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ASX & MEDIA RELEASE

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AEVUM ACQUIRES ANOTHER SYDNEY RETIREMENT VILLAGE – DEVELOPMENT UPDATE

Aevum Limited (ASX Code: AVE) has exchanged contracts to acquire the Maybrook Manor Retirement Village (“Maybrook”) located in Cromer, Sydney for \$11.6 million plus adjustments for stock and working capital.

A further deferred component of \$2.4 million is payable should DA's be obtained within a year for the development of a further 19 units on vacant land included with the acquisition.

Maybrook is a mature village consisting of 98 Independent Living Units. Developed in three stages over the past 10 years, the village consists of a mixture of one, two and three bedroom units at various price points, large communal facilities, a restaurant, indoor pool and under cover car parking.

The village is conveniently located in the midst of the Northern Beaches and offers a bushland setting only minutes away from Dee Why and Warringah Mall.

The typical contract structure entitles the operator to a deferred management fee calculated on the entry price of the Independent Living Unit plus a share of the capital gain upon departure.

The acquisition will be funded through existing cash reserves and committed debt facilities and is immediately earnings accretive.

Maybrook was an off-market transaction negotiated directly with the vendor and continues Aevum's strategy of focussing on single village acquisitions which deliver strong recurring earnings. It also further strengthens Aevum's dominance as the largest “pure” retirement living investment vehicle listed on the ASX.

Following recent acquisitions, including Camden View Village and The Willows, Aevum now owns and operates 18 villages comprising 1,876 ILU's and Serviced Apartments and 202 Aged Care beds. Aevum also has development consent for expansion and redevelopment of 169 ILU's at existing villages and an identified development pipeline of a further 257 ILU's.

Aevum chief executive officer, Mr Simon Owen, said the acquisition of “Maybrook” represented a well priced opportunity for Aevum to further strengthen its leading position in the NSW market and obtain another quality facility within the Sydney Metropolitan area.

“Maybrook is located on Sydney's northern beaches approximately 25 minutes from the Sydney CBD and less than 10 minutes from Manly,” Mr Owen said.

“This is a mature village with more than 100 residents and is located in an attractive retiree location close to major shopping centres, health facilities, public transport and recreational facilities.

“There is also the potential for the development of another 19 high quality ILU's to supplement the existing earnings base”.

Mr Owen added that Maybrook also was positioned conveniently to Aevum's Lourdes retirement village in Killara which presented opportunities in the future for sharing of services and management and Maybrook residents accessing the company's continuum of care model.

Update of Recent Acquisitions

Aevum has now settled the recently announced acquisition of the 54 unit Camden View Village in Laurieton, NSW and integration activities are well underway.

Aevum is due to settle today (Monday 2 July) with the Salvation Army for the acquisition of the management rights to and certain land and stock of The Willows Retirement village located in Winston Hills, Sydney.

Development activities at Cardinal Freeman

Development activities commenced several weeks ago at the Cardinal Freeman village in Ashfield where the company has DA approval for 36 Independent Living Units.

Fugen Constructions is undertaking demolition works on Building A including an internal strip out and removal of the roof structure in preparation for the addition of another two stories.

Demolition works on Building B are scheduled to commence later in the month. Construction activities are scheduled to commence in early September with an estimated completion date of May 2008.

Table 1: Aevum's development pipeline

Village	Approved Dwellings	Sales Value \$'000	Prospective Dwellings ¹	Sales Value \$'000
Cardinal Freeman – Sydney	36	14,400	100 ⁺	40,000
Waratah – Sth. Highlands	91	26,390	-	-
Golden Ponds – Forster	42	14,700	-	-
Lourdes – Sydney	-	-	30 ⁺	22,500
Swansea – Central Coast	-	-	8	2,400
Parklands – Port Macquarie	-	-	20 ⁺	4,500
Willows – Sydney	-	-	80	46,000
Maybrook - Sydney	-	-	19	8,600
Total	169	55,490	257⁺	124,000

Note¹: Subject to council approval

Aevum's portfolio of 18 villages

Metropolitan Sydney

- Cardinal Freeman Village, Ashfield, Sydney: 169 units, 49 apartments, 119 aged care beds with development approval for another 36 units
- Lourdes Village, Killara, Sydney: 108 units, 54 apartments and 83 aged care beds
- Castleridge Resort, Castle Hill, Sydney: 113 units
- Bexley Gardens Village, Bexley, Sydney: 22 units
- The Willows Retirement Village, Winston Hills, 141 units, 48 apartments with the opportunity to develop a further 80 units.
- Maybrook Manor Retirement Village, Cromer, 98 units with the opportunity to develop a further 19 units.

Central Coast, NSW

- The Village - Swansea, Swansea: 133 units

Mid North Coast, NSW

- Lincoln Gardens, Port Macquarie: 54 units
- Bellevue Gardens, Port Macquarie: 131 units and 44 apartments
- Parklands Village, Port Macquarie: 113 units and 31 apartments
- Queens Lake Village, Laurieton: 124 units
- Golden Ponds, Forster: 150 units with development approval for additional 42 units
- Camden View Village, Laurieton: 54 units

Southern Highlands, NSW

- Macquarie Grove Village, Tahmoor: 42 units
- Waratah Highlands Village, Bargo: 77 units with development approval for additional 91 units

Western Australia

- Murray River Village, Mandurah, WA: 37 units
- Halls Head Gardens, Mandurah, WA: 46 units
- Leschenault Village, Bunbury, WA: 38 units

ISSUED FOR : AEVUM LIMITED

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