

A VALUE-ADD MULTI-LET OFFICE INVESTMENT



QUADRA

500 PAVILION DRIVE | NORTHAMPTON BUSINESS PARK | NORTHAMPTON | NN4 7YJ

Investment Summary

- Reversionary multi-let office located on Northampton Business Park, Northampton's premier office location
- Excellent connectivity, located adjacent to Brackmills Industrial Estate and 3 miles from J15 of the M1, and 3.5 miles from Northampton Train Station which provides a direct service into London Euston and Birmingham New Street in 56 mins and 60 mins respectively
- Providing a total of 41,916 sq ft of offices over 3 storeys and 9 office suites
- Let to 6 tenants with a WAULT of 2.83 years to expiry (2.47 years to break)
- Rent passing of £477,226 pa which equates to £11.39 overall and £16.51 on the let accommodation
- Recent rents achieved in the building of £20.52 psf to CIWM, offering a substantial reversion
- Significant asset management opportunities
 - Based on a conservative ERV of £19.50 psf, upon letting of the vacant suites this would increase the rent passing to £731,330 pa. Once this ERV has been realised throughout the whole building this provides an increase to £817,362 pa
 - AIB is in lease renewal discussions, offering an early opportunity for a purchaser to increase the rental income
 - Keepmoat is in discussions about a possible re-gear/ re-location to Suite 6
 - The vendor has been undertaking a refurbishment programme. There is an opportunity for an investor to upgrade the EPC ratings across the property to at least a B, leading to improved liquidity and broader market appeal.
- Flexible floor plates well suited to occupational demand in Northampton
- Freehold



PROPOSAL

We are instructed to seek **offers in excess of £4,072,000** which equates to a **low capital value of £96 psf** and offers the following attractive yield profile.

Net Initial Yield:	11.00%
Net reversionary yield upon letting of the vacant accommodation:	16.86%
Net reversionary yield upon achieving the ERV throughout the building:	18.84%

The vendor is offering an 18 month rates and service charge guarantee on the vacant accommodation.

Location

Quadra is located within Northampton Business Park, approximately 3 miles south of Northampton town centre, with excellent access to M1 Junctions 15 & 15A via the A45 and A5076 respectively.

Northampton Business Park was developed in the 1980's and early 1990's and extends over 54 acres. The business park provides a range of multi-let and stand-alone headquarter buildings which have been popular with a range of national and regional occupiers since its construction.

The park's occupiers and owners benefit from the onsite management and security centre, providing 24-hour manned security and CCTV coverage. There is a Costa Coffee, Greggs, and Marriot Hotel all within approximately a 10 minute walk from the building.

Northampton is a large market town in West Northamptonshire in the East Midlands, with a working population of approximately 142,700. It is a key distribution hub supported by excellent infrastructure, and a range of expertise including manufacturing, engineering, and professional services.

Key occupiers on Northampton Business Park include: Barclaycard, Regus, and Ricoh UK Limited. Other major office occupiers in Northampton include Nationwide Building Society, Northamptonshire County Council, Avon Cosmetics, Opus Energy, Phoenix IT Group, Shoosmiths, Staysure, Travis Perkins and Ald UK.



Communication



Road

	Distance	Duration
Northampton Town Centre	2.6 miles	7 mins
M1 Junction 15	3 miles	6 mins
Birmingham	58 miles	63 mins
London	66 miles	80 mins



Rail

Northampton Railway Station was redeveloped in 2015 and is located approximately 3.5 miles to the north west of the property.

	Frequency	Duration
Milton Keynes	15 mins	14 mins
Birmingham Intl. Airport	30 mins	48 mins
London Euston	25 mins	56 mins
Birmingham New Street	30 mins	60 mins



Description

Quadra is a multi-let office building situated on Northampton Business Park, occupying a site area of approximately 1.63 acres. The property provides 41,916 sq ft of modern office accommodation over ground and two upper floors offering flexible workspaces for tenants.

The vendor has undertaken a significant refurbishment programme including the following works:

- Refurbishment of Suites 2, 3b, 6 & 8 (noting that the refurbishment of Suite 2 is in progress), incorporating new VRF air conditioning, carpets, ceiling tiles and redecoration throughout
- Upgraded external and internal common parts including the reception and VRF air conditioning
- Upgraded WCs on each floor

	VRF / VAV air conditioning		Fully accessible raised floors
	Mix of original metal and new mineral fibre ceiling tiles		LED lighting
	Two 13-person passenger lifts		Male and female toilets on each floor
	207 parking spaces (1:203)		

Tenure

Freehold (Title Number: NN195033)



Tenancy

Quadra is let to 6 tenants with a WAULT of 2.83 years to expiry (2.47 years to break), producing a total income of £477,226 pa. 60% of the income is secured against tenants with a D&B rating of 5A2 or better.

Perrys Motor Sales Limited are currently in occupation of Suite 1, and Suite 2 is currently vacant. Perrys will surrender its lease of Suite 1 and enter into a new five-year lease of Suite 2, subject to completion of the landlord's works. A short-term licence has been granted to allow continued occupation of Suite 1 while Suite 2 is fitted out.

