

INVESTMENT SALE 



Units 3 & 4
Progress Way
Binley Industrial Estate
Coventry, CV3 2NT



UNITS 3&4 **PROGRESS**
WAY 

SINGLE LET
REVERSIONARY INVESTMENT

INVESTMENT SUMMARY

AN OPPORTUNITY TO ACQUIRE TWO INDUSTRIAL WAREHOUSE INVESTMENTS, OFFERING LONG TERM POTENTIAL FOR GROWTH

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- Located on the established Binley Business Park in the heart of Coventry and within the UK's premier logistics "Golden Triangle"
- Excellent transport links to the M6, M45, M42 and M1 motorways.
- Extending to approximately **74,118 sq. ft.** of warehouse, office and ancillary accommodation across both buildings.
- Warehouse eaves varying between **9.6m** and **10.5m**
- Freehold
- Both leases let on effective FRI terms to **HydroGarden Limited** who have an Experian credit rating of 100 reflecting very low risk
- Cumulative initial rent of **£572,000** per annum equating to **£7.72 psf.**
- Both units are to be let on coterminous **10-year lease** with a 5-year tenant only break option. These leases shall commence upon the completion of the sale and shall be subject to schedule of condition.
- Offers in excess of **£7,660,000** (Seven Million, Six Hundred and Sixty Thousand Pounds) subject to contract and exclusive of VAT, reflecting a net initial yield of **7.00%** a capital value of **£103 per sq. ft.** assuming purchaser's costs of **6.66%.**

Offers in excess of

£7,660,000

Net Initial Yield

7.00%

Capital Value

£103 psf

Unit 3



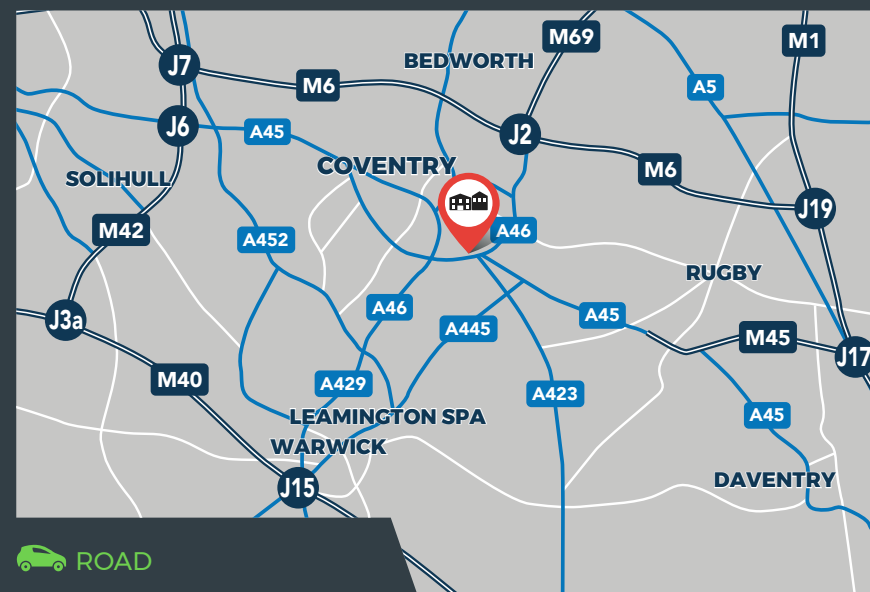
LOCATION

SITUATED WITHIN THE UK'S GOLDEN TRIANGLE OF LOGISTICS

Coventry's position at the heart of the Golden Triangle provides excellent connectivity for national and international distribution companies, with 90% of the country's population being reachable within a 4-hour drive time.

The property is situated only 3.5 miles from Junction 2 of the M6/M69 Motor Way junction intersect, providing excellent connectivity to all major cities within the East and West Midlands. Additionally, the property is approximately 95 miles Northwest from London and 110 miles Southeast of Manchester.

Coventry is the ninth largest city in England with a population in excess of 360,000 and a GDP of over £11 billion. This is largely driven by the advanced manufacturing and engineering sectors, given its strong geographic location and access to a large employment catchment.



