

Charter Hall Office Management Limited

ABN 75 006 765 206

AFS Licence No. 247075

as responsible entity of

Charter Hall Office REIT

## **ASX/MEDIA ANNOUNCEMENT**

### **UPDATE ON UNITED STATES ASSET SALE PROCESS**

Monday, 30 May 2011

On 18 May 2011, Charter Hall Office REIT (ASX:CQO) ('CQO') provided the market with an update on the sale process for its United States portfolio. This announcement confirms that the second phase of the Bank of America Merrill Lynch ('BoAML') managed sale process has commenced and formal bids are being solicited with a view to the sale of the whole of the United States portfolio, potentially in one line or via component bids.

The commencement of phase two follows the receipt this month of 28 expressions of interest from a broad list of prospective bidders out of 80 parties approached. The shortlisted parties include bidders that expressed interest in the whole portfolio, as well as groups of assets and individual assets.

Following completion of the phase one process, the Charter Hall Office Management Limited Board (the 'Board') expects to achieve prices that provide a premium to current net book values and therefore the Board's current intention is to pursue the sale of the whole of CQO's United States portfolio.

The second phase of the BoAML managed process should take approximately six weeks and is expected to result in the selection of preferred bidders. Binding purchase and sale agreements are expected to be signed within the September quarter 2011.

CQO is investigating a range of capital management initiatives for the net proceeds from the United States sale with the current intention being the payment of a return of capital via a pro-rata special distribution to all unitholders.

CQO confirms it has received a request from Orange Capital for a copy of CQO's unitholder register, with the intention to call a meeting of CQO unitholders to consider a proposed resolution for the removal of the current responsible entity. In the event that a meeting is called unitholders will be advised.



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**About Charter Hall Office REIT**

Charter Hall Office REIT is a leading listed real estate investment trust focused on investing in high grade office buildings predominantly located in major business districts across Australia and the United States. A customer focused approach to asset management drives the leasing and refurbishment initiatives with a view to maximising returns of the underlying assets.

Charter Hall Office REIT is managed by Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property groups, with 20 years' experience managing high quality property on behalf of institutional, wholesale and retail clients. Charter Hall has over \$10 billion of funds under management across the office, retail, industrial and residential sectors. The Group has offices in Sydney, Melbourne, Brisbane, Adelaide, Perth, Warsaw and Chicago.

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 Office REIT go to [www.charterhall.com.au](http://www.charterhall.com.au)