





Prime Yield Guide – October 2024

Knight Frank Intelligence

This yield guide is for indicative purposes only
and was prepared on 25th October 2024.



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		OCT-23	MAY-24	JUN-24	JUL-24	AUG-24	SEPT-24	OCT-24	1 MONTH CHANGE	MARKET SENTIMENT	
	Student Property	Prime London - Direct Let	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	4.00% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25%	4.25%		STABLE
		Prime Regional - 25 yr lease, Annual RPI	4.25% - 4.50%	4.50% +	4.50% +	4.50% +	4.50% +	4.50%	4.50%		STABLE
	Co-Living	Prime London	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	3.75% +	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	4.00% +	4.15% +	4.15% +	4.15% +	4.15% +	4.15% +	4.15% +		STABLE
		Greater London Prime	4.10% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +		STABLE
		South East Prime	4.10% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +		STABLE
		Tier 1 Regional Cities	4.35%	4.50% +	4.50% +	4.50% +	4.50% +	4.50%	4.50%		STABLE
		Tier 2 Regional Cities	4.65%	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
Regional – Single Family Housing	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +		POSITIVE		
	Seniors Housing	Prime South East	5.25% +	5.25% +	5.25% +	5.25% +	5.25% +	5.25% +		STABLE	

Your partners in property.

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KEY RESEARCH

UK Student Market Update

Without investment comes to light of an ongoing challenging investment backdrop which has prolonged deal times.

Key highlights: Nearly 40% of all deals in the UK student sector have been completed in Q2 2024, a significant increase from the 25% of deals completed in Q1 2024. This is driven by a combination of factors, including a strong pipeline of deals, a focus on high-quality assets, and a more active market for student property.

UK BTR market update

On track for a record year for BTR completions.

Key highlights: Investment volume in the BTR sector has remained robust, with a record number of deals completed in Q2 2024. This is supported by a strong pipeline of deals, a focus on high-quality assets, and a more active market for BTR property.

[CLICK TO DOWNLOAD PBSA](#)

[CLICK TO DOWNLOAD BTR](#)

Knight Frank Research looks at the latest investment and development trends in the UK Student & BTR sector in Q2 2024

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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Knight Frank V&A

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

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