Prime Yield Guide – January 2024

This yield guide is for indicative purposes only and was prepared on 11th January 2024.



Knight Frank Intelligence

Yields are reflective of income-focussed transactions of prime, stabilised institutional-grade assets. Yields are provided on a Net Initial Yield (NIY) basis assuming a rack rented property.

| | SECTOR | | JAN-23 | AUG-23 | SEPT-23 | OCT-23 | NOV-23 | DEC-23 | JAN-24 | 1 MONTH CHANGE | MARKET SENTIMENT |
|------------|------------------|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------|---------------------|
| | Student Property | Prime London - Direct Let | 3.75% - 4.00% | 4.00% - 4.25% | 4.00% - 4.25% | 4.25% | 4.25% | 4.25% | 4.25% | | STABLE |
| | | Prime Regional - Direct Let | 5.00% - 5.25% | 5.00% - 5.25% | 5.00% - 5.25% | 5.00% - 5.25% | 5.00% - 5.25% | 5.00% - 5.25% | 5.00% - 5.25% | | STABLE |
| | | Prime London - 25 yr lease, Annual RPI | 4.00% - 4.25% | 4.00% | 4.00% + | 4.00% + | 4.25% | 4.25% + | 4.25% + | | NEGATIVE |
| | | Prime Regional - 25 yr lease, Annual RPI | 4.25% - 4.50% | 4.25% | 4.25% - 4.50% | 4.25% - 4.50% | 4.50% | 4.50% + | 4.50% + | | NEGATIVE |
| | | | | | | | | | | | |
| MAN | Co-Living | Prime London | 4.00% | 4.00% + | 4.00% + | 4.25% | 4.25% | 4.25% | 4.25% | | STABLE |
| | | Prime Regional | 4.75% | 4.75% + | 4.75% + | 5.00% | 5.00% | 5.00% | 5.00% | | STABLE |
| | | | | | | | | | | | |
| | Build to Rent | Zone 1 London Prime | 3.25% + | 3.60% | 3.75% | 3.75% + | 3.90% | 3.90% | 3.90% | | STABLE |
| | | Zone 2 London Prime | 3.25% - 3.50% | 3.80% | 3.90% | 4.00% | 4.00% + | 4.00% + | 4.00% + | | STABLE |
| | | Zones 3-4 London Prime | 3.5% + | 3.90% | 4.00% | 4.00% + | 4.15% + | 4.15% + | 4.15% + | | STABLE |
| | | Greater London Prime | 3.75% + | 4.00% - 4.10% | 4.10% | 4.10% + | 4.25% + | 4.25% + | 4.25% + | | STABLE |
| | | South East Prime | 3.75% - 4.00% | 4.00% - 4.10% | 4.10% | 4.10% + | 4.25% + | 4.25% + | 4.25% + | | STABLE |
| | | Tier 1 Regional Cities | 4.00% | 4.20% | 4.25% | 4.35% | 4.50% - | 4.50% | 4.50% | | STABLE |
| | | Tier 2 Regional Cities | 4.25% - 4.50% | 4.50% | 4.50% + | 4.65% | 4.75% + | 4.75% + | 4.75% + | | STABLE |
| | | South East – Single Family Housing | 3.75% + | 3.75% - 4.00% | 4.00% | 4.00% + | 4.00% + | 4.00% + | 4.00% + | | STABLE |
| | | Regional – Single Family Housing | 4.00% - 4.25% | 4.25% + | 4.50% | 4.50% + | 4.50% + | 4.50% + | 4.50% + | | STABLE |
| | | | | | | | | | | | |
| ŝ | Seniors Housing | Prime South East | 5.25% + | 5.25% + | 5.25% + | 5.25% + | 5.25% + | 5.25% + | 5.25% + | | STABLE |

Your partners in property.

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KEY RESEARCH





UK BTR

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Knight Frank Research looks at the latest investment and development trends in the UK Student & BTR sector in Q3 2023

Knight Frank V&A

Did you know

In addition to valuing assets in the main property sectors and having award winning teams in the Healthcare, Student and Automotive sectors, Knight Frank also has expertise in :

- Waste and Energy ٠
- Infrastructure
- Garden Centres
- Film Studios
- Serviced Offices
- Data Centres

- Life Sciences
- Income Strips
- Ground Rents
- Trading assets
- Expert Witness
- IPOs

KEY CONTACTS VALUATIONS / RESEARCH

Associate - Valuation & Advisory - Build to Rent

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We like questions. If you would like some property advice, or want more information about our research, we would love to hear from you.





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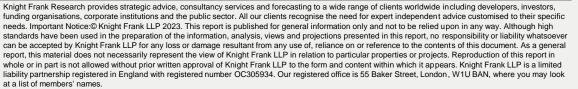
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