MEDIA RELEASE

CHARTER HALL

Charter Hall acquires major CBD property for $90.7 million

Monday, 18 June 2007

Charter Hall Group announced today, it has secured a $90.7 million off-market commercial investment for its Core Plus Office Fund (CPOF). The prominently located property, Macquarie House (165-169 Macquarie Street) is uniquely positioned within Sydney's premium office precinct with 'never to be built out' 180 degree panoramic views of Sydney Harbour.

Macquarie House is a 19 level office building with a total net lettable area of 9,734m^2, consisting of two ground level tenancies, a private club which occupies the premises from the ground floor to level 6 and 12 upper floor office levels.

The property is currently 87 percent leased to strong covenants including Fidelity, Next Financial and Gresham. Charter Hall has secured agreement on all remaining vacant office space and expects the building to be 100 percent occupied in the short term.

The new acquisition is a core investment and the 10th asset in CPOF, bringing the Fund's total assets committed to approx $825 million. The latest acquisition reflects an initial yield of approximately 7 percent.

Charter Hall's CPOF Fund Manager, Chris Forbes said: "The acquisition of Macquarie House provides CPOF with further exposure to the strong growth prospects expected from a Sydney CBD financial core location. CPOF has secured an excellent exposure to the high growth office markets of Sydney, Brisbane and Perth."

The property was acquired from the Industry Superannuation Property Trust (ISPT). Peter Whitaker, Divisional Director of Capital Transactions at Savills negotiated the off-market transaction.

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Charter Hall's Joint Managing Director, David Harrison said: "The property reinforces Charter Hall's ability to source off-market transactions and offers CPOF the opportunity to take advantage of the forecast rental upswing, solid long term rental growth and prospects within Sydney CBD."

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 in excess of $2.5 billion and a market cap of over $1.2 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.