

ASX Release

Market Update

2 November 2023

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Responsible Entity of Charter Hall
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Charter Hall Long WALE REIT (ASX:CLW) provides the following updates:

Portfolio Valuations

Following the release of the September CPI announcement, 31 October external independent valuations have been completed for the bp Australia portfolio and the LWIP pub portfolio. This has resulted in a 4.1% or \$22.4m¹ increase in value for the bp Australia portfolio and a 2.2% or \$14.0m² increase in value for the LWIP pub portfolio. The bp Australia portfolio cap rate has moved from 4.72% to 4.77% and the LWIP pub portfolio cap rate has moved from 4.75% to 4.82%. Notwithstanding the increase in cap rates, the CPI linked rental increases more than offset the cap rate movement resulting in an increase in the value of these portfolios.

An independent external valuation has also been undertaken for the Red Cross building in Alexandria at 31 October with the valuation decreasing by 5.2% or \$4.5m³ resulting from a cap rate movement from 4.50% to 4.75%.

FY24 Weighted Average Rent Review

CLW's portfolio has 51% of leases linked to CPI, with the majority linked to the June and September quarters. With the release of the September CPI announcement, the known CPI reviews for the year will average 5.5%. When combined with the 3.1% fixed rental increases across the balance of the portfolio, the FY24 weighted average rent review is expected to be 4.3%. CLW continues to enjoy strong rental growth across the portfolio with 99.9% occupancy and a 11.0 year WALE as at 30 September 2023.

40 Tank St, Brisbane, Leasing Update

CLW is pleased to announce that Queensland Police has exercised its option to take a 4-year extension on its 5,900sqm lease at 40 Tank St, Brisbane. This extends Queensland Police lease over the office space at 40 Tank Street to 30 June 2028. The rent at exercise is a 4% increase over current passing rent with no additional incentive payable. This lease represents CLW's only material lease expiry for FY24.

Guidance

CLW reaffirms that based on information currently available and barring unforeseen events, FY24 operating earnings per security is expected to be 26.0 cents and distributions per security is expected to be 26.0 cents.

CLW also confirms that it continues to progress its asset divestment program. Further details will be provided as sales occur.

¹ Reflects CLW's 24.95% interest in the BP Australia portfolio

² Reflects CLW's 49.9% interest in the LWIP pub portfolio

³ Reflects CLW's 50% interest in the Red Cross Building

Announcement Authorised by the Chair and Fund Manager

Charter Hall Long WALE REIT (ASX: [CLW](#))

Charter Hall Long WALE REIT is an Australian Real Estate Investment Trust (REIT) listed on the ASX and investing in high quality Australasian real estate assets that are predominantly leased to corporate and government tenants on long term leases.

Charter Hall Long WALE REIT is managed by Charter Hall Group (ASX: [CHC](#)). Charter Hall is one of Australia's leading fully integrated property investment and funds management groups. We use our expertise to access, deploy, manage and invest equity to create value and generate superior returns for our investor customers. We've curated a diverse portfolio of high-quality properties across our core sectors – Office, Industrial & Logistics, Retail and Social Infrastructure. With partnerships and financial discipline at the heart of our approach, we create and invest in places that support our customers, people and communities grow.

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