

# SAXON SQUARE

LUTON LU2

WINTER 2018/19

## £10,350

deposit required for a one bedroom apartment using Help to Buy\*

DATALOFT/HMRC

## NO 1

for quickest commute time, most affordable average house price and monthly rent

DATALOFT/NATIONAL RAIL/LAND REGISTRY

## £7,150 & £11,600

minimum and maximum stamp duty costs for BTL investors\*

HMRC

## £1.5 BILLION

Private sector investment in Luton

HM GOVERNMENT

\*average one bedroom apartment at Saxon Square





# LUTON: GOING PLACES

## A wealth of investment

Luton is a town that is going places. With an expanding international airport on its doorstep, a journey time of just 36 minutes into central London and ambitious plans for a major town-wide regeneration, Luton offers connectivity, well-priced homes and potential for future price growth. The Luton Investment Framework will see £1.5 billion of inward investment and the creation of 18,500 jobs over the next 20 years.

Luton had a thriving manufacturing industry and these former factory sites are now being redeveloped to provide new housing in prime locations. A 55-acre former Vauxhall Motors site is being transformed into a landmark residential and mixed-use development through a number of projects, this will include hundreds of new homes being delivered by Redrow across 20-acres.

As part of this redevelopment, Redrow is delivering 223 one and two bedroom apartments at Saxon Square, which is two minutes from Luton Airport Parkway train station.

## £1.5bn investment



**£110 MILLION**  
INVESTED IN LONDON  
LUTON AIRPORT  
INCREASING CAPACITY



**£31 MILLION**  
IMPROVEMENT TO  
M1 JUNCTION 10A  
COMPLETED



**395-ACRE LONDON LUTON  
AIRPORT ENTERPRISE  
ZONE CREATING  
7,200 JOBS**

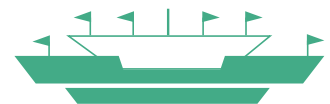


**REDROW**  
IS DELIVERING  
**520 NEW HOMES**  
WITH A GDV IN EXCESS OF  
**£200 MILLION**

**£26 MILLION**  
TOWN CENTRE  
TRANSPORT SCHEME  
IMPROVEMENTS



**£300 MILLION**  
NAPIER GATEWAY DEVELOPMENT  
INCLUDING A HOTEL, RETAIL  
SPACE, A NEW PUBLIC PARK  
AND APARTMENTS.  
SAXON SQUARE IS ADJACENT  
TO THIS REDEVELOPMENT



**£150 MILLION**  
POWER COURT DEVELOPMENT  
INCLUDING A CINEMA,  
RESTAURANTS, APARTMENTS,  
HOTEL AND A STATE-OF-THE-  
ART STADIUM FOR LIVE  
SPORTS AND MUSIC



THE LOWDOWN



**33%  
HOUSE PRICE  
GROWTH**

**OVER THE PAST FIVE YEARS**

dataloft/LAND REGISTRY, THREE MILES  
RADIUS OF NAMED TRAIN STATION

**NO 1  
FOR  
QUICKEST  
COMMUTE TIME,  
MOST AFFORDABLE AVERAGE  
HOUSE PRICE  
AND  
MONTHLY RENT**



dataloft analytics/ NATIONAL RAIL/  
LAND REGISTRY



**£1.5BN  
PRIVATE SECTOR  
INVESTMENT**

HM GOVERNMENT

\*Locations 36-46 minutes commute time  
to central London. See page 4  
\*\*three mile radius of named train station,  
five years to August 2018

**A smart investment**

£167 million of investment in various modes of transport has contributed to Luton being crowned 'the 2017 Commuter Hotspot'\*. Thanks to its airport, accessibility to the M1 and rail links, the town has unrivalled connections to London, the rest of the UK and to Europe.

