



McKAY SECURITIES PLC (“McKay”)

McKAY SECURES FIRST LETTING AT RECENTLY COMPLETED PROSPERO, REDHILL

- Latest evidence of occupier demand for high quality space in South East -

McKay Securities PLC, the only UK REIT specialising exclusively in the South East and London office and industrial markets, is pleased to announce that it has secured its first tenant at Prospero, its recently completed office development in Redhill.

Morrison Solicitors LLP has committed to a 10-year lease taking the entire third floor, totalling 10,643 sq ft, at a rent of £330,000 per annum, equivalent to £31.00 psf. Morrison is expanding into these modern new premises from an existing Redhill office, and will occupy over 20% of the 50,370 sq ft asset.

The 1.2 acre site that Prospero sits on was acquired by McKay in an off-market transaction in May 2013 for £2.3 million, with the benefit of a planning consent in place. Following immediate work to enhance the office planning consent and dispose of surplus land to a residential developer, McKay was able to progress the scheme in January 2015 with the benefit of a low land cost.

Commenting on the letting, Simon Perkins, Chief Executive of McKay said:

***“Our ability to attract a highly regarded regional law firm such as Morrison is testament to the quality and appeal of our most recent development, Prospero. This modern and attractive building instantly impresses upon entering, while its strong sustainability credentials act as a further incentive to today’s increasingly environmentally- and cost-conscious tenants.*”**

“With a surplus of outdated stock in the market, we identified the demand and potential for a contemporary new office building in Redhill, a well-connected South East town that has proven popular with corporate occupiers. Our ability to lure Morrison across town to Prospero is a clear endorsement of our conviction, and we look forward to announcing further lettings in due course with encouraging discussions underway with prospective tenants.”

Prospero, the only new office building available in Redhill, was completed by McKay in November 2016 with its development partner, Lamron Estates Ltd. It benefits from excellent rail links to London and Gatwick and quick access onto the M25 motorway. The four-storey Grade A building offers large, open floorplates, flooded with natural daylight through floor to ceiling windows, and provides high specification flexible office space which meets modern business needs. Top floor roof terraces offer impressive panoramic views of Memorial Park and the North Downs, while car and bicycle parking spaces are available in the secure basement. As with all McKay schemes, environmental considerations played an important role in the design process leading to the top sustainability credentials of BREEAM ‘Excellent’ and EPC A being achieved, enabling Morrison to benefit from low running costs.

Strutt & Parker acted on behalf of McKay Securities PLC, and Altus Group acted on behalf of Morrison Solicitors LLP.

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Date: 3rd March 2017

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About McKay Securities

McKay Securities PLC is a commercial property investment company with Real Estate Investment Trust (REIT) status, listed on the main market of the London Stock Exchange. It specialises in the development and refurbishment of good quality office and industrial buildings within established and proven markets of South East England and central London. The portfolio, which is valued at over £400 million, comprises 36 properties in strong and established areas which deliver diversity in terms of both sector and location.