ING Real Estate Community Living Fund

Annual Unitholder Meeting
30 October 2006

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Fantastic support from retail investors

ING Real Estate Funds	Number of unitholders
Industrial Fund	20,000
Office Fund	30,000
Community Living Fund	2,500
Entertainment Fund	2,000
Healthcare Fund	2,500
Total INGRE Fund investors	57,000

- One of the highest levels of retail investors in the LPT market
- Retail investors are the bedrock of our Funds
- Management thanks you for your support

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Enhance Management Capacity

Two new senior team members:

- **David Hunt - Chief Financial Officer**
- **Paul McFarlane - Group Treasurer**

Two new Board members:

- **Philip Clark**
- **Philip Redmond**

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Strong performance from all our Funds (12 months to 30 June 06)

	Income *	Capital *	Total
ING Industrial Fund	8.9%	18.9%	27.7%
ING Office Fund	8.8%	18.8%	27.6%
ING Real Estate Community Living Fund	10.5%	21.5%	32.0%
ING Real Estate Entertainment Fund	9.5%	9.0%	18.5%
LPT 200 Index	X%	X%	X%

* calculation based on opening net asset backing of units, and does not reflect movements in traded price

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Delivering on our offshore strategy

Fund	Property	Year acquired	Purchase price	Current value
ING Office Fund	900 Third Ave New York USA	Aug 2003	US$115m	US$142m
ING Industrial Fund	Fiege Portfolio Germany	Aug 2005	€90m	€106m
ING Real Estate Community Living Fund	Meridian Portfolio USA	Sept 2005	US$114m	US$125m

Long term total return focus in all our offshore acquisitions

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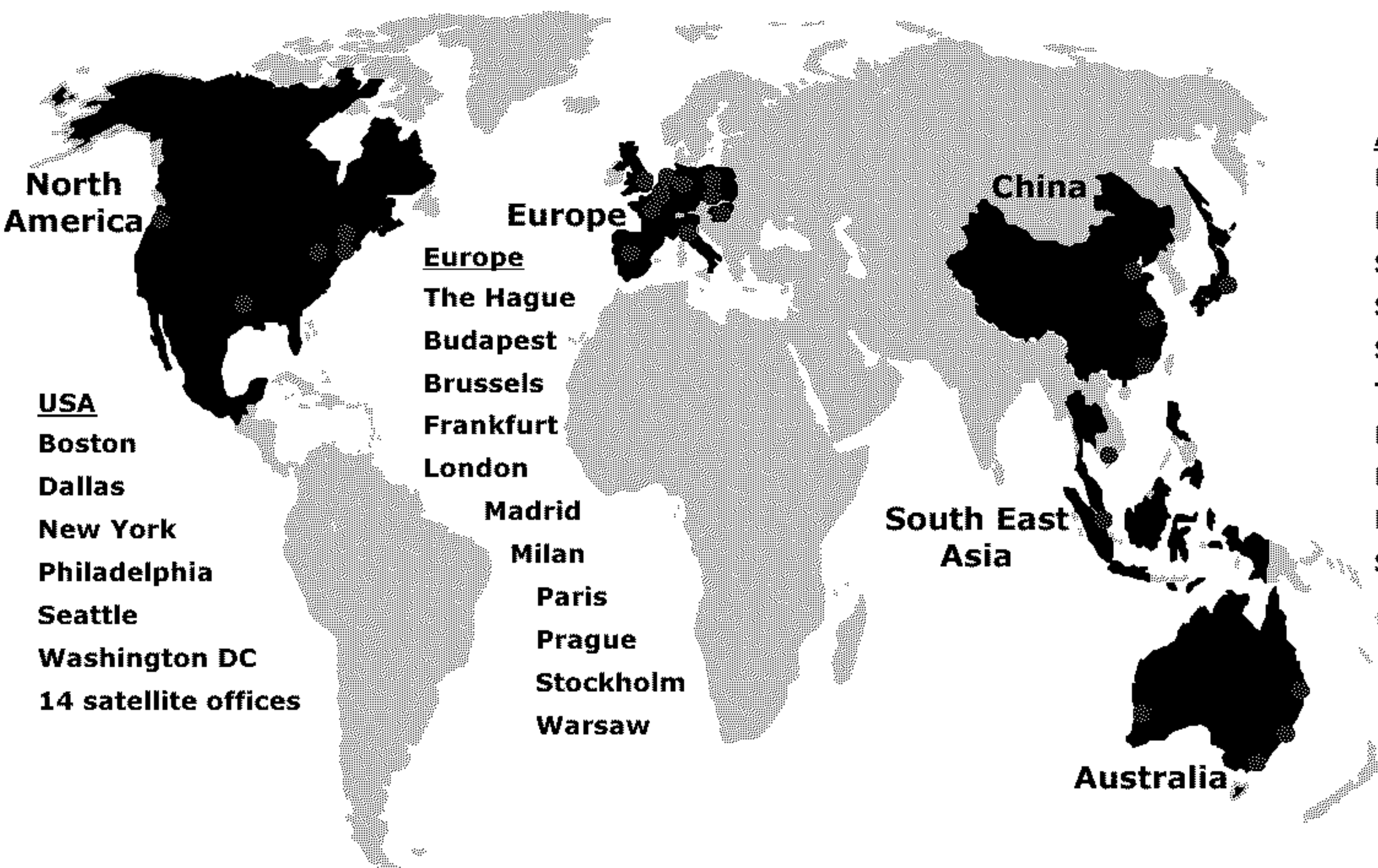
ING Real Estate – Global Network

