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Leamington Spa area analysis

BELVOIR!





Leamington Spa area analysis

Summary

Leamington Spa is ideally placed with direct trains to Coventry, Birmingham International and Birmingham.

London Marylebone is also only 1 hour and 15 minutes away.

It also benefits from a higher than average national wage and low unemployment.

Leamington Spa is a regional shopping centre and is known for its attractive architecture.

Warwick and Leamington parliamentary constituency has 65% ABC1 class people, well above the national average.

There are concerns over the impact of the HS2 line.

Local economic data



Wages: £41,271

(Warwick and Leamington parliamentary constituency)



Unemployment: 3%

(Warwick and Leamington parliamentary constituency)

Major employers

- National Grid
- TATA
- Jaguar Land Rover
- Wolsey
- Silicon Spa

Major employment areas



Retail



Gaming

Jobs likely to grow/decline

The Warwick District local plan identifies the importance of protecting the role of Leamington Spa town centre as main retail area of the district. There is also a burgeoning video game industry, dubbed the Silicon Spa.

Local news and area information websites



royal-leamington-spa.co.uk



leamingtoncourier.co.uk/



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Population (demand)

Population Growth	2001	2011	% change	current	% change	Forecast 2033	% change
UK	59,100,000	63,182,178	6.19%	65,648,054	3.9%	71,600,000	9.07%
England	49,138,831	53,012,456	7.88%	55,268,067	4.25%	60,251,500	9.02%
West Midlands	5,267,308	5,601,847	6.35%	5,810,773	3.73%	6,307,700	8.55%
Warwick District	85,595	93,541	9.28%	97,795	4.55%	102,900	5.22%
Leamington Spa	51,650	55,733	7.91%	57,309	2.83%	N/A	N/A

Population

Thanks to the University of Warwick, there is a huge student population in Leamington Spa, providing a boost to the town's economy of up to £84 million. To house these students, more bespoke student accommodation is being built; in the past this has been to the south but more recently it is being built in the north of the town.

Biggest forecast increase in population

According to the Warwick District Local Plan, the highest rate of projected population growth in the future is expected to be among those aged 65. The population aged over 75 is projected to increase by 65% over the plan period.

Planned development



South of Warwick & Leamington

The strategic urban extension to the south of Warwick and Leamington comprises land to the west of Europa Way, south of Gallows Hill/the Asps and south of Harbury Lane. In addition to the sections that are brownfield sites, this area will deliver an estimated 4,345 dwellings, new secondary school facilities, four primary schools, local GP services, shops and community facilities.



Chandos Street

Royal Leamington Spa is acknowledged as a sub-regional shopping destination and the Chandos Street area has been earmarked for major future retail investment.



Regent Court

Changes of use from shops (Use Class A1) to restaurants and cafes (Use Class A3) will be permitted within Regent Court, Royal Leamington Spa.





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Tenure

Tenure	2001	% of tenure	2011	% of tenure	% change between 2001 and 2011
UK					
Total	24,482,193	100%	26,442,096	100%	8.01%
Ownership	16,798,737	68.61%	16,799,415	63.53%	N/A
Shared	N/A	N/A	192,648	0.72%	N/A
PRS	2,338,978	9.55%	4,301,086	16.26%	83.89%
Social	4,982,182	20.35%	4,799,765	18.15%	-3.66%
ENGLAND					
Total	20,451,427	100%	22,063,368	100%	7.88%
Ownership	13,929,429	68.10%	13,975,024	63.34%	0.33%
Owned outright	5,969,670	29.18%	6,745,584	30.57%	13%
Owned with mortgage/loan	7,950,759	38.87%	7,229,440	32.76%	-9.07%
Shared Ownership	133,693	0.65%	173,760	0.78%	29.97%
PRS	1,798,864	8.79%	3,715,924	16.84%	106.57%
Social	3,940,728	19.26%	3,903,550	17.69%	-0.94%
LEAMINGTON SPA					
Total	19,670	100%	21,284	100%	8.21%
Ownership	12,124	61.63%	11,486	53.96%	-5.26%
Owned outright	5,048	25.66%	5,346	25.11%	5.9%
Owned with mortgage/loan	7,076	35.97%	6,122	28.76%	-13.48%
Shared ownership	138	0.70%	153	0.71%	10.87%
PRS	2,866	14.57%	5,447	25.59%	90.06%
Social	3,917	19.91%	3,950	18.55%	0.84%

Homes in short supply

The Local Plan suggests a fall in rents in some parts of the town centres in Warwick district including Leamington Spa. However, we are finding rentals in the PRS are increasing by an average of 3%-4% annually.

The fact is that the student rental 'houses' are lowering in rental value in order to be more competitive in the student market due to:

1. The increase in student 'blocks', where students can share to make their rental cheaper.
2. Some students choosing to live and pay high rentals in these blocks as they are so 'luxurious' compared to older properties.
3. Article 4 Directions limiting HMOs, forcing students to live in the blocks.

We feel this is why the Local Plan have arrived at this conclusion, but it is not a true reflection of the private rental sector in our area.

