



Sale of Chancery Hse, Sutton

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McKay Securities PLC
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PRESS RELEASE

McKay Securities PLC Sells Chancery House, Sutton

McKay Securities PLC is pleased to announce the sale of Chancery House, Sutton for £13.33 million to Arlington Property Investors, acting on behalf of Nottinghamshire County Council Pension Fund. The sale price was in excess of book value, and represented an initial yield of 6%.

Chancery House, a 55,000 sq ft office headquarters in Central Sutton, was developed by McKay in 1982 in partnership with Hill Samuel. In 2004 McKay acquired the controlling 80% head lease interest for £4 million, and after refurbishment, achieved full occupation with a number of lettings totalling 24,000 sq ft.

Commenting on the sale, Simon Perkins, Managing Director of McKay said "the sale has realised the significant uplift in value generated by the well executed refurbishment and successful letting programme, and the current high levels of institutional demand for this type of investment. The proceeds from the sale will be used for acquisitions and new development and refurbishment projects within our existing portfolio".

Mellersh & Harding acted for McKay Securities PLC and Montagu Evans acted for Arlington Property Investors.

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