Global network – A$115 billion assets under management



USA
Boston
Dallas
New York
Philadelphia
Seattle
Washington DC
14 satellite offices

Europe
The Hague
Budapest
Brussels
Frankfurt
London
Madrid
Milan
Paris
Prague
Stockholm
Warsaw

Asia Pacific
Beijing
Hong Kong
Seoul
Shanghai
Singapore
Tokyo
Brisbane
Melbourne
Perth
Sydney

● ING Real Estate Offices as at 30 June 2006

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Highlights

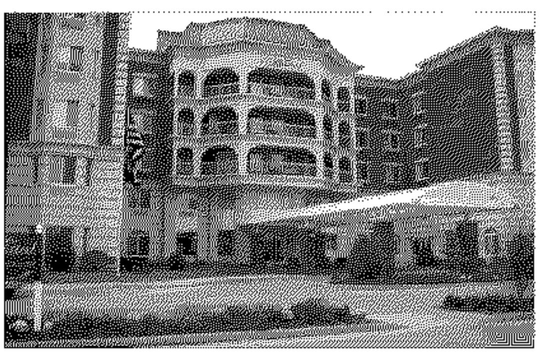
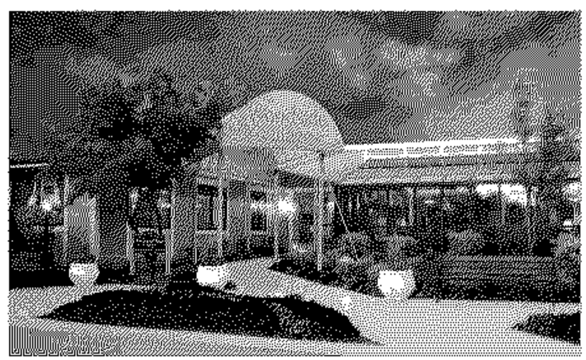
FY06 - a year of diversification, performance & growth

- **Outperformed** IPO forecast FY06 distribution by 15.1%
- **Increased** DPU from 8.25¢ for FY05 to 9.78¢ in FY06, 18.5% growth
- **Increased** Net Tangible Assets (NTA) from $0.93 to $1.13 per unit
- **Invested** in assets with strong growth, ~5% annual rental growth, >10% unlevered IRRs

