

Residential Investment Yield Guide

Q1 2022



Q1 MARKET SENTIMENT



STUDENT
POSITIVE



CO-LIVING
POSITIVE



BUILD TO RENT
POSITIVE



SENIORS HOUSING
POSITIVE

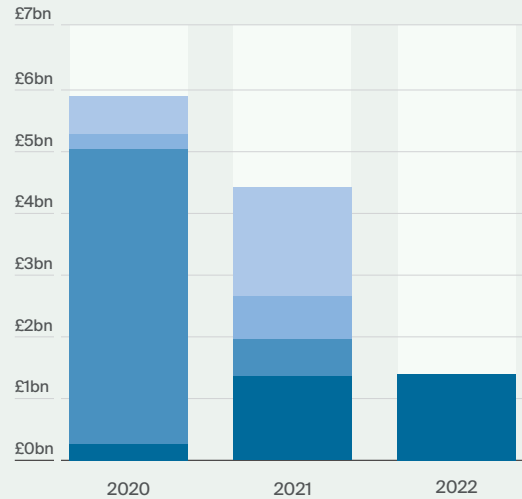


| SECTOR | MAR-21 | JUN-21 | SEP-21 | DEC-21 | MAR-22 | QTR CHANGE | MARKET SENTIMENT |
|--|-------------|-------------|-------------|-------------|-------------|------------|------------------|
| STUDENT PROPERTY | | | | | | | |
| Prime London - Direct Let | 3.75%-4.00% | 3.75%-4.00% | 3.75% | 3.75% | 3.75% | ↔ | POSITIVE |
| Prime Regional - Direct Let | 5.25% | 5.00%-5.25% | 5.00%-5.25% | 5.00% | 5.00% | ↔ | POSITIVE |
| Prime London - 25 yr lease, Annual RPI | 3.50% | 3.50% | 3.50% | 3.25% | 3.00% | ▼ | POSITIVE |
| Prime Regional - 25 yr lease, Annual RPI | 3.75% | 3.75% | 3.75% | 3.50% | 3.25% | ▼ | POSITIVE |
| CO-LIVING | | | | | | | |
| Prime London | 4.00%-4.25% | 4.00%-4.25% | 4.00%-4.25% | 4.00%-4.25% | 3.75-4.00% | ▼ | POSITIVE |
| Prime Regional | 5.00% | 4.75%-5.00% | 4.75%-5.00% | 4.75%-5.00% | 4.50-4.75% | ▼ | POSITIVE |
| BUILD TO RENT London & South East | | | | | | | |
| Zone 1 Prime | 3.00%-3.25% | 3.00%-3.25% | 3.00%-3.25% | 3.00%-3.25% | 3.00%-3.25% | ↔ | POSITIVE |
| Zone 2 Prime | 3.25% | 3.25% | 3.25% | 3.25% | 3.25% | ↔ | POSITIVE |
| Zones 3-4 Prime | 3.50% | 3.50% | 3.50% | 3.25%-3.50% | 3.25%-3.50% | ↔ | POSITIVE |
| Greater London Prime | 3.50%-3.75% | 3.50%-3.75% | 3.50%-3.75% | 3.50%-3.75% | 3.50%-3.75% | ↔ | POSITIVE |
| South East Prime | 4.00% | 3.75%-4.00% | 3.75%-4.00% | 3.75% | 3.50%-3.75% | ▼ | POSITIVE |
| Regional Cities | | | | | | | |
| Tier 1 | 4.00% | 4.00% | 4.00% | 4.00% | 3.75% | ▼ | POSITIVE |
| Tier 2 | 4.50%-5.00% | 4.25%-4.75% | 4.25%-4.75% | 4.25%-4.50% | 4.25% | ▼ | POSITIVE |
| Single Family Housing | | | | | | | |
| South East | 3.85% | 3.75% | 3.75% | 3.75% | 3.75% | ↔ | POSITIVE |
| Regional | 4.25% | 4.00%-4.25% | 4.00%-4.25% | 4.00%-4.25% | 4.00%-4.25% | ↔ | POSITIVE |
| SENIORS HOUSING | | | | | | | |
| Prime South East | - | - | - | 5.00%-5.25% | 5.00%-5.25% | ↔ | POSITIVE |

Important note: This yield guide is provided for indicative purposes only and was prepared on 30 January 2022. 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.

PBSA investment volumes

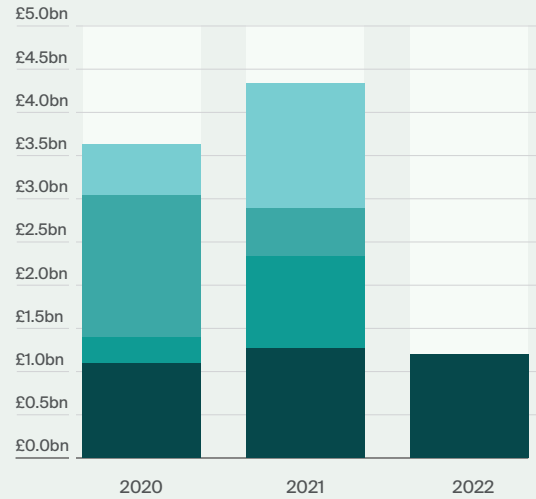
■ Q1 ■ Q2 ■ Q3 ■ Q4



Source: Knight Frank Research

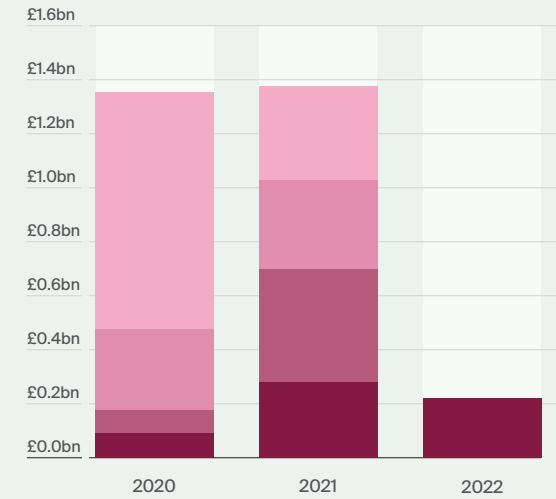
Build to rent investment volumes

■ Q1 ■ Q2 ■ Q3 ■ Q4



Seniors housing investment volumes

■ Q1 ■ Q2 ■ Q3 ■ Q4



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