

Prime Yield Guide – July 2025

Knight Frank Intelligence

*This yield guide is for indicative purposes only
and was prepared on 30th July 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		JUL-24	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-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.

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KEY RESEARCH

UK BTR market update

Q2 2025

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

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

Fig 2: BTR delivery volumes

Fig 3: BTR delivery volumes by sector

UK Student Market Update

Q2 2025

Substantial investment figures for H1 2025 in the latest data points a consistently upbeat picture on the outlook for UK and international student numbers.

Fig 1: UK PRISM investment volume

Fig 2: Higher education investment volume

Fig 3: Higher education investment volume by sector

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BTR

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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.



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