



## **McKAY SECURITIES PLC ("the Group" or "McKay")**

### **McKAY ACHIEVES PLANNING FOR THEALE LOGISTICS PARK, READING**

#### **-HIGHLY ATTRACTIVE LOCATION FOR DISTRIBUTION AND LAST MILE OCCUPIERS-**

McKay Securities PLC, the only UK REIT specialising exclusively in the London and South East office and industrial markets, has achieved planning permission for the development of a new distribution warehouse scheme at its existing site at Theale Logistics Park, Reading.

Situated adjacent to junction 12 of the M4, which is just five miles from the centre of Reading, the area is already an established distribution location with other local occupiers including Amazon, Bunzl, Direct Wines, Ikea and John Lewis.

The planning permission allows for the demolition of an existing 96,000 sq ft chilled storage warehouse to be replaced by either a single 134,000 sq ft unit or a four-unit scheme totalling 117,000 sq ft. McKay bought the property with a 6.6% yield in April 2015 and always recognized the potential to add value through redevelopment at the right time. The expiry of the existing lease to transport and logistics company, Kuehne & Nagel in Q1 2018 provides this opportunity. The scope for different configurations together with the asset's strong strategic location is expected to be attractive to a range of different occupiers, but particularly online retailers and third-party logistics operators.

Savills and Haslams have been appointed as letting agents for the scheme. Detailed design is being progressed and either demolition or refurbishment of the existing building programmed for Spring 2018.

#### **Simon Perkins, Chief Executive of McKay, commented:**

"The Thames Valley is characterised by low supply of good quality mid-size distribution space. This is at a time of favourable demand dynamics, driven by the rapid growth of e-commerce and the structural changes in consumer behaviour. The location of Theale Business Park is particularly attractive servicing the metropolitan hub of Reading, whilst also providing easy access to the rest of the UK's wider motorway network."

- ENDS -

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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 central London and South East England. The portfolio, which is valued at over £430 million, comprises 36 properties in strong and established areas which deliver diversity in terms of both sector and location.