

ASX Media Release

Charter Hall's wholesale funds acquire \$81.65m industrial portfolio

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Charter Hall Group (ASX:CHC) (Charter Hall or the Group) today announced two of its wholesale funds/partnerships have combined to acquire a \$81.65 million industrial portfolio, comprising three industrial assets in three separate cities.

The Group's Core Plus Industrial Fund (CPIF) acquired the 18,728 square metre NQX Distribution Centre in Pinkenba, Brisbane together with the 31,588 square metre Gillman Distribution Centre in Adelaide. The Pinkenba facility adjoins an existing three hectare site owned by CPIF within the Trade Coast precinct, which now combines to create a 95,000 square metre site with expansion/development capacity of up to 25,000 square metres. The average yield on these \$42.6 million purchases was 9.30%, reflecting an average WALE of 4.25 years.

The Core Logistics Partnership (CLP) has acquired the 16.4 hectare infill site in the Melbourne suburb of Tottenham, upon which is a 100,990 square metre facility leased to Australian Wool Handlers on a nine year lease. The passing rent of \$3.5 million reflects \$35 per square metre of lettable area, whilst the \$39.075 million purchase price reflects an initial yield of 9%. All properties are located in strategic industrial areas with access to key transport infrastructure.

Charter Hall's Joint Managing Director David Harrison said: "These industrial acquisitions increase our total industrial portfolio to \$1.4 billion, enhance the portfolio metrics of both wholesale funds and continue the strong momentum we have created this year in expanding our industrial market penetration".

CPIF Fund Manager Paul Ford said: "These acquisitions grow CPIF to \$710 million in assets with further capacity to expand by a further \$200 million via acquisitions and the fund's 125,000 square metre development pipeline. These transactions enhance both the earnings yield and forecast total returns for CPIF whilst maintaining the fund's focus on covenant quality".

CLP Fund Manager Simon Greig added: "CLP has grown from inception at the start of 2013 to a total portfolio exceeding \$400 million, with funded capacity to grow by a further \$300 million, with much of this potential growth at an advanced stage. We continue to identify long leased assets that enhance an already healthy portfolio WALE of 9.5 years".

About Charter Hall

Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property groups, with over 22 years' experience managing high quality property on behalf of institutional, wholesale and retail clients. Charter Hall has over \$10 billion of funds under management across the office, retail and industrial sectors. The Group has offices in Sydney, Melbourne, Brisbane, Adelaide and Perth.

The Group's success is underpinned by a highly skilled and motivated team with diverse expertise across property sectors and risk-return profiles. Sustainability is a key element of its business approach and by ensuring its actions are commercially sound and make a difference to its people, customers and the environment, Charter Hall can make a positive impact for its investors, the community and the Group.



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