

# Residential Investment Yield Guide

Q4 2021



## Q4 MARKET SENTIMENT



STUDENT  
STABLE



CO-LIVING  
POSITIVE



BUILD TO RENT  
POSITIVE



SENIORS HOUSING  
POSITIVE

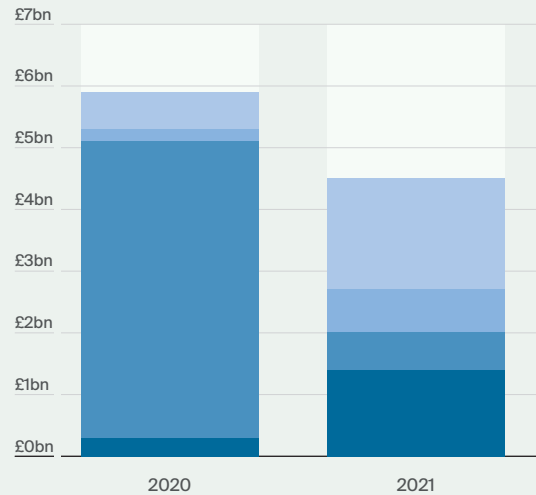


SECTOR	MAR-20	JUN-20	SEP-20	DEC-20	MAR-21	JUN-21	SEP-21	DEC-21	QTR CHANGE	MARKET SENTIMENT
<b>STUDENT PROPERTY</b>										
Prime London - Direct Let	4.00%	4.00%	4.00%	4.00%	3.75%-4.00%	3.75%-4.00%	3.75%	3.75%	↔	POSITIVE
Prime Regional - Direct Let	5.25%	5.25%	5.25%	5.25%	5.25%	5.00%-5.25%	5.00%-5.25%	5.00%	▼	POSITIVE
Prime London - 25 yr lease, Annual RPI	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	▼	POSITIVE
Prime Regional - 25 yr lease, Annual RPI	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.50%	▼	POSITIVE
<b>CO-LIVING</b>										
Prime London	4.00%-4.25%	4.25%	4.25%	4.25%	4.00%-4.25%	4.00%-4.25%	4.00%-4.25%	4.00%-4.25%	↔	POSITIVE
Prime Regional	4.75%-5.00%	5.00%	5.00%	5.00%	5.00%	4.75%-5.00%	4.75%-5.00%	4.75%-5.00%	↔	POSITIVE
<b>BUILD TO RENT London &amp; South East</b>										
Zone 1 Prime	3.25%-3.50%	3.25%-3.50%	3.00%-3.25%	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%-3.50%	3.25%-3.50%	3.25%-3.50%	3.25%	3.25%	3.25%	3.25%	3.25%	↔	POSITIVE
Zones 3-4 Prime	3.50%-3.75%	3.50%-3.75%	3.50%-3.75%	3.50%	3.50%	3.50%	3.50%	3.25%-3.50%	▼	STABLE
Greater London Prime	3.50%-3.75%	3.50%-3.75%	3.50%-3.75%	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%	4.00%	4.00%	4.00%	4.00%	3.75%-4.00%	3.75%-4.00%	3.75%	▼	POSITIVE
<b>Regional Cities</b>										
Tier 1	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	↔	POSITIVE
Tier 2	4.75%-5.00%	4.75%-5.00%	4.5%-5.00%	4.5%-5.00%	4.50%-5.00%	4.25%-4.75%	4.25%-4.75%	4.25%-4.50%	▼	POSITIVE
<b>Single Family Housing</b>										
South East	4.25%	4.00%	4.00%	3.85%	3.85%	3.75%	3.75%	3.75%	↔	POSITIVE
Regional	4.75%	4.50%	4.50%	4.25%	4.25%	4.00%-4.25%	4.00%-4.25%	4.00%-4.25%	↔	POSITIVE
<b>SENIORS HOUSING</b>										
Prime South East	-	-	-	-	-	-	-	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.

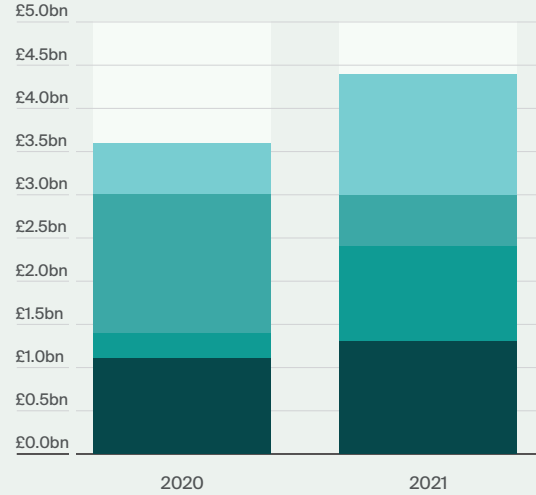
### PBSA investment volumes

■ Q1 ■ Q2 ■ Q3 ■ Q4



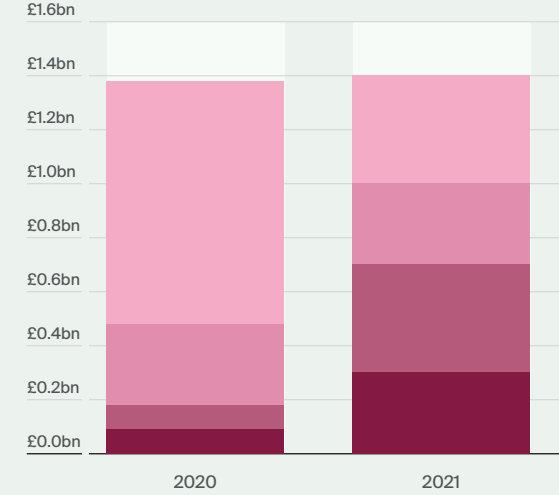
### Build to rent investment volumes

■ Q1 ■ Q2 ■ Q3 ■ Q4



### Seniors housing investment volumes

■ Q1 ■ Q2 ■ Q3 ■ Q4



Source: Knight Frank Research

[knightfrank.com/research](https://knightfrank.com/research)



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