

Prime Yield Guide – August 2025

Knight Frank Intelligence

*This yield guide is for indicative purposes only
and was prepared on 29th August 2025.*



Yields are reflective of an optimum sized 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		AUG-24	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	1 MONTH CHANGE	MARKET SENTIMENT
	Student Property	Prime London - Direct Let	4.25%	4.25%	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	4.25% +	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		STABLE
		Prime Regional - 25 yr lease, Annual RPI	4.50% +	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%		STABLE
	Co-Living	Prime London	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +		STABLE
		Prime Regional	5.00% +	5.00% +	5.00% +	5.00% +	5.00% +	5.00% +	5.00% +		STABLE
	Build to Rent	Zone 1 London Prime	3.90% +	3.90% +	3.90% +	3.90% +	3.90% +	3.90% +	3.90% +		STABLE
		Zone 2 London Prime	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +		STABLE
		Zones 3-4 London Prime	4.15% +	4.15% +	4.15% +	4.15% +	4.15% +	4.15% +	4.15% +		STABLE
		Greater London Prime	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +		STABLE
		South East Prime	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +		STABLE
		Tier 1 Regional Cities	4.50% +	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%		STABLE
		Tier 2 Regional Cities	4.75% +	4.75% +	4.75% +	4.75% +	4.75% +	4.75% +	4.75% +		STABLE
		South East – Single Family Housing	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +		POSITIVE
	Seniors Housing	Regional – Single Family Housing	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +		POSITIVE
		Prime South East	5.25% +	5.25% +	5.25% +	5.25% +	5.25% +	5.25% +	5.25% +		STABLE

Your partners in property.

Prime Yield Guide – August 2025

Knight Frank Intelligence

This yield guide is for indicative purposes only
and was prepared on 29th August 2025.



KEY RESEARCH

UK BTR market update

Q3 2025

Significant milestone passed in the total number of completed, under construction and consented BTR houses climbs above 300,000.

Fig 1: More than 300k BTR houses completed, under construction or with planning

Fig 2: BTR delivery increases year on year

Fig 3: Future BTR delivery set to fall

UK Student Market Update

Q3 2025

Substantial investment figures for H1 continue in the latest data points a consistently upbeat picture on the outlook for UK and international student numbers.

Fig 4: UK PRISM investment volume

Fig 5: Higher rents expected for student accommodation

CLICK TO
DOWNLOAD
BTR

CLICK TO
DOWNLOAD
STUDENT

Knight Frank Research looks at the latest investment and development trends in the UK Living sectors

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
- Infrastructure
- Garden Centres
- Film Studios
- Serviced Offices
- Data Centres
- Life Sciences
- Income Strips
- Ground Rents
- Trading assets
- Expert Witness
- IPOs

KEY CONTACTS VALUATIONS / RESEARCH

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

Kitty De Conto
Partner – Valuation & Advisory – Build to Rent
+44 20 7861 1652
Kitty.DeConto@knightfrank.com

Neil Armstrong
Partner – Valuation & Advisory - Head of Student
+44 20 7861 5332
Neil.Armstrong@KnightFrank.com

Peter Youngs
Partner – Valuation & Advisory - Head of Seniors Housing
+44 20 7861 1656
Peter.Youngs@KnightFrank.com

David Shapland
Partner – Valuation & Advisory - Head of Build to Rent
+44 20 7861 5455
David.Shapland@KnightFrank.com

Sarah Jones
Partner – Valuation & Advisory – Student Property
+44 20 7861 1277
Sarah.Jones@KnightFrank.com

Oliver Knight
Partner – Research - Head of Residential Development
+44 20 7861 5134
Oliver.Knight@KnightFrank.com

KEY CONTACTS CAPITAL ADVISORY

Lisa Attenborough
Partner – KFCA - Head of Capital Advisory
+44 20 3909 6846
Lisa.Attenborough@KnightFrank.com

Knight Frank Research provides strategic advice, consultancy services and forecasting to a wide range of clients worldwide including developers, investors, funding organisations, corporate institutions and the public sector. All our clients recognise the need for expert independent advice customised to their specific needs. Important Notice: © Knight Frank LLP 2025. This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank LLP to the form and content within which it appears. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 6AN, where you may look at a list of members' names.

Knight Frank Research
Reports are available at
knightfrank.com/research