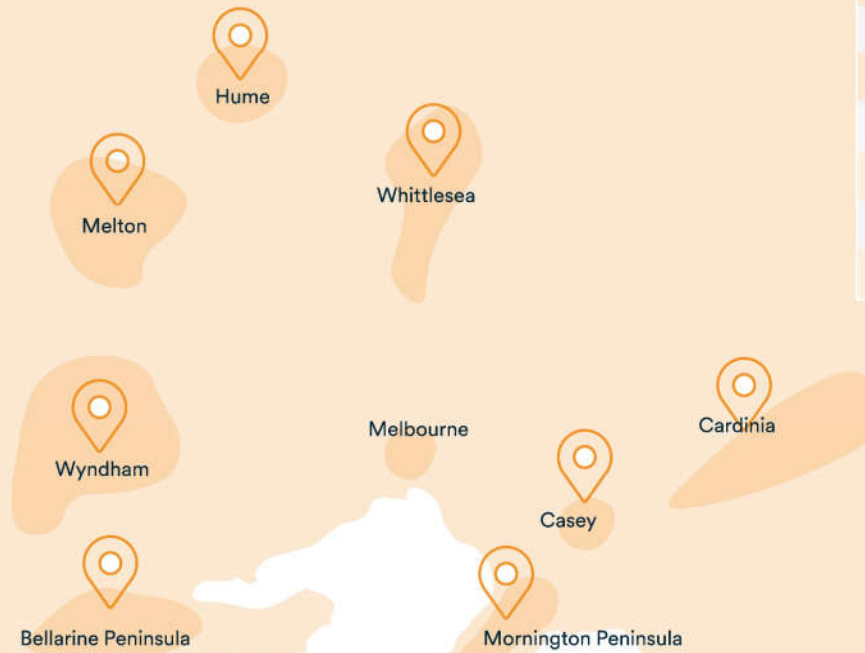


Release of equity upon sale of old home.

# Acquisition Strategy

Focused on Melbourne and Geelong's growth corridors

- Targeting zoned land in Melbourne and Geelong's growth corridors
- Increasing opportunities to buy superlots from land developers
- Melbourne has the strategic benefit of flat topography which increases site choice
- Multiple communities can be built in each growth corridor



LGA	UGZ(ha)
Cardinia	3,718
Casey	6,690
Hume	5,558
Melton	10,487
Mitchell	3,587
Whittlesea	2,534
Wyndham	7,313

- Plan to acquire at least one
- new site every 12 months

# Financial Model

Creates a win-win for homeowners and shareholders

Financial Summary	FY2018 (\$ Million)	FY2017 (\$ Million)
Net profit after tax attributable to shareholders	\$52.7	\$27.7
Underlying net profit after tax attributable to shareholders	\$33.8	\$25.0
Total assets	\$358.2	\$266.1
Equity	\$204.6	\$155.5
Dividends (interim and final)	4.5 cents per share	3.5 cents per share
Net debt	\$31.4	\$43.4
Net debt to net debt plus equity	13.3%	21.8%