Highlights

FY06 - a year of diversification, performance & growth

- **Entered** the United States seniors & student accommodation markets
- **Entered** the New Zealand student accommodation market
- **Diversified** Australian seniors portfolio into Deferred Management Fee
- **Reduced** exposure to Village Life portfolio to 18% (from 100%)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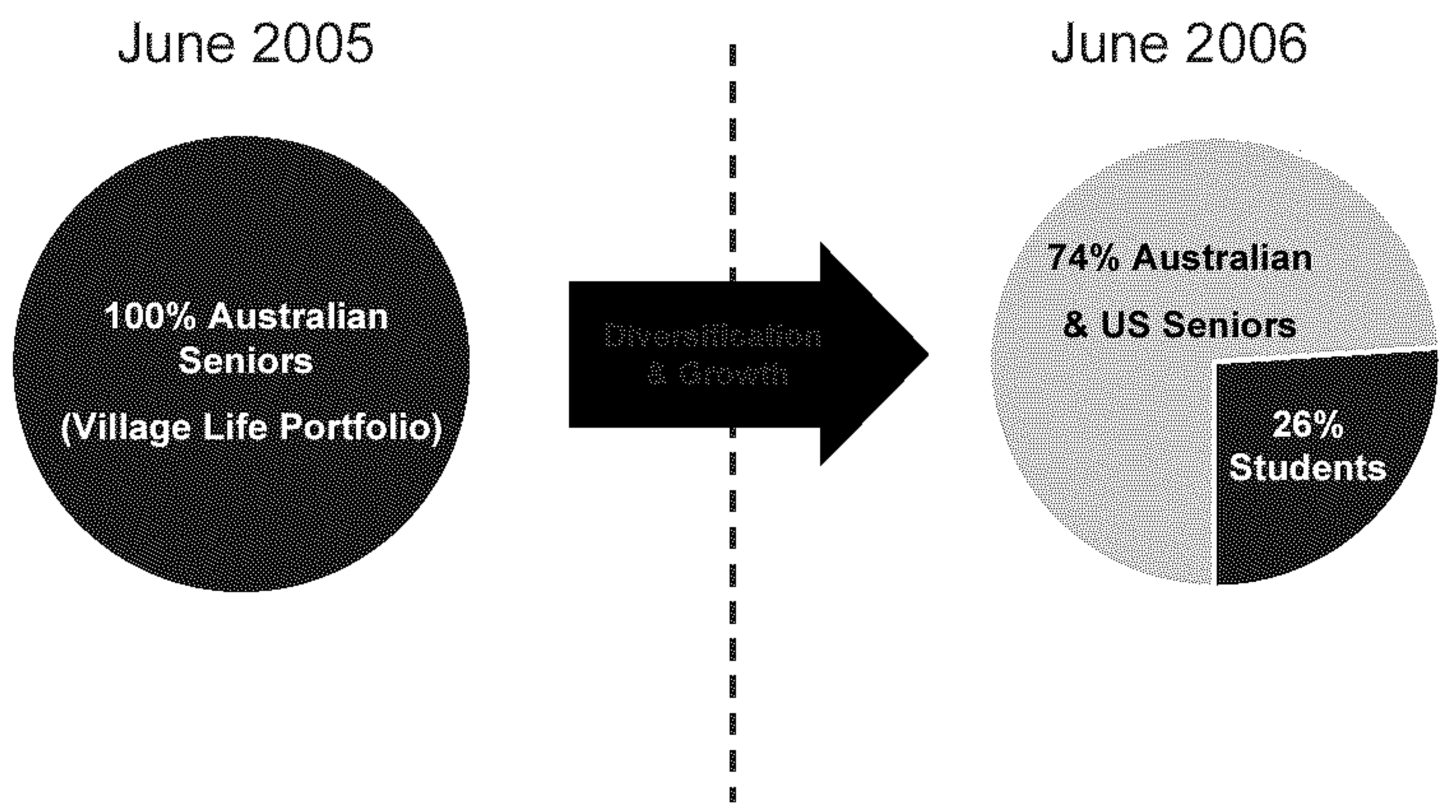
Highlights

Diversification and growth



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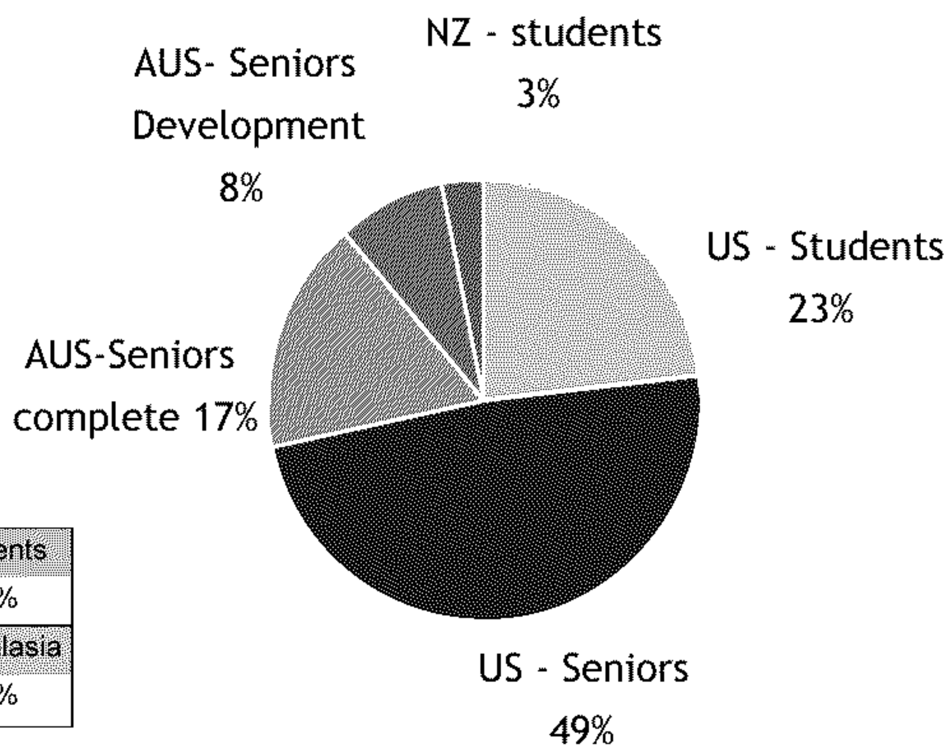
Portfolio review