**AIRPORT**



- 20 new destinations added since 2015
- Passenger numbers set to increase 50% by 2020
- Contributes £2,000 per minute to the national economy
- The two-hour drive catchment is 23 million people, exceeding that of London Heathrow

**RAIL**

**FROM LUTON AIRPORT  
PARKWAY**



- 24 hour access, seven days a week into central London
- London St Pancras International train station is 23 minutes away, offering access to King's Cross where 8,500 employees now work in offices (including Google's Headquarters), shops, restaurants and cafes. Facebook is also set to open new offices in King's Cross in 2021, bringing an additional 6,000 jobs to the area
- Eurostar is available direct from London St Pancras International, offering services to a number of European destinations including Paris in 2 hours 16 minutes, Brussels in 1 hour 48 minutes and Amsterdam in 3 hours 55 minutes
- 40 minutes direct to the City of London (City Thameslink)
- 36 minutes direct to central London (Holborn via train and tube)
- Connections to Crossrail in 38 minutes via Farringdon station

**MOTORWAY**



- Three miles from Saxon Square, the M1 connects to London and the North of England
- £100m road infrastructure investment, including a recent £31 million upgrade to the exit junction to Saxon Square (Junction 10a)

**BUSES**



- £26 million town centre transport scheme
- Luton Dunstable Busway connects the three nearby towns of Luton, Dunstable and Houghton Regis with Luton Airport. Introduced in 2013 it has carried 10.5 million passengers

\*Jackson-Stops, December 2017



# AFFORDABLE AND COMMUTABLE

## Finding value in the London commuter belt

Housing affordability has become one of the nation’s biggest challenges, especially for those living and working in London and the South East. With buyers increasingly being priced out of London, average commute times for people working in London have risen to 46 minutes. Commuters are looking for locations that offer both value and reasonable journey times.

### THE LOWDOWN



**36**  
COMMUTE  
FROM LUTON TO  
CENTRAL LONDON IN  
**36 MINUTES**

dataloft/NATIONAL RAIL



**£10,350**  
DEPOSIT FOR AN AVERAGE  
**ONE BEDROOM**  
APARTMENT AT  
**SAXON SQUARE**  
USING HELP TO BUY\*

dataloft/LAND REGISTRY, ASSUMING 5%  
DEPOSIT ON NEW BUILD APARTMENT

### Best for cost, best for commute

We have ranked the ten most affordable locations that are within an easy commute to central London. We analysed purchase prices and monthly rent in locations under the average commute time into London and within the commute time of Luton. The average commute time for people working in the capital is 46 minutes\*, whilst the commute time from Luton to central London is ten minutes quicker than this.

Despite Luton being the fastest journey time it was also the most affordable location to both rent and buy, as illustrated in tables one and two. The next lowest priced location to buy, Gravesend, is over £46,000 more expensive to purchase a property, despite having the same journey time. Sawbridgeworth, which ranks 10th in terms of rental affordability within the analysis, is £178 more per month despite being the same commute time into London as Luton Airport Parkway.

TABLE 1

**Top 10 Most affordable places to buy a home** within the journey time from Saxon Square and the average commute time into central London

RANK	TRAIN STATION	TRAVEL TIME*	DISTANCE TO CENTRAL LONDON in miles	AVERAGE PRICE**	COUNTY
1	LUTON AIRPORT PARKWAY	36	33.1	£239,291	Bedfordshire
2	GRAVESEND	36	26.0	£285,553	Kent
3	MILTON KEYNES CENTRAL	46	55.2	£292,553	Milton Keynes
4	LEIGHTON BUZZARD	43	48.1	£307,876	Bedfordshire
5	STEVENAGE	37	32.3	£308,960	Hertfordshire
6	THREE BRIDGES	46	32.7	£310,587	West Sussex
7	SANDY	36	49.0	£313,348	Bedfordshire
8	HARLOW TOWN	41	27.7	£314,733	Essex
9	ARLESEY	37	43.3	£344,584	Bedfordshire
10	ROYDON	36	29.0	£349,181	Essex

SOURCE: dataloft/NATIONAL RAIL/TfL \*total travel time in minutes \*\*all property, three mile radius from station



## The top five locations for average price of a property combined with average rent

A RANKING OF THE MOST AFFORDABLE AREAS WITHIN A 36 TO 46 MINUTE JOURNEY TIME TO CENTRAL LONDON



**1 LUTON AIRPORT PARKWAY** 36

**2 MILTON KEYNES CENTRAL** 46

**3 GRAVESEND** 46

**4 SANDY** 46

**5 STEVENAGE** 37

Zone 1

dataloft/NATIONAL RAIL/TfL  
\*total travel time in minutes



TABLE 2

### Top 10 Most affordable places to rent a flat within the journey time from Saxon Square and the average commute time into central London

