

CHARTER HALL

CHARTER HALL'S CORE PLUS OFFICE FUND (CPOF) ACQUIRES 50% INTEREST IN 570 BOURKE STREET IN MELBOURNE FOR \$72.5 MILLION

Monday, 30 June 2008

The Charter Hall Group (CHC) is pleased to announce that Charter Hall's Core Plus Office Fund (CPOF) has acquired and settled the purchase of a 50% freehold interest in 570 Bourke Street, Melbourne from the Charter Hall Group's listed Charter Hall Property Trust (CHPT) for a net price of \$72.5 million.

This acquisition adds a 35,172m² A grade office building to CPOF's national office portfolio which now totals 18 properties with 300,000m² of lettable area and an approximate market value of c. \$1.5 billion (upon completion of 2 projects under construction during FY09). The transaction has been funded with equity from undrawn CPOF investor equity commitments secured over the last 6 months and debt finance provided by St George Bank.

570 Bourke Street is located in the heart of Melbourne's CBD and comprises 35,172m² of lettable commercial office space spread over 31 levels plus a public car park over five basement levels accommodating 522 cars. The property has undergone a progressive refurbishment program. The property is 96% leased with major tenants including the Victorian Government, Allianz Australia and Willis occupying over 60% of the building area.

Charter Hall's CPOF Fund Manager, Chris Forbes said: "The asset is forecast to generate an initial yield of 7.9% to CPOF and provides value add opportunities and short term rental reversions over the next few years".

David Harrison, Charter Hall's Joint Managing Director said: "The acquisition was approved by both CPOF Investment Committee Independents and ratified by an Investor Representative Committee, which exists for all related party transactions within Charter Hall wholesale funds. CHC has previously stated it intends to offer directly owned assets to managed funds provided each asset meets the return criteria of the relevant fund. CHPT's objective is to maintain a co-investment stake in all Charter Hall managed funds, offering CHC investors access to a suite of quality unlisted funds which have out performed their stated return targets".

Charter Hall Limited

ABN 57 113 531 150

Charter Hall Funds Management Limited

ABN 31 082 991 786

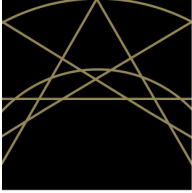
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ASX/MEDIA ANNOUNCEMENT

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Proceeds from the Bourke Street sale have been used to fund co-investments during 2008 in CHC managed funds and the CPRF seed portfolio assets under construction. CHC Group's gearing is expected to be approximately 30-32% as at 30 June 2008 on an unaudited basis.

Further, with over 95% of all fund assets having been independently valued as at 30 June 2008, all funds are expected to maintain or slightly improve their NTA per unit. "Despite cap rate and discount rate expansion on average ranging from 25-50 bps across directly owned assets and managed funds over the past 6 months, the CHC Group NTA is expected to be maintained at the last stated NTA of \$1.18 based on current unaudited estimates. Strong rental growth, under renting across all portfolios and the margin realisation from our in-house development expertise has cushioned the impact of expanding cap and discount rates" said Mr Harrison.

Further detail will be provided as part of the CHC full year results.

ENDS

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About the Charter Hall Group:

Charter Hall Group is a property funds management and development company, based in Sydney with offices in Brisbane, Perth and Auckland. Established in 1991 and listed on the ASX in 2005 as a stapled security under the code CHC, Charter Hall Group combines Charter Hall Limited with Charter Hall Property Trust. The Group currently has funds under management of \$3.7 billion. The Charter Hall Group has achieved a solid track record across its activities demonstrating a 10 year history of managing wholesale capital, making it one of Australia's leading property fund managers. Charter Hall's success has been underpinned by a highly skilled, incentivised and motivated management team with diverse expertise across property sectors and risk-return profiles.

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