Asset value by type & geography



Seniors	Students
74%	26%
US	Australasia
72%	28%

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Highlights

ILF and its partners

- **J.V.'s and partnerships key to gain entry to markets and access opportunities**
- **Creates opportunities for economies of scale and professional management to deliver superior returns**
- **Seniors and students housing asset classes still exhibit fragmented ownership in both Australia and the US**

campus living villages

CHARTWELL
SENIORS HOUSING REIT

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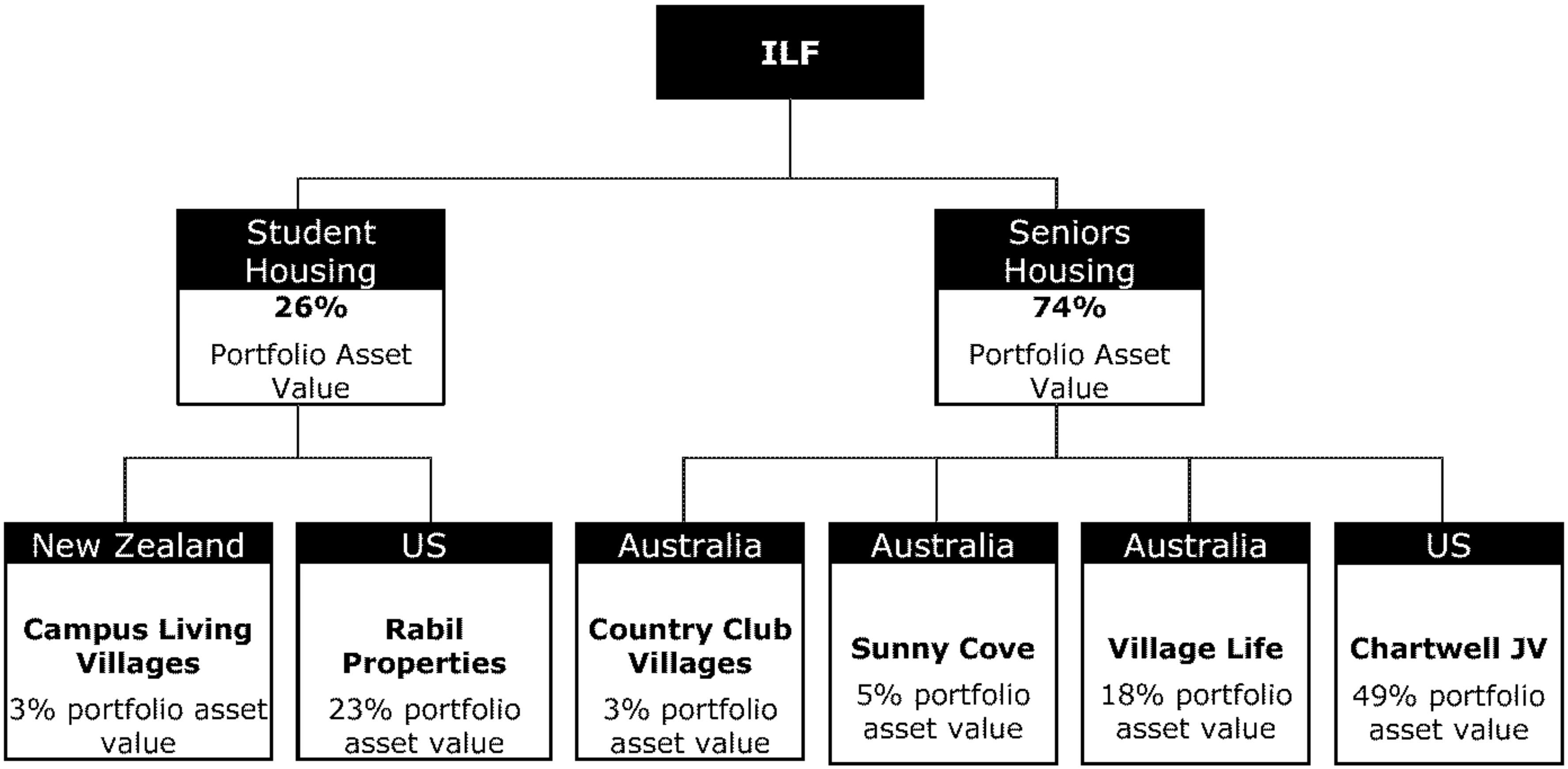
Highlights

