CHARTER HALL

26 July 2006

The Manager
Company Notices Section
Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

FINAL INSTALMENT – AUCTION SALE OF FORFEITED PARTLY PAID SECURITIES

As at close of business on Tuesday 25 July 2006, Charter Hall Group's (CHG) registry had received and processed $69.52m of the total $69.59m payable in respect of the Final Instalment on partly paid securities.

To recover unpaid amounts for the benefit of all securityholders, CHG has today issued formal Notices of Forfeiture in relation to the 269,430 partly paid CHG securities in respect of which the Final Instalment remains unpaid. These CHG partly paid securities will be forfeited and will, as required by law, be offered for sale at public auction (unless the full amount owing in respect of the Final Instalment (in cleared funds) is received prior to the auction date and the forfeiture cancelled).

The auction will be held at 11am on Tuesday, 8 August 2006 at the Australian Stock Exchange, Level 8 Boardroom, Exchange Centre, 20 Bridge Street Sydney NSW 2000. An advertisement regarding the auction appeared in *The Australian* newspaper last Monday.

The proposed terms and conditions of the auction are available on the CHG website at www.charterhall.com.au. People wishing to participate in the auction should pre-register by calling CHG's registry, Link Market Services Limited on 1300 664 498.

Yours faithfully

Nathan Francis
Chief Financial Officer

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