ROAD

| | |
|------------|-----------|
| M69/M6 | 3.5 miles |
| M40 | 14 miles |
| M1 | 15 miles |
| Leicester | 24 miles |
| Birmingham | 27 miles |
| Nottingham | 49 miles |
| M25 | 74 miles |
| London | 95 miles |

SEA PORTS

| | |
|----------------|-----------|
| Tilbury | 121 miles |
| London Gateway | 123 miles |
| Southampton | 126 miles |
| Felixstowe | 171 miles |

AIRPORTS

| | |
|--------------------------|---------|
| Birmingham International | 26 mins |
| East Midlands | 40 mins |
| London Luton | 76 mins |
| London Heathrow | 95 mins |

RAIL

| | |
|--------------------------|----------|
| Coventry | 13 mins |
| Birmingham International | 26 mins |
| Birmingham New Street | 37 mins |
| London St Pancras | 125 mins |

SITUATION

PROMINENTLY LOCATED ON BINLEY INDUSTRIAL ESTATE

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The unit is located on the well-established Binley Industrial Estate, which is home to numerous national and regional occupiers. Notable neighbouring occupiers on the industrial estate include: Vetrotech Saint Gobain, SOCOTEC, Dulux, Howdens and Screwfix.



DESCRIPTION

Unit 3 & 4 are modern distribution warehouse of steel portal frame construction and insulated profile metal sheet cladding and roof system. The internal office accommodation has recently been constructed.

The buildings provide the following specification:

| | Unit 3 | Unit 4 |
|--|------------------|---------------------------|
|  Level Access Doors | 2 | 1 |
|  Dock Level Doors | ✕ | 6 |
|  Eaves Height | 9.6m | 10.2m |
|  Area GIA | 39,895 sq ft | 34,223 sq ft |
|  Yard Space | Front & Rear | Front, Side & Rear |
|  Ancillary Space | 4,226 sq ft | ✕ |
|  Office Space | 3 Storey CAT A+ | ✕ |
|  Security Fenced Perimeter | ✓ | ✓ |
|  Car Parking | ✓ | ✓ |
|  Dedicated Access | via Lindford Way | 2 points via Progress Way |

• indicative illustration shows potential should the buildings be in separate occupation.



The site has the asset management potential to increase parking capacity on the site by removing the side lean-to (illustrated above).

The registered title boundary includes the access road Lifford Way. The road services both the subject property and neighbouring occupiers.

The two units are connected via an internal walkway measuring approximately 3,262 sq ft.



ACCOMMODATION

The properties have been measured in accordance with the RICS code of measuring practice (6th edition) and provides the following approximate Gross Internal Area.

TENURE

The property is held freehold under titles **WM150135** & **WM267355**

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| Description | Sq m | Sq ft |
|--------------------|--------------|---------------|
| Unit 3 | | |
| Warehouse | 2,354 | 25,336 |
| Offices | 960 | 10,333 |
| Rear Leanto | 327 | 3,516 |
| Side Leanto | 66 | 710 |
| Total (GIA) | 3,707 | 39,895 |
| Unit 4 | | |
| Warehouse | 2,951 | 31,766 |
| Offices | 228 | 2,457 |
| Total (GIA) | 3,179 | 34,223 |

SITE

The site extends to a total area of approximately **4.12 acres**, providing a developed site area of **38%**.



Unit 3





TENANCY

The two buildings are to be let on coterminous leases in their entirety to HydroGarden Limited (Company No: 03104989) which shall commence upon the completion of the sale. Terms are as follows for each unit:

Unit3

- 10-year term with tenant only break option on the 5th anniversary
- Rent of £300,000 per annum which equates to £7.5 psf
- Rent review mechanism to be discussed between vendor and purchaser
- Full Repairing and Insuring Terms subject to a schedule of condition

Unit 4

- 10-year term with tenant only break option on the 5th anniversary
- Rent of £272,000 per annum which equates to £7.95 psf
- Rent review mechanism to be discussed between vendor and purchaser
- Full Repairing and Insuring Terms subject to a schedule of condition

TENANT'S COVENANT STRENGTH

HydroGarden Limited (company no: 03104989) is a specialist supplier of advanced horticultural Equipment for growing indoors and vertical farming and has traded since 1996. Focused primarily on wholesale to commercial entities, providing external branded products as well as an offering of own brand products. Their operation spans European wide and even parts of America.