ILF and its partners



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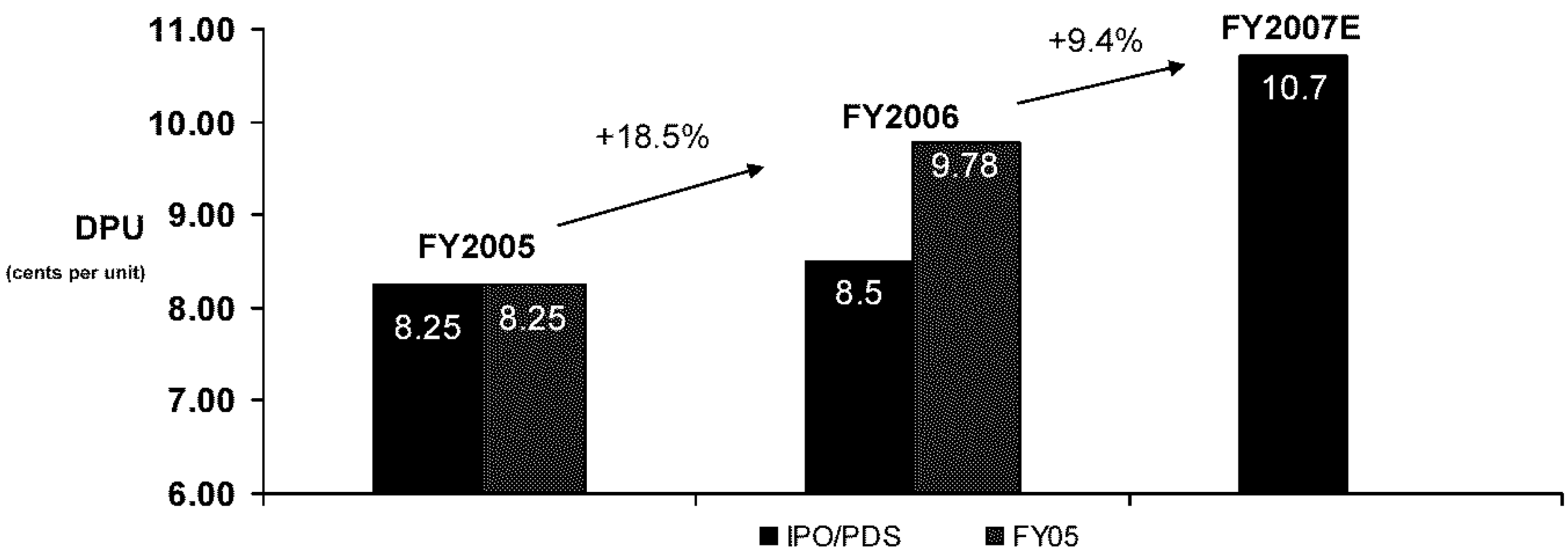
Results summary

Key Fund data

	30 June 05	30 June 06	Variance
Closing price	$0.81	**$1.15**	+ 41.9%
Distributions (cents per unit)	8.25	**9.78**	+ 18.5%
Distributable income (cents per unit)	7.72	**9.76**	+ 26%
Tax deferred component	100%	**100%**	No change
Net Asset Value per unit	$0.93	**$1.13**	+ 21.5%
Total assets	$121m	**$885m**	+ $764m
Gearing ratio	49.9%	**60.1%**	+ 10.2%
Number of unitholders	1,171	**2,527**	115.8%

Distribution profile



- **Compelling growth story underpinned by real rental growth and unlevered asset IRR's > 10%**

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Portfolio review – US Seniors

