

23rd December 2011

Immediate release to the ASX

Lifestyle Chelsea Heights Update

Lifestyle Communities Limited (ASX Code: LIC) is pleased to announce that it has executed the agreement to purchase 50% share in the joint venture development site in Wells Road, Chelsea Heights, Victoria. The 4 hectare site, which will settle in January 2012, will accommodate 106 homes as a residential village.

As part of the arrangement, Lifestyle Communities has acquired a 50% interest in the Chelsea Heights site for \$3m and Lifestyle Communities is responsible for developing and managing the village.

James Kelly, Managing Director of Lifestyle Communities commented that "Construction of Lifestyle Chelsea Heights will commence immediately and we anticipate the first residents should start moving into the village in the first quarter of the 2012/13 financial year".

He added "demand for new homes in Lifestyle Chelsea Heights village has been strong with 50% of stage 1A selling prior to construction commencing".

Lifestyle Communities now has 1,425 home sites in various stages of planning, development and management across 8 villages located in Melton, Tarneit, Warragul, Shepparton, Cranbourne, Hastings, and Chelsea Heights & Drouin.

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About Lifestyle Communities

Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable communities.