

ASX Release

CQR appoints agents to sell the Gordon Retail Centre

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Charter Hall Retail REIT (CQR or the REIT) announced today that the REIT has appointed Colliers International and Stonebridge Property Group to market the Gordon Centre (including the Gordon Village and adjoining assets) for sale. The decision to appoint agents follows unsolicited enquiries to purchase the centre that indicated a realisable value significantly in excess of current book value reflecting the re-development potential of the site.

The potential future sale of this asset is in addition to assets already identified for sale as part of the FY17 financial results. Existing FY18 guidance does not include the financial impact of the sale of this Centre.

CQR Fund Manager, Scott Dundas commented that: "We have previously identified Gordon Centre as an asset with significant re-development potential. Due to the current mixed use zoning and floor space ratio along with proximity to existing public transport infrastructure, the potential exists to redevelop the property with a major residential and retail asset in the heart of the Gordon Town Centre."

The planning, approval and development process will be heavily de-risked by the significant holding income that the assets yield.

The property is uniquely located with three street frontages and proximity to the Gordon railway station, bus interchange and the existing pedestrian air-bridge across the Pacific Highway. The pedestrian air-bridge links both sides of the Gordon Town Centre with the leasehold interest of the bridge included in the sale process. Following unsolicited enquiries to purchase this asset, the Board felt it was in CQR unitholders best interests to conduct a public sales campaign.

"In the event that the asset is sold, proceeds of the sale will be directed towards repaying debt and on-going capital management activities, including the further buyback of CQR securities. Our existing FY18 guidance remains unchanged pending the outcome of this sales campaign. Management remain committed to driving the future earnings growth of CQR for the benefit of all unitholders." Mr Dundas said.

Marketing of the asset will commence immediately with a view to having a sale documented by December 2017.

**About Charter Hall Retail REIT**

Charter Hall Retail REIT is a leading listed real estate investment trust with a \$2.8 billion portfolio of high quality Australian supermarket anchored neighbourhood and sub-regional shopping centres.

Charter Hall Retail REIT is managed by Charter Hall Group (ASX:CHC), is one of Australia's leading fully integrated property groups, with over 25 years' experience managing and investing in high quality property on behalf of institutional, wholesale and retail clients. Charter Hall has over \$20.4 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. For further information on Charter Hall Group and Charter Hall Retail REIT go to www.charterhall.com.au

For further information, please contact

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