- Currently outperforming expectations
- Branded, long standing, reputable product
- Strong weighted average portfolio occupancy of 93%
- Income 100% derived from private sources
- Unlevered asset IRR's at circa 10.5%
- Well positioned in urban locations with supply constraints and positive demographic trends
- Forecast occupancy underpinned by waiting lists with non-refundable deposits

NOTE: Includes acquisitions settled post 30 June 2006

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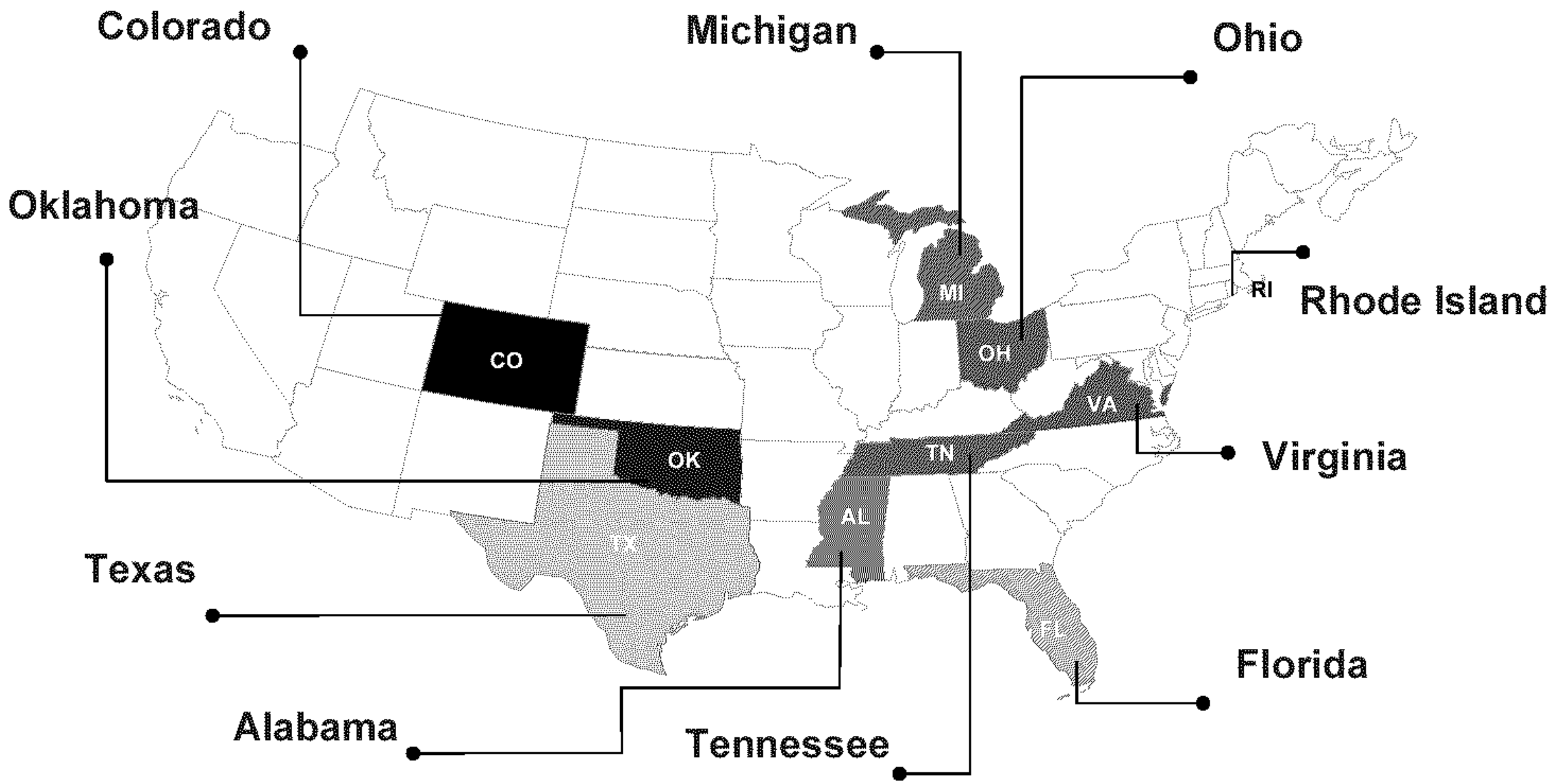
Portfolio review – US Seniors



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Portfolio review – US Seniors