HydroGarden has an Experian credit rating of 100, representing a very low default risk



Summary of HydroGarden Limited recent audited accounts

| | December 2021 | December 2022 | December 2023 |
|------------------|---------------|---------------|---------------|
| Sales | £27,225,768 | £23,093,202 | £26,240,329 |
| Pre-tax profit | £1,410,740 | -£416,765 | £277,711 |
| Total Net Assets | £8,696,282 | £7,917,754 | £7,901,805 |



COVENTRY INDUSTRIAL MARKET

A KEY INDUSTRIAL AND LOGISTICS LOCATION

The Coventry industrial market is popular with occupiers due to its excellent connectivity to nearby multimodal transportation and access to a cost-effective employment market. This has driven demand in the area, pushing up rents and minimal void periods to be some of the strongest in the Midlands region.

Coventry has experienced a steady increase in rental growth, with average rents rising by 3.9% over the past 12 months. This growth persists despite significant turbulence in the consumer economy, which heavily impacts the sectors operating in the Coventry area. Although this increase falls below the five-year average of 7.4% per annum, it highlights the resilience of occupiers and sustained demand for the region. Rents are in excess of £8.00 per sq ft and recent comparables are set out below

TRANSACTIONS

| Date | Address | Area (sq ft) | Tenant | Lease Type | Rent (psf) | Term Length | Comments |
|-----------|---|--------------|----------------------------------|------------|------------|-------------|--------------------------------|
| June 2023 | Unit 3, 6200 Crosspoint Business Park, Coventry | 23,740 | Ram Enterprises | OML | £8.25 | 5 Years | Built in 1990 Refurbished 2022 |
| May 2023 | Ibstock Road Coventry | 17,717 | West Midlands Ambulance Services | RR | £8.00 | 10 Years | Built in 2013 |
| May 2023 | 6100 Crosspoint Business Park, Coventry | 47,032 | Samaritan's Purse | OML | £8.25 | 10 Years | Built in 1990 Refurbished 2021 |
| Nov 2022 | Unit 2 Siskin Parkway East, Coventry | 31,005 | Faurecia | LR | £8.10 | 5 Years | Built in 1990 |

KEY INVESTMENT COMPARABLES

| Date | Address | Area (sq ft) | Term Certain | Lot Size | NIY (%) | Capital Value (psf) | Comments |
|------------|--------------------------------------|--------------|--------------|----------|---------|---------------------|--------------------------------------|
| July 2024 | 13 Rockingham Road Market Harborough | 23,609 | 9.25 Years | £1.525m | 7.54% | £64.59 | Inferior location & building quality |
| Nov 2023 | Unit A, Colonnade Point, Coventry | 22,743 | 4.5 Years | £2.535m | 6.49% | £111 | |
| April 2023 | Unit 1&2 Oxleasow Road, Redditch | 92,740 | 3.5 Years | £7m | 6.32% | £75 | Built c.2000 7m eaves |
| Mar 2023 | 1 Siskin Parkway Coventry | 30,401 | 4.8 Years | £3.73m | 6.20% | £123 | Built in 1987 Refurbished 2010 |



FURTHER INFORMATION

EPC

Unit 3: B (37)

Unit 4: D (94)

Copies of the certificates can be provided upon request.

CAPITAL ALLOWANCES

We understand that any available capital allowances will be retained by the vendor.

TENURE

Freehold.

VAT

The property is elected for VAT and it is anticipated the transaction will be treated as a transfer of going concern (TOGC).

ANTI MONEY LAUNDERING

In accordance with AML regulations the purchaser will need to provide information including the source of funding to complete the purchase.



A data room has been set up to provide property and legal information relevant to the sale, access will be provided upon request.



Unit 4

PROPOSAL

We are instructed to seek offers in excess of **£7,660,000** (Seven Million, Six Hundred and Sixty Thousand Pounds) subject to contract and exclusive of VAT.

This reflects a net initial yield of **7.00%** and a capital value of **£103 psf**, allowing for purchases costs of **6.66%**.

Misrepresentation Act 1967. Unfair Contract Terms 1977. The property Misdescription Act 1991. These particulars are issued without any responsibility on the part of the agent and are not to be construed as containing any representation or fact upon which any person is entitled to rely. Neither the agent or any person in their employ has any authority to make or give any representation or warranty whatsoever in relation to the property. July 2025

VIEWING

By appointment through joint agents.

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