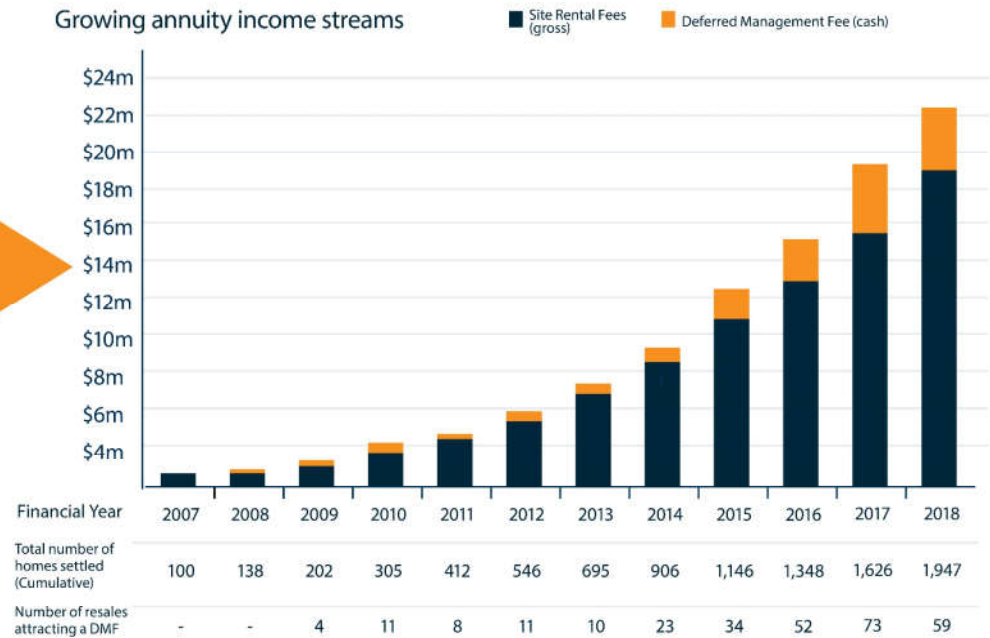
## CREATING COMMUNITIES

## MANAGING COMMUNITIES



Completed communities building a long term sustainable income

Growing annuity income streams

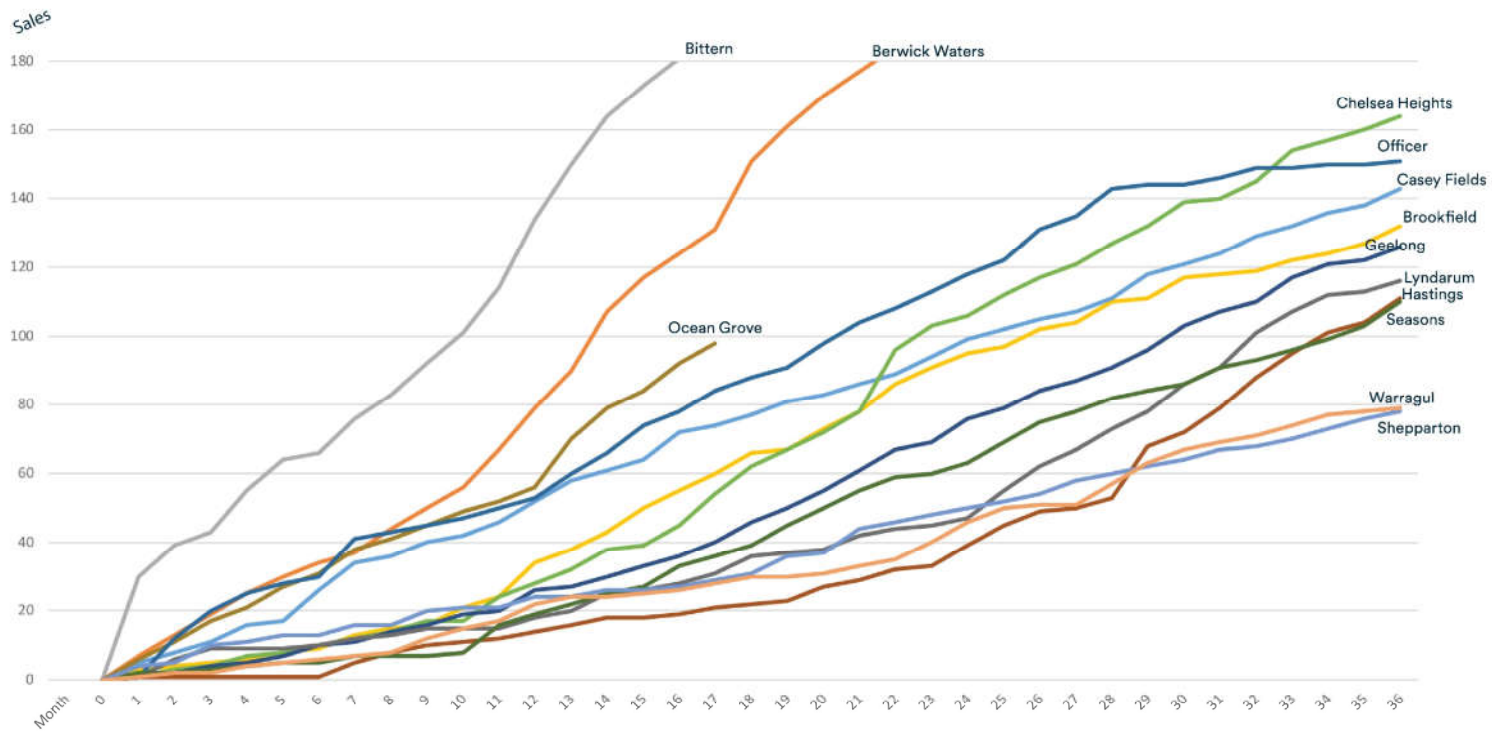


- Rentals increase at CPI or 3.5% whichever is the greater
- DMF of 20% after 5 years on the resale price of the home

# Sales rates

The higher the sales rate, the faster capital is recycled to undertake more communities

### Sales profile from date of first sale



# Community Evolution

Our community layouts and designs have continued to evolve with the changing needs of the baby boomers

- Contemporisation of the home facades & designs
- Increasing our home sizes to include 3 bedroom and larger 2 bedroom homes with studies
- Wellness programmes becoming more valued and community design evolving to incorporate these programmes
- Homeowners looking for a greater experience as they move through the acquisition process.
- Introducing programmes like 'Lifestyle has Talent' to increase engagement and the homeowner experience









**Questions?**

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# Lifestyle

## COMMUNITIES

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