Performance Highlights

Portfolio	Occupancy	Forecast FY 2006 NOI	Actual FY 2006 NOI	Variance
Meridian Portfolio	97.6%	14.36	15.26	+6%
Aspen Portfolio	93.9%	1.75	1.86	+6%
Cypress Portfolio	92.1%	1.21	1.25	+3%

- Strong rental growth and occupancy achieved, consistent with asset class trends
- Revenue initiatives include additional services, higher membership fees, and marketing driving occupancy and rental growth
- Expense saving realised through use of management's economies of scale (insurance, utilities, food costs, marketing, staff costs)
- Annual lease renewals experiencing rental uplifts of 4-5%

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Portfolio review – US Seniors

ING/Chartwell Development pipeline

Chartwell driving development opportunities within Meridian & Aspen portfolios:

Property	30 June 2006 Occupancy	# Potential new units
Temple Texas*	98.7%	122
Arvada, Colorado	98.7%	83
Englewood, Colorado	97.0%	48
Westland, Colorado	95.4%	102
Gayton Terrace, Virginia*	100.0%	95
TOTAL		450

**DA & zoning approval received- Early 2007 project commencement*

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Portfolio review – US Students

Portfolio summary

- Long term track record of c.95%+ occupancy
- Income guaranteed by parents
- Unlevered asset IRR's of circa. 10%
- Acquired at a discount to valuation
- Stable low risk portfolio with attractive returns

NOTE: Includes acquisitions settled post 30 June 2006

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Portfolio Review – US Students

Performance highlights

- Strong rental growth and occupancy being achieved underpinned by strong demand/supply fundamentals and effective management
- Revenue initiatives include offering additional services, and marketing to drive occupancy and rental growth
- Expense savings realised through economies of scale (insurance, utilities and bulk internet packaging)
- Annual lease renewals experiencing 5% rental growth

Portfolio review – Australian Seniors

Portfolio summary

State	Total Properties	Total Portfolio Price ($m)
NSW	7	30.6
VIC	20	58.1
QLD	14	82.7
WA	5	24.1
TAS	6	22.9
SA	1	0.3
Total Portfolio	**53**	**218.7**

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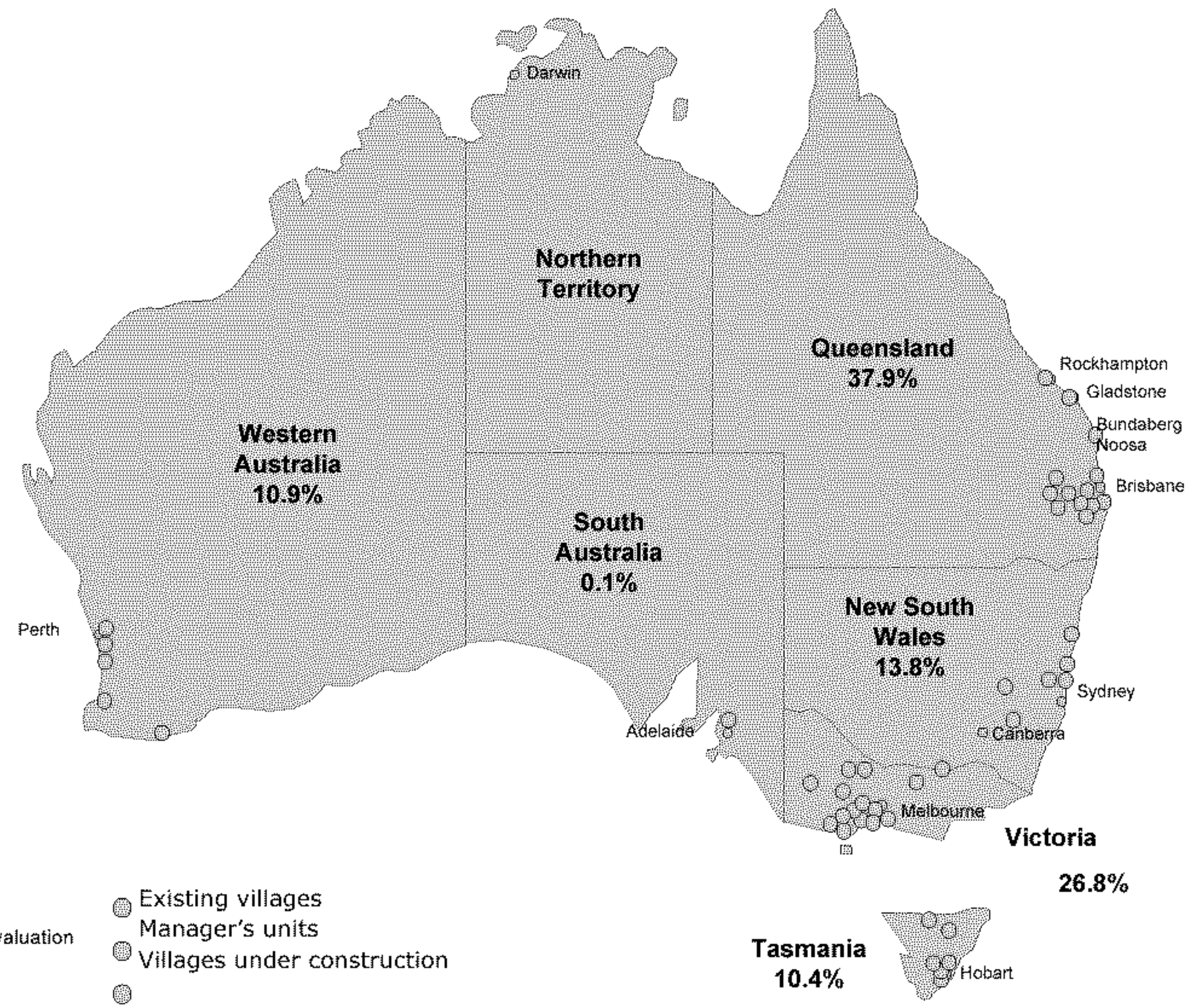
Portfolio review – Australian Seniors



