



**McKAY SECURITIES PLC (“the Group” or “McKay”)**

**McKAY MAKES £15.5M PURCHASE OF HIGH YIELDING, LONG INCOME OFFICE BUILDING ON NEWBURY BUSINESS PARK**

McKay Securities Plc, the only UK REIT specialising entirely in the London and South East office, industrial and logistics markets, announces the acquisition of Rivergate, a multi-let office building fronting Newbury Business Park for £15.5 million. The purchase price reflects a net initial yield of 7.5% prior to adjustment for the value of letting incentives.

Providing 61,385 sq ft of lettable space over three floors and generous car parking totaling 323 spaces, the property is fully let to six occupiers including Capita Business Services, Cavendish Nuclear and Coffin Mew with a WAULT of 8.8 years, or 6.7 years to first break. The property has recently benefitted from a comprehensive refurbishment to the reception, common parts, first and second floors and the contracted rental income of £1.29 million pa represents a low rental value of £21.40 psf.

Newbury is an affluent town within Berkshire located approximately 20 miles west of Reading and four miles from the M4 Motorway. Historically the town has appealed to a range of occupiers but suffers from a limited supply of modern office space. McKay, headquartered in Reading, has a long and successful track record of owning and investing in towns in the Thames Valley and along the M4 corridor, where it has unique expertise of the local occupier market.

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

“Rivergate is one of the best office buildings in Newbury and has proved its appeal to occupiers with recent lettings all at, or in excess of, ten years. The building stands in good condition with limited capex requirements and will provide shareholders with a high yield and long income. Its low rental level relative to the wider market and the potential to add area and refurbish the ground floor provides plenty of scope for future growth, complementing other value enhancing opportunities across our wider portfolio.”

-Ends-

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For further information, please contact:

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**About McKay**

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 office, industrial and logistics buildings within established and proven markets of London and South East England. The portfolio, which was valued at 31st March 2019 at £482.70 million, comprises 33 properties in strong and established areas, which deliver diversity in terms of both sector and location.

**[www.mckaysecurities.plc.uk](http://www.mckaysecurities.plc.uk)**