



MEDIA ANNOUNCEMENT

CHARTER HALL'S DYNAMIC 130 STIRLING STREET, PERTH REACHES PRACTICAL COMPLETION

Monday, 6 July 2009

Charter Hall Group is pleased to announce that its latest A-grade commercial office development located at 130 Stirling Street on the fringe of Perth CBD, has reached Practical Completion. The property is owned by CPOF a wholesale core plus office fund, managed by Charter Hall.

Situated on the northern edge of Perth's burgeoning CBD, only minutes walk away from the CBD, 130 Stirling Street provides businesses with an affordable, yet dynamic alternative to equivalent space in the CBD financial core.

The newly completed 130 Stirling Street, built by Broad Construction, comprises four levels of contemporary A-grade office space with a net lettable area of 11,600m² and additional retail and commercial tenancies facing Stirling and Pier Streets. The development has an abundance of car parking with a high ratio of 1 bay per 42m² of lettable area accommodating 242 cars.

Nick Cater, General Manager of Broad Construction Services WA, said the building is already securing its place as a striking new office development which truly stands out from the crowd. "Broad's successful completion of this Design and Construct contract extends the strong working relationship with Charter Hall and was achieved on time and within budget. The careful consideration of the environmental impacts of the building will provide long lasting value to its owners and users, but the broader community and environment. 130 Stirling Street is a quality addition to Perth's commercial buildings and will provide a further catalyst to the further development of this northern CBD precinct" Mr Cater said.

The successful leasing campaign for 130 Stirling Street has secured approximately 80% of pre-commitments by income from strong covenant tenants including the Commonwealth Government's Medicare Australia which has consolidated its administrative functions for Perth into one location consisting of 5,300m², together with the Police & Nurses Credit Society which has committed to 4,100m² of commercial office space. Both leases are for 10 years with 4.5% annual rental escalations.



Medicare Australia's move from St George's Terrace further highlights the demand by CBD tenants to relocate to CBD fringe projects that will enable them to benefit from large efficient floor plates, lower occupancy costs and ecological sustainable design (ESD) standards required from both Government and corporate tenants.

David Harrison, Joint Managing Director of Charter Hall said: "This project is an excellent example of Charter Hall's ability to add value for its Core Plus Funds by utilising the in house development expertise to conceive and deliver market leading products".

"Having acquired the adjoining Hatch building with the underdeveloped neighbouring car park site, we identified the unsatisfied demand from tenants which needed high quality, efficient, environmentally sensitive buildings with large floor plates located on the edge of the CBD. Charter Hall has successfully identified emerging CBD fringe precincts previously having completed a similar project at Pyrmont on Sydney CBD's fringe, which was 100% pre leased to American Express. CPOF has now completed two successful office projects in 2009 including 275 George Street, Brisbane substantially de-risking the development inventory with only small areas yet to lease at 130 Stirling Street".

Commenting on tenant demand Charter Hall's Leasing Director Emil Joubert said "Tenants are increasingly focussed on consolidating their employees together into the one location comprising high quality premises that also deliver per head cost savings. We further expect that a slowing economy will increase focus on aggregation synergies and the need to provide better amenity for staff with low cost car parking facilities".

In line with Charter Hall's ESD policy, 130 Stirling Street has been awarded a 4 Star Green Star – Office Design v2 rating and is targeting a 4.5 Star NABERS Energy rating and uses the latest in ecological sustainable design including chilled beam air-conditioning to greatly reduce energy consumption.

David Southon, Charter Hall's Joint Managing Director said: "The Practical Completion of 130 Stirling Street, on time and to budget, demonstrates the Group's ability to work collaboratively with the project team and its major stakeholders including Perth City Council, Broad Construction and Woods Bagot to produce a dynamic, highly efficient and functional space for Perth businesses".

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 Melbourne, Brisbane, Perth, Adelaide 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 Charter Hall Group has achieved a solid track record across its activities demonstrating a 14 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 and motivated management team with diverse expertise across property sectors and risk-return profiles.