

23 August 2017

Immediate release to the ASX

Lifestyle Communities acquires a 160 home site in Officer

Lifestyle Communities Limited (ASX code: LIC) advises that it has executed a contract of sale to purchase a site within Parklea's Kaduna Park estate located in Officer South, Victoria. Settlement is expected to occur in the first quarter of 2019.

The contract is conditional on obtaining a planning permit, although Lifestyle Communities does not see this as a significant risk.

As a result of this acquisition, Lifestyle Communities' portfolio will increase by approximately 160 home sites to 2,827 which includes sites in planning, development or under management.

Lifestyle Communities Managing Director James Kelly said, "This community will be our fifteenth community for over 50s in Victoria. Our communities continue to target the emerging baby boomer generation by providing an affordable, active and engaging environment in which to live. The Kaduna Park community will be no exception with a new generation clubhouse, bowling green, indoor pool and a range of other facilities."

Given the strong sales experienced to date at our Officer and Berwick Waters projects, Mr Kelly added that the acquisition of an additional site in the south-east growth corridor will enable Lifestyle Communities to capitalise on its strong brand within the local catchment and the increasing demand for affordable housing from the baby boomer generation.

Feasibility and Site Assessment

The demographics of Kaduna Park are favourable for a Lifestyle Community and compare well with other projects that have been selling across Victoria including the current Officer and Berwick Waters sites.

Key parameters considered when assessing a site for a new Lifestyle Community include:

- Proposed house prices within the community relative to the median house price in the area;
- The number of people in the catchment;
- The forecast rate of population growth in the area; and
- Competition and alternative affordable housing solutions.

The Kaduna Park site meets these investment criteria:

- The catchment area has a median house price of approximately \$485,000;
- There are 152,000 people in the primary catchment; and
- Approximately one in five people within the primary catchment are aged over 50.

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Likely Settlement Program

This project is expected to deliver settlements within the second-half of the 2020 financial year. Below is a chart reflecting current estimates of the settlement period for existing communities under development or subject to planning.

Community	FY18				FY19				FY20				FY21			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Shepparton																
Wollert																
Geelong																
Officer																
Berwick Waters																
Bittern																
Ocean Grove																
Armstrong Creek ⁽¹⁾																
Kaduna Park ⁽¹⁾																

Represents tail of development which is often a slower settlement rate

Notes: (1) Subject to planning approval

The above timescale reflects current estimates of the settlement period for the existing developments. Settlement rates are a function of market conditions

Given the proximity of this announcement to the full-year results (released on 16th August 2017) an updated results presentation incorporating this site acquisition has also been released today.

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About Lifestyle Communities

Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable independent living residential land lease communities. Lifestyle Communities has fifteen residential land lease communities in planning, development or under management.

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