

## ASX Release

# Charter Hall utilises integrated platform to secure \$171.4m industrial portfolio for three managed funds

24 November 2014

Charter Hall Limited  
ACN 113 531 150

Charter Hall  
Funds Management Limited  
ABN 31 082 991 786

Level 20, No.1 Martin Place  
Sydney NSW 2000  
GPO Box 2704 Sydney NSW 2001

T +61 2 8651 9000  
F +61 2 9221 4655

[www.charterhall.com.au](http://www.charterhall.com.au)

Charter Hall Group (ASX:CHC) (Charter Hall or the Group) today announced it has secured a \$171.4 million industrial portfolio leased to the leading Australasian poultry producer and processor, Inghams Enterprises Pty limited (Inghams) on behalf of its managed funds. The transaction reflects an average initial yield of 7.82% benefiting from a Weighted Average Lease Expiry (WALE) by income of 22 years.

The portfolio of six quality industrial assets has been acquired by three Charter Hall managed funds/partnerships as follows:

- **Core Logistics Partnership (CLP)** - CLP has acquired the Murarrie, Brisbane and Edinburgh Park, Adelaide facilities for a total price of \$105.8 million.
- **Direct Industrial Fund (DIF2)** – DIF2 has acquired three facilities including Ingleburn, Sydney; Thomastown, Melbourne; and Cleveland, Brisbane for a combined total price of \$53.2 million.
- **Core Plus Industrial Fund (CPIF)** - acquired a \$12.4 million facility that adjoins its Hemmant property located within the Port of Brisbane precinct.

The portfolio is 100% leased to Inghams, a leading Australasian poultry producer, with initial lease terms of between 20 and 25 years. The triple net lease structure incorporates annual rent reviews calculated as the lesser of 3.0% or double the Australian CPI growth rate. As part of the transaction, Inghams will remain responsible for all capital expenditure and structural repairs on the properties.

David Harrison, Charter Hall's Joint Managing Director, said the acquisition is consistent with Charter Hall's strategy of reweighting its portfolio toward assets with long leases to strong credit quality tenants with leading market positions.

"The six properties are all well located in strategic industrial locations, with high underlying land values underpinning the long term triple net cashflow. Inghams is the largest integrated poultry producer in Australasia, with blue chip customers such as Woolworths, Aldi, KFC and McDonalds, and we are pleased to be welcoming this new tenant customer into our portfolio," Mr Harrison said.

Charter Hall has grown each of these three industrial funds during FY15 with acquisitions for each fund since July including:

- CPIF - \$85 million. CPIF was launched in 2007 and has grown to \$1 billion in assets secured by a 9 year WALE, with a current equity raising at an advanced stage which is expected to provide further growth capacity. Charter Hall has a \$72 million or 11.7% equity investment stake.



- CLP - \$153 million. CLP was launched in 2013, has grown to \$780 million in assets secured by a 13 year WALE, with further growth capacity. Charter Hall has an \$85 million or 15% equity investment stake.
- DIF2 - \$53.2 million. DIF2 was launched in December 2012 and is now close to fully deploying its investment capacity with \$237 million of industrial assets diversified across 10 properties secured by a WALE of 14 years.

Mr Harrison added: "We have been actively reweighting our portfolio to industrial over the past two years, with this acquisition further increasing our total industrial portfolio to \$2.35 billion with a weighted average lease expiry of 10.2 years and average rental growth exceeding 3% p.a.

"The diversity of Charter Hall's managed funds has allowed us to secure a large portfolio that meets the needs of various funds, providing the vendor confidence to contract with a group that can execute on portfolio acquisitions. This is evidenced by \$775 million of portfolio acquisitions since August 2014," said Mr Harrison.

#### About Charter Hall

Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property groups, with over 23 years' experience managing high quality property on behalf of institutional, wholesale and retail clients. Charter Hall has over \$12.1 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, please contact

**David Harrison**  
Joint Managing Director  
T +61 2 8651 9142  
[david.harrison@charterhall.com.au](mailto:david.harrison@charterhall.com.au)

**David Southon**  
Joint Managing Director  
T +61 2 8651 9143  
[david.southon@charterhall.com.au](mailto:david.southon@charterhall.com.au)

For investor enquiries, please contact

**Kylie Ramsden**  
Head of Listed Investor Relations  
Charter Hall  
T +61 2 8651 9204  
[kylie.ramsden@charterhall.com.au](mailto:kylie.ramsden@charterhall.com.au)

For media enquiries, please contact

**Rachel Mornington-West**  
Head of Marketing and Communications  
Charter Hall  
T +61 2 8651 9248  
[rachel.mornington-west@charterhall.com.au](mailto:rachel.mornington-west@charterhall.com.au)

---