Housing stock, sales and new builds (supply)

Number of households	2001	2011	% change	current	% change	Forecast 2033	% change
UK	24,482,193	26,442,096	8.01%	28,029,823	6%	31,907,501	13.8%
England	20,451,427	22,063,368	7.88%	23,697,000	7.4%	26,898,000	13.5%
West Midlands	2,153,672	2,294,909	6.56%	2,317,800	1%	2,701,000	16.53%
Warwick district	53,356	58,678	9.98%	62,000	5.66%	69,000	11.29%
Leamington Spa	19,670	21,284	8.21%	N/A	N/A	N/A	N/A





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Number of new builds

No. of new builds	2005	2007	2009	2013	2014	2015	2016	New builds required*
England	185,553	214,936	182,767	124,722	136,605	170,693	189,645	300,000
Warwick district	786	573	503	165	224	624	625	932

*per annum, to keep up with population growth

Key areas of planning



Harbury Lane

Construction is underway on two pieces of land at Harbury Lane, close to Bishops Tachbrook, for 420 new homes. Houses are to be built at the Bishop's Gate development ranging from two-bed to five-bed homes, while at the Meadowsweet Farm development there will also be one-bed properties.

Source: coventrytelegraph.net



Myton Green

Work to begin on the Myton Green development between Leamington and Warwick. 735 homes are to be built between Myton Road and Europa Way.

Source: leamingtonobserver.co.uk





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Property price summary

Area	1995	2000	2005	2007/8 Height	Market low	Market low/ height	Latest month's data	Current price/ market height	YoY price change	Annual average increase since 2000	Land Registry Highest	
											Date	% increase
UK	£55,437	£84,620	£150,633	£190,032	£154,452	-18.72%	£225,047	18.4%	4.4%	5.6%	Dec 02	28.4%
England	£53,203	£75,219	£158,572	£194,764	£159,340	-18.19%	£242,176	24.3%	4.1%	6.7%	Jan 03	26.4%
<u>W.Mids</u>	£48,528	£63,833	£140,028	£165,807	£136,966	-17.39%	£192,648	16%	7.3%	6.3%	Jan 03	29.5%
Leamington Spa	£44,745	£57,695	£131,870	£148,578	£122,773	-17.37%	£179,201	21%	6.6%	6.5%	Feb 03	36.4%





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Housing transaction data

Sales volume by funding status in Warwick

Cash purchases Mortgage purchases

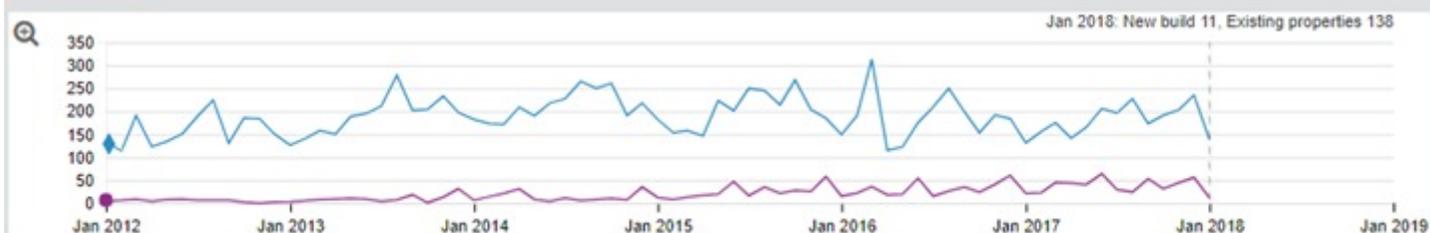
[See data graph](#) [See data table](#) [Download this data](#) [Compare with location ...](#)



Sales volume by property status in Warwick

New build Existing properties

[See data graph](#) [See data table](#) [Download this data](#) [Compare with location ...](#)





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Average rents

For Q1 2018, there are increased rents for all property types and sizes, with larger increases for all properties except studio flats. Tenant demand also increased for all properties, which is mainly due to Blue Chip companies expanding in the area.

Both rents and tenant demand are expected to increase for Q2 2018, due to the shortage of properties and more tenants moving into the area to work.

The Leamington Spa area is typically split into two: north and south, so rents can vary.

For example, we are advertising a one-bed in the south at £675pcm while, in the north, we have ones which let for £1,395pcm, giving an average of around £875pcm. For three beds, averages range from £900pcm in the south to £1,400pcm as a 'middle ground' rent up to £1,700pcm in the north.

In addition, Leamington Spa has some incredible regency houses which are enormous and can attract rents of over £2,000pcm.

To find out what rental your property will and should be achieving, do contact our office on 01926 422251.

County	Average latest quarter rent	Average rent in previous year's quarter	% change	Average annual rent for previous year	Latest quarter vs previous year's average	Highest historical average quarter		Lowest historical average quarter		First quarter recorded rent		No. of years	Annual average increase since existence
						Year	Value	Year	Value	Year	Value		
Warwickshire	£1,1017	£826	23.24%	£925	9.98%	2017 Q3	£1,030	2010 Q1	£654	2008 Q2	£695	10	3.88%
Rugby	£761	£733	3.88%	£740	2.95%	2015 Q4	£935	2010 Q1	£500	2008 Q2	£565	10	3.03%
Stratford	£1,071	£1,043	2.68%	£1,097	-2.38%	2013 Q3	£1,656	2011 Q1	£815	2008 Q2	£871	10	2.09%





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Yields

Rental Summary	Average price	Average monthly rent	Yield
LEAMINGTON SPA			
One bed flat	£251,000	£957	4.58%
Two bed flat	£296,000	£1,117	4.53%
Two bed house	£307,000	£1,282	5.01%
Three bed house	£382,000	£1,460	4.59%
Four bed house	£432,500	£1,940	5.38%
WARWICK			
One bed flat	£183,000	£816	5.35%
Two bed flat	£242,500	£996	4.93%
Two bed house	£249,000	£1,021	4.92%
Three bed house	£298,000	£1,266	5.1%
Four bed house	£401,500	£1,480	4.42%