



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

McKAY DELIVERS FURTHER LETTING PROGRESS AT PROSPERO, REDHILL

McKay Securities PLC, the only UK REIT specialising exclusively in the London and South East office and industrial markets, has let the majority of the first floor of Prospero, its 50,370 sq ft office development in Redhill, to sustainability specialists NUS Consulting Group ("NUS").

NUS has committed to a 15 year lease term on 8,546 sq ft, with a tenant break option after 10 years, commencing on completion of sub-division works. The contracted rent of £260,653p.a. equates to £30.50 per sq ft; 1.7% ahead of September 2017 ERV. The international energy management and sustainability consultant employs over 350 people in 19 offices around the globe, managing over \$5 billion in energy expenditure per annum. It is relocating its UK headquarters from its existing premises in Redhill, and was attracted to the market-leading green credentials on offer at Prospero, which boasts BREEAM "Excellent" and EPC 'A' ratings.

NUS is the third tenant attracted by the quality of Prospero, following lettings to Morrisons Solicitors LLP and The Plan Group, taking the building's occupancy to 64%. Marketing of the balance of the first floor (4,400 sq ft) and the second floor (13,915 sq ft) continues to attract potential suitors.

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

"We are excited that the NUS Consulting Group, which advises globally on energy management solutions, has chosen Prospero for its UK headquarters.

"This letting, added to the two already completed at Prospero, acts as a strong endorsement of our speculative investment and delivery of an attractive workspace with market-leading green credentials in this established but undersupplied centre. The calibre of tenants that Prospero continues to attract clearly demonstrates its appeal, whilst the long-term commitment agreed with the occupiers highlights the resilience of the local market.

"We look forward to building on this success and unlocking the remaining reversion at Prospero while we continue to enhance the potential for shareholder returns through our strong pipeline of active projects."

Jon Keable, Property Manager, NUS Consulting commented:

"Prospero is the ideal option for us in Redhill offering quality office space and environmental performance that reflects our brand."

McKay acquired the 1.2 acre Prospero site off-market for £2.3 million in 2013 and subsequently sold surplus land to a residential developer. Following the completion of its redevelopment, Prospero represented Redhill's first new office scheme in over 10 years. The building features four large flexible floors, 87 car parking spaces and is flooded with daylight due to floor to ceiling windows. Prospero's sustainable design ensures that running costs are kept to a minimum with electricity consumption c. 60% lower than a typical UK office building.

Located in the heart of Redhill town centre, Prospero is just a seven minute walk from Redhill railway station which provides direct access to London Bridge, London Victoria and Gatwick Airport. It is equally conveniently situated close to the M25.

BNP Paribas and Altus Group acted on behalf of McKay.

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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 London and South East England. The portfolio, which was valued in excess of £450 million in September 2017, comprises 36 properties in strong and established areas which deliver diversity in terms of both sector and location.