



## McKAY SECURITIES PLC

### £6 MILLION ACQUISITION OF 1 CROWN SQUARE, WOKING

McKay Securities PLC, the Real Estate Investment Trust (REIT) specialising in South East and central London office and industrial property, is pleased to announce the freehold acquisition of 1 Crown Square, Woking from Cordea Savills for £6.0 million.

This acquisition is in line with McKay's strategy to seek out and invest in commercial property in its core market area with the potential to generate income and capital growth from active management, refurbishment and development.

1 Crown Square is multi-let, with net contracted rents totalling £588,169 pa. This represents a low average rent of £11.60 psf overall and provides an attractive initial yield of 9.3%. Occupiers in the building include tenants such as Proctor and Gamble, Royal Bank of Scotland and Petrofac, who together pay 63% of contracted rents.

The building is situated in a prominent position in the heart of Woking town centre. It totals 51,500 sqft, consisting of 45,280 sqft of offices over ground and seven upper floors and 6,720 sqft of ground floor retail. Recent improvements have been made to the building, including replacement of central air conditioning systems. The town has proved a popular location for occupiers, and is set to improve with upgrades planned by a pro-active local Council.

Commenting on the purchase, Simon Perkins, Managing Director of McKay said:

***"1 Crown Square provides an attractive income yield off low rents. In the short term, our active approach to building management will improve amenity for existing occupiers, and enhance income and capital returns with improved rents and savings on running costs.***

***Returns will be further enhanced by improving rental levels in the town, as evidenced in recent lettings. The vacancy rate of good quality floor space in Woking is only 4%, which is similar to many town centres in the South East of England where recovering occupier demand has an increasingly limited choice of buildings.***

***The low purchase cost provides the potential to generate future gains from comprehensive refurbishment or redevelopment either on a standalone basis or as part of a site assembly."***

Strutt and Parker acted for McKay Securities PLC and Savills acted for Cordea Savills.

**Date: 13<sup>th</sup> January 2014**

**For further information please contact:**

#### **McKay Securities PLC**

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#### **Broker Profile**

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