Floor	Tenant	Floor Area (sq ft)	EPC	Passing Rental		ERV		Rent review Date	Lease Start Date	Lease Expiry Date	Tenant Break Date	Break Penalty (mths rent)	Security of Tenure (Y/N)	Service Charge Cap	Comments
				£pa	£/sq ft	£pa	£/sq ft								
GF-Suite 1	Vacant	4,485		£0	£0.00	£87,458	£19.50								NB: Perrys on short term licence, whilst refurb of Suite 2 is completed, where they will relocate to.
GF-Suite 2	Perrys Motor Sales Ltd	4,468	To be refurbished to at least a B	£87,068	£19.49	£87,126	£19.50		10/12/2026**	09/12/2031	10/12/2029		Y	Y	**The lease shall commence 7 days after PC of the Landlord's works (anticipated PC on 3 December 26). Longstop Date: 10 June 27. 3 months rent free at lease commencement (to be topped up by vendor). Internal Repairing Lease. 3 month break penalty. SC Cap: Y1- £10 psf / Y2-£8psf/ Y3-£7psf, CPI linked thereafter.
FF-Suites 3a & 4	Infinis Energy Services Ltd	8,648		£126,121	£14.58	£168,636	£19.50	06/12/2022	06/12/2017	05/12/2027			Y	N	Guarantor-3i LFG
FF-Suite 3b	CIWM	3,185	B*	£65,364	£20.52	£62,108	£19.50		14/07/2025	13/07/2030				Y	Refurbished incl new AC. SC Cap:Y1- £10 fixed/Y2-£8 fixed/ Y3-5-£7 +CPI (Y1 base)
FF-Suite 5	Keepmoat	4,759	E	£78,048	£16.40	£92,801	£19.50	15/03/2026	15/03/2021	14/03/2031	15/03/2027 (Break not exercised)	4.50	N	N	3 months rent free from 15/03/2027 as the Tenant has not exercised their break option. Keepmoat is in discussions about a possible re-gear/ re-location to Suite 6.
SF-Suite 6	Vacant	4,444	B	£0	£0.00	£86,658	£19.50								Refurbished incl new AC
SF-Suite 7	AIB	3,914		£56,625	£14.47	£76,323	£19.50	15/01/2021	15/01/2016	14/01/2026			Y	N	Holding over. Lease renewal discussion in progress
SF-Suite 8	Vacant	4,099	A	£0	£0.00	£79,931	£19.50								Refurbished incl new AC
SF-Suite 9	HSBC	3,914	E	£64,000	£16.35	£76,323	£19.50	25/02/2024	25/02/2019	24/02/2029			Y	Y	Index linked SC cap. Additional 13 car parking spaces at £6.5kpa on one months notice.
TOTALS		41,916		£477,226	£11.39	£817,362	£19.50			2.83	2.47				

Rent psf on let accomm: £16.51

*Client has advised the EPC rating is at least a B but awaiting a copy of the EPC.

Occupational Market

The Northampton office market currently has very limited Grade A supply, offering occupiers few options for best-in-class space with strong ESG credentials. There are 3.9m sq ft of out of town offices in Northampton with a current vacancy rate of 7.6%, down from 7.9% in Q1 2026. There is currently no space under construction, with the last project completing in Q1 2021. Further downward pressure on supply is expected as a result of a number of office buildings being purchased by developers seeking to redevelop for alternative uses, for example, 100 Pavilion Drive was purchased by Baytree Logistics Partners in 2025 for industrial redevelopment.

We are of the opinion that the ERV for Quadra is £19.50 psf – £20.50 psf, which is supported by the recent lease renewals to CIWM and Perrys Motor Sales Ltd where rents of £20.52 psf and £19.49 psf were achieved respectively.

Rental Transactions

Property	Occupier	Date	Area (sq ft)	Rent (£ psf)	Term (Break)
2 – 500 Pavilion Dr	Perrys Motor Sales Ltd	Dec-26	4,468	£19.49	5 (3)
3B – 500 Pavilion Dr	CIWM	Jul-25	3,811	£20.50	5
Part FF- 12 Waterside Way	Banner Group	Dec-24	1,198	£19.62	5 (3)
GF – 12 Waterside Way	Ignite Energy	Dec-24	2,395	£19.52	5 (3)
32 & 34 The Lakes Bedford Road	Postworks Ltd	Oct-24	3,652	£20.00	5



Dataroom

Access to the dataroom is available upon request.

VAT

It is anticipated that the transaction will be treated as a TOGC.

Service Charge

The building service charge is currently £6.41 psf for the refurbished suites and £9.15 psf for the remaining suites. There is a separate Estate rent charge of £1.17 psf.

Asset Management Opportunities

Quadra offers significant asset management opportunities to add value including the following:

- Reversionary rents provide an opportunity to increase rental income. Based on a conservative ERV of £19.50 psf, upon letting of the vacant suites this would increase the rent passing to £731,330 pa. Realising the ERV throughout the building would provide an increase to £817,362 pa.
- Various re-gear opportunities with existing tenants:
 - AIB are in discussions about a re-gear to include refurbishment to improve the EPC rating
 - Keepmoat are in discussion about a potential re-gear / location to Suite 6
- Opportunity to improve the EPC rating throughout the building to at least a B to improve liquidity and broader market appeal. The vendor has undertaken a significant refurbishment programme and once the Perry's refurbishment is complete 39% of the building (by income) will have an EPC of at least a B.



Capital Allowances

Capital allowances are not available.

EPC

The offices are assessed individually with a schedule available in the dataroom. Approximately 39% of the let income is targeted to be at least an EPC B rating (once Perry's Motor Sales Ltd's refurbishment has been completed).

PROPOSAL

We are instructed to seek **offers in excess of £4,072,000** which equates to a **low capital value of £96 psf** and offers the following attractive yield profile.

Net Initial Yield:	11.00%
Net reversionary yield upon letting of the vacant accommodation:	16.86%
Net reversionary yield upon achieving the ERV throughout the building:	18.84%

The vendor is offering an 18 month rates and service charge guarantee on the vacant accommodation.

Contact

Tom Forman

Tom.forman@carterjonas.co.uk
07557 283 230

Vikram Dard

Vikram.dard@carterjonas.co.uk
07977 540025

Carter Jonas



Carter Jonas