

Embargoed until 12am Friday 28 May 2021

Media Release

Charter Hall's \$7.0 billion wholesale flagship industrial fund CPIF acquires a \$106 million life sciences campus from GSK

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

28 May 2021

Charter Hall's leading \$7.0 billion wholesale industrial and logistics fund, CPIF, has announced the acquisition of a \$106 million life sciences campus in Boronia, Melbourne from GlaxoSmithKline (GSK).

The facility is currently used by GSK as their Australian manufacturing hub for high-volume products and "Blow-Fill-Seal" manufacturing. GSK will lease back the property for 2.3 years on triple net terms from settlement with annual CPI reviews.

The site consists of a substantial 16.8ha property with 33,878sqm of pharmaceutical grade, campus style improvements comprising a mixture of high clearance warehouse (temperature controlled and ambient), corporate office and laboratory accommodation. The site's low 20% site coverage offers multiple strategic options to create long-term secure income streams and add incremental value through redevelopment.

Charter Hall's Chief Investment Officer, Sean McMahon, said "We are delighted to secure this strategic site from GSK. This increases our exposure to the rapidly growing life sciences sector and is a further demonstration of our ability to work with corporates to deliver efficient solutions to their property requirements."

"We look forward to working with GSK as they transition from the site and engaging with the life sciences industry to pursue alternate operators to create a key pharmaceutical manufacturing and business hub. In parallel, we will investigate other employment related uses in this zone that will compliment this precinct" said Mr McMahon.

The high profile land holding is located in the tightly held, land constrained infill location of Boronia some 30 kilometres east of the Melbourne CBD and is one of the last remaining industrial zoned land holdings of significant scale in Melbourne's East. The site sits on Mountain Highway which provides access to the CBD and is within close proximity to the Eastlink which connects the Eastern, Monash and Peninsula Link Freeways.

CPIF's Fund Manager, Richard Mason, said "The site provides CPIF will multiple strategic options following GSK's departure in late 2023. There is potential for substantial future redevelopment and repositioning opportunities to expand or reconfigure the existing improvements, given its large land holding and low site coverage."

"The acquisition is in line with CPIF's strategy to increase its geographical exposure to core eastern seaboard markets, being one of few opportunities of significant scale in the tightly held Eastern Melbourne industrial market where prospects for rental growth are considered strong and historical trend for valuation growth has typically outperformed the broader industrial market" said Mr Mason.

CPIF's \$7.0 billion portfolio is one of Australia's largest industrial and logistics portfolios comprising a geographically diverse, high quality portfolio of industrial and logistics assets, underpinned by long-term leases and strong tenant covenants, with a further \$780 million WALE accretive committed development pipeline.

CPIF's investors include Australian superannuation funds, global pension funds, insurance companies and sovereign wealth funds.

The transaction was brokered by Chris O'Brien, Ben Hegerty, Rory Hilton and Andrew Bell of CBRE Capital Markets.

(End)

Charter Hall Group (ASX: [CHC](#))

With over 30 years' experience in property investment and funds management, we're one of Australia's leading fully integrated property groups. We use our property expertise to access, deploy, manage and invest equity across our core sectors - office, industrial & logistics, retail and social infrastructure.

Operating with prudence, we've carefully curated a \$46.4 billion plus diverse portfolio of over 1,395 high quality, long leased properties. Partnership and financial discipline are at the heart of our approach. Acting in the best interest of customers and communities, we combine insight and inventiveness to unlock hidden value. Taking a long term view, our \$7.0 billion development pipeline delivers sustainable, technologically enabled projects for our customers.

The impacts of what we do are far-reaching. From helping businesses succeed by supporting their evolving workplace needs, to providing investors with superior returns for a better retirement, we're powered by the drive to go further.

For further enquiries, please contact

David Harrison

Managing Director and Group CEO

Charter Hall

T +61 2 8651 9142

david.harrison@charterhall.com.au

Richard Mason

CPIF Fund Manager

Charter Hall

T + 61 2 8651 9259

richard.mason@charterhall.com.au

For media enquiries, please contact

Adrian Harrington

Head of Capital and Product Development

Charter Hall

T + 61 410 489 072

adrian.harrington@charterhall.com.au
