

15 July 2024

Immediate release to the ASX

Response to Media

The Board of Lifestyle Communities Limited (ASX: LIC) advises that it is aware of media coverage aired by the ABC today. The coverage includes references to allegations made by some homeowners at one of our communities at Wollert in northwest Melbourne.

Lifestyle Communities have been engaging with the group of homeowners since February 2024. The homeowners have not been satisfied with our responses and have made applications to the Victorian Civil and Administrative Tribunal (VCAT). Lifestyle Communities respects the rights of homeowners to pursue the VCAT pathway and believes this is the appropriate forum for resolution of the matter.

Lifestyle Communities takes its compliance obligations extremely seriously and has obtained legal advice throughout its 21 years to ensure it operates in accordance with relevant legislation, and its policies are consistent with other industry operators.

Lifestyle Communities rejects the allegations made in the VCAT applications and will defend them accordingly. Deferred management fees are permissible in all states except for South Australia. In Victoria, most land lease operators charge a deferred management fee.

Transparency

Lifestyle Communities has always taken pride in the transparency provided throughout our sales process. Key elements of the process include:

- All fees clearly articulated and explained on our website and in our marketing materials
- Agreements written in plain English and publicly available on our website
- A draft agreement being given to every homeowner at the fully refundable first deposit stage, with detailed explanations of our fees provided by our sales team
- Agreement read-throughs conducted with each homeowner prior to signing agreements
- Fee acknowledgements signed by all homeowners at each stage of the sales process and after signing their agreement confirming they understand what is payable when living in a Lifestyle Community
- Cooling off periods in place for all customers, as well as a Smart Buy Guarantee that enables them to leave the community within the first year with no exit fees payable.

The group members that we met with acknowledged that they fully understood that the DMF was in their site agreements and was payable as a percentage of their resale price when they moved out.

The Company has engaged openly with the ABC. Copies of their questions and our responses are available on our website.

Authorised for release by the Board. For further information please contact:

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About Lifestyle Communities®

Based in Melbourne, Victoria, Lifestyle Communities® develops, owns and manages affordable independent living residential land lease communities in Victoria and has been in operation for 21 years. Lifestyle Communities® has thirty-two residential land lease communities under contract, in planning, in development, or under management. Over 5,500 Victorians call Lifestyle Communities their home.