RANK	TRAIN STATION	TRAVEL TIME*	DISTANCE TO CENTRAL LONDON in miles	AVERAGE RENT per month**	COUNTY
1	LUTON AIRPORT PARKWAY	36	33.1	£631	Bedfordshire
2	SANDY	46	49.0	£636	Bedfordshire
3	LEIGHTON BUZZARD	43	48.1	£703	Bedfordshire
4	GRAVESEND	41	26.0	£715	Kent
5	ARLESEY	36	43.3	£762	Bedfordshire
6	KNEBWORTH	37	29.7	£771	Hertfordshire
7	LONGFIELD	37	24.0	£784	Kent
8	STEVENAGE	36	32.3	£794	Hertfordshire
9	HARLOW TOWN	46	27.7	£805	Essex
10	SAWBRIDGEWORTH	36	28.6	£809	Hertfordshire

SOURCE: dataloft/NATIONAL RAIL/TfL \*total travel time in minutes \*\*all property, three mile radius



# LOW DEPOSITS AND NO STAMP DUTY

## First-time buyers

The average age of a first-time buyer in the UK is 30, in London this rises to 32. In a drive to assist people onto the housing ladder, the Conservative Party announced in 2017 the abolition of stamp duty land tax for first-time buyers purchasing a new home up to £300,000. Every property at Saxon Square is available to first-time buyers with no stamp duty.

## Competitive prices





The average price for a one bedroom apartment at Saxon Square is £207,000. When looking at competitor locations under the average journey time of commuters into London (46 minutes), they are all priced above this price point. For an average one bedroom apartment at Saxon Square, a buyer using Help to Buy and a 75% mortgage would need a deposit of £10,350. In addition to the attractive price point, the area is set to welcome a host of new shops, restaurants and entertainment facilities over the next five years, providing potential for price growth. As testament to the development's appeal to this demographic, half of the sales to date have been to first-time buyers.

### HELP TO BUY

- The Government lends up to 20% of the purchase price
- Buyers can purchase with a 5% deposit and a 75% mortgage. There are no fees on the 20% loan for the first five years
- If the property is sold, the Government reclaims its loan
- 170,000 households have used Help to Buy since it launched in 2013
- Available for new build properties up to £600,000
- A buyer using Help to Buy at Saxon Square with a 75% mortgage, would need a deposit of £10,350 for a one-bedroom apartment

N.B this is current government policy

## Stamp duty and deposit figures for first time buyers on new build flats in top 10 commuter locations

TOP 10 COMMUTER LOCATIONS 	AVERAGE PRICE new flats 	TOTAL TRAVEL TIME mins 	FIRST-TIME BUYER COSTS 5% deposit + SDLT 
SAXON SQUARE	£207,000*	36	£10,350
LEIGHTON BUZZARD	£208,873	43	£10,444
THREE BRIDGES	£218,695	46	£10,935
MILTON KEYNES CENTRAL	£234,051	46	£11,703
SANDY	£236,144	36	£11,807
APSLEY	£240,061	39	£12,003
HEMEL HEMPSTEAD	£240,061	37	£12,003
BROXBOURNE	£248,477	39	£12,424
GATWICK AIRPORT	£254,744	41	£12,737
HIGH WYCOMBE	£258,739	46	£12,937

dataloft/LAND REGISTRY/ NATIONAL RAIL/HMRC

\*Based on average one-bedroom apartment in Saxon Square'



# LOW STAMP DUTY AND DEPOSITS

## Investors

The low cost of apartments at Saxon Square and the £1.5 billion regeneration plans make the area a sound investment. The second home stamp duty land tax levy was brought into effect in 2016, with buy to let investors now paying an additional 3% levy on homes which are not their primary residence.

At Saxon Square, investors are paying 69% less than the capital's average in stamp duty, despite being 36 minutes from central London. Investors at Saxon Square could purchase an average one bedroom apartment at Saxon Square with a 10% deposit of £20,700, plus stamp duty land tax of £7,850.

## Competitor market analysis

Manchester and Birmingham have risen in popularity as investors have looked away from central London due to high stamp duty costs. We ran a competitor analysis on average stamp duty and deposit costs in the two cities and compared these to the average costs of a one bedroom apartment at Saxon Square. The figures show that Saxon Square can easily rival these cities as an investment hotspot, offering an average stamp duty cost of £7,850 for a one bedroom apartment. What's more Luton is also considerably closer to the UK's capital.







