

YIELD GUIDE MARCH 2019



Sector	Mar-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Monthly Change	Market Sentiment
High Street Retail									
Bond Street	2.00% - 2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%		STABLE
Oxford Street	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%		STABLE
Prime Shops	4.00% +	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +	4.50% - 4.75%	+0.25%	NEGATIVE
Regional Cities	4.50% +	5.00% +	5.00% +	5.00% +	5.00% +	5.00% +	5.00% - 5.25%	+0.25%	NEGATIVE
Good Secondary (Truro, Leamington Spa, Colchester etc)	6.00%	6.25% +	6.25% +	6.50% +	6.50% +	6.50% +	6.50% +		NEGATIVE
Secondary / Tertiary	10.00% ++	10.00% ++	10.00% ++	10.00% ++	10.00% ++	10.00% ++	10.00% ++		NEGATIVE
Shopping Centres									
Regionally Dominant (£200+ psf Zone A)	4.50% +	4.75% +	5.00%	5.25%	5.25%	5.25%	5.25%		NEGATIVE
Dominant Prime	5.75% +	6.50%	6.75%	7.25%	7.25%	7.25%	7.25%		NEGATIVE
Town Dominant	7.75% +	8.25% +	8.50%	9.00%	9.00%	9.00%	9.00%		NEGATIVE
Secondary	9.50% ++	10.00% ++	10.00% ++	10.00% ++	10.00% ++	10.00% ++	10.00% ++		NEGATIVE
Out of Town Retail									
Open A1/Fashion Parks	4.50% +	5.00%	5.25%	5.50%	5.50%	5.50% +	5.50% +		NEGATIVE
Secondary Open A1 Parks	5.75%	6.00%	6.25%	6.75%	6.75%	6.75% +	6.75% +		NEGATIVE
Bulky Goods Parks	5.75%	5.75%	5.75% +	6.00%	6.00%	6.00% +	6.00% +		NEGATIVE
Secondary Bulky Goods Parks	7.00%	7.00%	7.00% +	7.50%	7.50%	7.50% +	7.50% +		NEGATIVE
Solus Open A1 (15 yrs)	4.75%	4.75%	4.75% +	4.75% +	4.75% +	5.00%	5.00% +	+	NEGATIVE
Solus Bulky (<50,000 sq ft let to strong covenant for 15 yrs)	5.75%	5.00%	5.00% +	5.00% +	5.00% +	5.25%	5.50%	+0.25%	NEGATIVE
Leisure									
Leisure Parks	4.75%	5.00% +	5.00% +	5.25%	5.25%	5.25%	5.25%		NEGATIVE
Specialist Sectors									
Dept. Stores Prime (with fixed uplifts 1Y) [exc John Lewis]	5.50%	6.75%	7.00%	7.50%	8.00%	8.00%	8.00%		NEGATIVE
Car Showrooms (20 yrs with fixed uplifts & dealer covenant)	4.75%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%		STABLE
Budget Hotels London(Fixed/RPI uplifts 20 yr+ term, Strong Covenant)	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%		STABLE
Budget Hotels Regional (Fixed/RPI uplifts 20 yr+ term, Strong Covenant)	4.25%	4.25%	4.25%	4.00%	4.00%	4.00%	4.00%		STABLE
Student Accommodation (Prime London - Direct Let)	4.25%	4.25% -	4.25% -	4.25% -	4.25% -	4.25% -	4.00%	- 0.25%	POSITIVE
Student Accommodation (Prime Regional - Direct Let)	5.25%	5.25% -	5.25% -	5.25% -	5.25% -	5.25% -	5.25% -		POSITIVE
Student Accommodation (Prime London - 25 yr lease Annual RPI)	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%		STABLE
Student Accommodation (Prime Regional - 25 yr lease Annual RPI)	4.00%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%		STABLE
Healthcare (Elderly Care 30 yrs indexed linked reviews)	4.00%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%		POSITIVE
Foodstores									
Annual RPI increases (1Y) (25 year income)	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25% -	-	POSITIVE
Open market reviews	5.00%	5.00%	5.00%	5.00%	4.75%	4.75%	4.75% -	-	POSITIVE
Warehouse & Industrial Space									
Prime Distribution/Warehousing (20 year income (with fixed uplifts 1Y))	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		STABLE
Prime Distribution/Warehousing (15 year income)	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%		STABLE
Secondary Distribution (10 year income)	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%		STABLE
SE Estate (exc London & Heathrow)	4.25%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		STABLE
Good Modern RoUK Estate	5.00% -	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%		STABLE
Secondary Estates	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75% +	+	STABLE
Offices									
City Prime	4.00% - 4.25%	4.00% - 4.25%	4.00% - 4.25%	4.00% - 4.25%	4.00% - 4.25%	4.25% - 4.50%	4.25% - 4.50%		STABLE
West End Prime	3.50%	3.50%	3.50%	3.50%	3.50%	3.50% +	3.50% +		STABLE
Major Regional Cities	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%		STABLE
SE Towns	5.00% -	5.00% -	5.00% -	5.00%	5.00%	5.00%	5.00%		STABLE
SE Business Parks	5.00% -	5.00% -	5.00% -	5.00%	5.00%	5.00%	5.00%		STABLE
Bonds & Rates									
Libor 3 mth (01/03/2019)	0.58%	0.80%	0.80%	0.89%	0.91%	0.88%	0.85%		
Base rate (01/03/2019)	0.50%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		
5 year swap rates (01/03/2019)	1.24%	1.44%	1.44%	1.36%	1.24%	1.20%	1.31%		
10 yr gilts redemption yield (01/03/2019)	1.53%	1.59%	1.56%	1.35%	1.22%	1.23%	1.26%		

Based on rack rented properties and disregards bond type transactions

This yield guide is for indicative purposes only and was prepared on 07 March 2019

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