



Picture taken prior to current tenant's occupation

MODERN INDUSTRIAL INVESTMENT FOR SALE-

**15 PARAGON WAY, BAYTON ROAD INDUSTRIAL ESTATE, COVENTRY
CV7 9QS**

Sampson Moore
PROPERTY INVESTMENT CONSULTANTS

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Investment considerations

- Within 1 mile of Junction 3 of the M6
- Established industrial estate
- Modern unit constructed in 2003
- 6.5m (21ft 4ins) eaves
- Roller shutter loading door
- Concrete forecourt for loading and parking and additional car parking area.
- Rental **£45,000 pa.**
- 3.5 years unexpired.
- Seeking offers in excess of **£700,000, subject to contract.**
- **Net initial yield of 6.1% and potential reversionary yield of 6.3%** allowing for purchasers' costs of 5.3%.
- Capital value of £92 psf.

Location

Coventry is a major Midlands city with a population of 375,000 and lies 20 miles east of Birmingham and 96 miles north of London. It has excellent transport links via the M6, M69 and M45/A45. Coventry station lies on the West Coast mainline with a journey time to London of 65 minutes.

Situation

Paragon Way is located on the well-established Bayton Road Industrial Estate to the north of Coventry and within 1 mile of Junction 3 of the M6, offering good access to the rest of the motorway network, with the M1, M69 and M42 all readily accessible. Neighbouring occupiers include TVH, Zetor and Zone Two.

Description

The property was built in 2003 and comprises a mid-terraced industrial unit of steel portal frame construction. There are cavity brick/ block walls with insulated profiled steel cladding above and a composite cladding roof with rooflights. There is an electrically operated roller shutter door to the front elevation. Minimum eaves height 6.5m (21ft 4ins). Fire escape door to rear. Electricity, gas and lighting are supplied to the warehouse.

There is an internal office/toilet block to the front of the unit, with suspended ceilings with recessed lighting, carpeted floors and gas fired central heating. Windows and doors to the front elevation are double glazed with powder coated aluminium frames. The mezzanine space above the offices is accessed via a steel staircase and has the benefit of a perimeter safety railing.

Externally there is a concrete forecourt providing 12 car spaces. An additional parking area opposite provides a further 7 spaces (19 spaces in total).

Tenure

Freehold.

Accommodation

The property provides the following approximate gross internal areas:

	<u>sq ft</u>	<u>sq m</u>
Offices/ toilet block	61.7 sq m	(665 sq ft)
Warehouse/ industrial space	581.5 sq m	(6,259 sq ft)
Mezzanine storage (above offices)	<u>61.7 sq m</u>	<u>(665 sq ft)</u>
Total gross internal area	704.9 sq m	(7,589 sq ft)

Lease

The property is let to Cel-Trans Usługi Transportowe SC on an FRI lease for a term of 5 years from 15th November 2019 at a current rent of £43,500 pa rising to £45,000 pa on 15th November 2021. The vendor will top up the rent to £45,000 pa from completion until Nov 2021 by way of adjustment to the price on completion.

There is a rent deposit of £15,000 plus VAT (4 months' rent)

Covenant

The tenant company are a well-established Polish logistics company dealing with the transport of goods from Poland and mainland Europe to the UK. See [\(1\) Cel-Trans | Facebook](#). The company has a Creditsafe rating of C (further information available on request). The tenants have paid rent promptly without fail since the start of the lease, including during the pandemic.

Market commentary

The passing rent equates to £5.93 psf overall. This is in line with rents in the area, and rental values have continued to rise over the last 18 months such that our conservative opinion of ERV is now **£46,500 pa (£6.13 o/a)**. See recent activity below:

Address	Date	Sq ft	Psf	Tenant
25 Endermere Road,	Jan 2021	10,026	£7.00	Coventry University
Unit A1 Bodmin Road	Jan 2021	5,841	£6.51	
Unit 6 Kingfield Road	2020	5,000	£7.50	Event Support Team
Unit 2 Blue Ribbon Park	2020	11,225	£8	CES Advanced Composites
Unit 1 Henley Park	02/2020	4,537	£6.25	Atlantic Fluid Tech
Unit 2 Henley Park	06/2020	4,739	£6.33	IC Solutions 24/7
Unit 15 Henley Park	01/2019	7,600	£6.91	Screwfix Direct
Unit 17 Henley Park	06/2018	8,012	£6.99	Fastenal Europe Ltd
Unit 2 Phoenix Park, Bayton Road		3,043	£6.41 <i>asking</i>	Available
Exhall Gate (new development)		2,000- 28,500	£8 <i>asking</i>	Available
Exhall 3 (new development)		27,810	£7.91 <i>asking</i>	Available

Investment market

See recent investment evidence as follows:

Property	Date	Price	Yield	Cap value
85 & 91-95 Chester Street, Birmingham	Apr 2021	£5.15m	4.61%	£135 psf
Pilot Business Park, Coventry	Feb 2021	£5.54m	5.34%	£179 paf
1,2,15 & 17 Henley Industrial Park, Coventry	Dec 2020	£2.56m	6.1%	£103 psf
Vespa Point, Central Boulevard, Coventry	June 2020	£7.4m	5.3%	£121 psf
Ozbox, Herald Way, Coventry	Sept 2019	£1.49m	6.45%	£74 psf

EPC

B (50)

VAT

The vendors have elected to waive exemption for VAT, and accordingly VAT is charged on the rent. The sale should qualify as a TOGC, subject to purchaser's status.

Anti-Money Laundering

In accordance with AML Regulations, two forms of ID and confirmation of the source of funding will be required from the successful purchaser/directors/beneficiaries.

Price

We are instructed to seek offers **in excess of £700,000**, subject to contract and exclusive of VAT, for the freehold interest in the property, reflecting a net initial yield of **6.1% with reversionary yield of 6.3%** after allowing for purchaser's costs of 5.3%.

Contact

For further information, please contact:-

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Pictures taken prior to current tenant's occupation



SUBJECT TO CONTRACT

JUNE 2021



MISREPRESENTATION ACT 1967

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ESTATE AGENTS ACT 1979

The principal of Sampson Moore has an interest in this property.