COMPETITOR	AVERAGE PRICE new flats	STAMP DUTY	DEPOSIT	TRAVEL TIME	TRAVEL COSTS
SAXON SQUARE	£207,000*	£7,850	£20,700	36min	£4,048
MANCHESTER	£200,470	£7,524	£20,047	2h 2min	£14,948
BIRMINGHAM	£214,782	£8,239	£21,478	1h 13min	£10,564**

dataloft/LAND REGISTRY/HMRC/TRAINLINE.COM

\*One bedroom apartment. Above costs do not include London travelcard costs.

\*\*Cost to travel on fastest route, cheaper options available

## Stamp duty and deposit figures for investors on new build flats in top 10 commuter locations

TOP 10 COMMUTER LOCATIONS 	AVERAGE PRICE new flats 	TOTAL TRAVEL TIME mins 	INVESTOR COSTS 10% deposit  SDLT**	
			10% deposit	SDLT**
SAXON SQUARE	£207,000*	36	£20,700	£7,850
LEIGHTON BUZZARD	£208,873	43	£20,887	£7,944
THREE BRIDGES	£218,695	46	£21,870	£8,435
MILTON KEYNES CENTRAL	£234,051	46	£23,405	£9,203
SANDY	£236,144	36	£23,614	£9,307
APSLEY	£240,061	39	£24,006	£9,503
HEMEL HEMPSTEAD	£240,061	37	£24,006	£9,503
BROXBOURNE	£248,477	39	£24,848	£9,924
GATWICK AIRPORT	£254,744	41	£25,474	£10,380
HIGH WYCOMBE	£258,739	46	£25,874	£10,699

dataloft/LAND REGISTRY/NATIONAL RAIL/HMRC

\*Based on average one-bedroom apartment in Saxon Square'

\*\*SDLT at the applicable rate, plus 3% HRAD (Higher rate for additional dwellings)



Redrow was established in 1974. Today, it is one of the most successful and acclaimed property developers in the country, and for the year ended 30th June 2018 built over 5,900 premium family homes across England and Wales.

Over Redrow's history, spanning more than 40 years, it has earned a unique reputation for quality and building beautiful homes where people want to live. To help achieve this, Redrow has developed three sustainable business themes: Creating Thriving Communities by Building Responsibly and Valuing People. Implementing this strategy, whilst engaging with colleagues and stakeholders, helps Redrow deliver significant value to investors and the wider community.

Redrow is listed on the London Stock Exchange and is a constituent of the FTSE 250 index. For the year ended 30th June 2018, the Group reported record revenues of £1.92 billion. Redrow has twice won 'Gold,' and been in the top three every year for the last four years in the 'Best Large Housebuilder' category at the What House? Awards. This year, Redrow was named as a UK Top 100 Apprenticeship Employer for the fifth consecutive year.



## **MARK PARKER** FRICS, MCIQB BSC HONS MANAGING DIRECTOR OF REDROW EAST LONDON

Mark has over 30 years' experience in the residential property sector, having worked for some of the biggest names in the industry. He joined Redrow in 2015 and has been instrumental in the creation of a 64 strong team who have worked on the delivery of Redrow's flagship North West London scheme, Colindale Gardens. Mark's speciality is mid to low rise developments and he has exceptional knowledge of the London market, which he is utilising to grow Redrow's presence across the capital.



## **JAMES HOLMEAR** SALES DIRECTOR OF REDROW EAST LONDON

James has worked on some of the largest regeneration projects in London, including The International Quarter in Stratford and Elephant Park in Southwark. After joining Redrow in January 2016, James was crucial in the process of developing one of Redrow London's flagship developments, Colindale Gardens, into a new lifestyle destination for North West London. He has over 10 years' experience in the UK property market having previously worked at Lendlease and A2 Dominion Group and is now focussing on growing the company's presence and expertise in East London.

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## **dataloftconsult**

Dataloft is an established property market intelligence company with a long track record of analysing and reporting on the housing market. We are committed to stripping away the mystique of complex data analysis and adding value for clients through interpretation, insight and creativity.

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