

ASX Release

Charter Hall Retail REIT settles sale of Polish properties and acquires Southgate Plaza for \$60m

21 October 2013

Charter Hall Retail
Management Limited
ABN 46 069 709 468
AFS Licence No. 246996
as responsible entity of
Charter Hall Retail REIT
ARSN 093 143 965

Charter Hall Retail REIT (ASX:CQR) (the 'REIT') today announced it has completed the sale of its Polish properties and executed a contract to acquire the Southgate Plaza Shopping Centre in Morphett Vale, South Australia for \$60 million. The acquisition price reflects a fully leased year one yield of 7.5%.

The Southgate Plaza acquisition is due to settle on 31 October 2013 and will be funded from the estimated net proceeds of \$60 million from the sale of the REIT's Polish assets, which has now completed at the agreed price of €174.5 million.

Southgate Plaza is an established 15,844 square metre sub-regional shopping centre located approximately 21 kilometres south west of Adelaide's CBD, in one of the city's key growth corridors. It is anchored by a strongly performing Coles and Target with a weighted average lease expiry of 8.0 years.

Coles, Target and Kmart Tyre and Auto contribute 45% of the centre's current base rent, with the balance from 39 specialty retailers, which operate on an average sustainable occupancy cost of 9.7%.

Fund Manager, Scott Dundas, said: "Southgate Plaza is a good fit with the REIT's existing asset base and we are pleased to be adding this strongly performing centre to our Australian portfolio. This acquisition enables us to immediately redeploy the proceeds from the sale of the Polish portfolio, in line with our stated strategy, and brings our Australian supermarket anchored portfolio up to 76 assets."

The REIT has also sold a small asset in the United States located at Powers Ferry in Atlanta Georgia for US\$3.6 million. The sale was completed on 4 October 2013 at pricing 20% above the 30 June 2013 book value of US\$3.0 million and has resulted in the repatriation of A\$3.7 million in net proceeds to the REIT.

Mr Dundas added: "This transaction reduces the REIT's US exposure to just two assets, one of which is under contract and the other is being marketed for sale. We anticipate that these last two US assets will be sold before the end of this calendar year."

**About Charter Hall Retail REIT**

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

Charter Hall Retail REIT is managed by Charter Hall Group (ASX:CHC), one of Australia's leading fully integrated property groups, with over 22 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 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:

Scott Dundas

Fund Manager
Charter Hall Retail REIT
Tel: +61 2 8295 1009
scott.dundas@charterhall.com.au

Philip Schretzmeyer

Deputy Fund Manager
Charter Hall Retail REIT
Tel: +61 2 8295 1023
philip.schretzmeyer@charterhall.com.au

For investor enquiries:

Kylie Ramsden

Head of Listed Investor Relations
Charter Hall
T +61 2 8295 1016
kylie.ramsden@charterhall.com.au

For media enquiries:

Rachel Mornington-West

Head of Marketing and
Communications
Charter Hall
T +61 2 8908 4093
[rachel.mornington-
west@charterhall.com.au](mailto:rachel.mornington-west@charterhall.com.au)