Note: Weighted by valuation

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Portfolio review – Australian Seniors

Village Life Portfolio

- Village Life Master lease replaced with ING Real Estate
- Owner and operator interests now aligned
- Improved portfolio occupancy from 62% to 82% over FY 06
- Circa 20 villages have sold during 2006 at cap rates of 7.25 - 8.5% demonstrate continued strong investor demand

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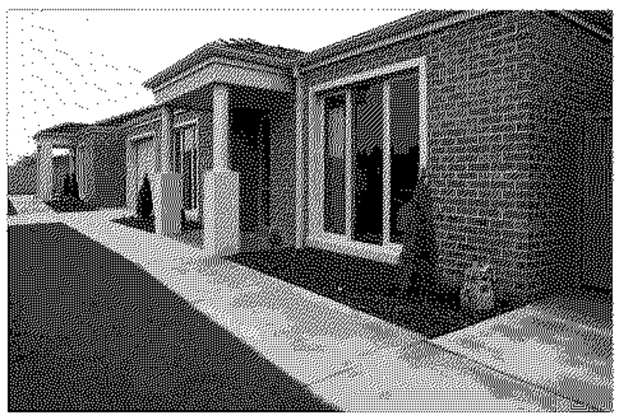
Portfolio review – Australian Seniors

Country Club Villages

- Hemsley Park has achieved above forecast sales rates and sale prices
- Moorabool Council has indicated strong support for rezoning of Bacchus Marsh land and the proposed development
- Development works at Noosa and Coolaroo underway prior to Dec 06



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Portfolio review – Australasian Students

Unicomm Portfolio – Wellington NZ

- Victoria University of Wellington (VUW) enrolments growing
- 6.2% increase bringing total enrolments to over 20,000 students
- 100% occupancy of 525 beds for Trimester 2 of Calender 2006
- Unicomm are the only VUW Student Halls offering catered accommodation in the 2006 Summer holidays

Strategy & outlook

- Asset ownership for seniors and student housing fragmented
- Asset acquisition opportunities >10% unlevered IRRs
- Continue to deliver sustainable organic DPU growth >5%
- Partnership with best in class operators extracting asset performance
- Focus on US and Australian organic development opportunities
- Aim to increase amount of Australian investments
- S&P/ASX 300 Index inclusion
- Aim to exceed FY07 forecast DPU of 10.7 cents

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Formal Business

Resolution One

Ratification of the issue of 29,918,518 units to institutional investors which was completed on 18 April 2006

- **Management recommends the approval of Resolution One**
- **Benefits of approval :**
  - Refreshes 15% Placement capacity
  - Provides flexibility and enables the Responsible Entity to quickly raise capital in response to investment opportunities in the future
  - Retail Investors can participate through DRP & rights issues

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Questions - most asked topics

- EPU / DPU
- Stapling
- Geographic balance / operator diversification
- Village Life

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Thankyou

A copy of this presentation will be made available on www.ingrealestate.com.au/investment

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