

Prime Yield Guide – September 2023

Knight Frank Intelligence

This yield guide is for indicative purposes only and was prepared on 13 September 2023.



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.

SECTOR		SEPT-22	APR-23	MAY-23	JUN-23	JUL-23	AUG-23	SEPT-23	1 MONTH CHANGE	MARKET SENTIMENT		
	Student Property	Prime London - Direct Let	3.50%	3.75% - 4.00%	3.75% - 4.00%	4.00%	4.00% +	4.00% - 4.25%	4.00% - 4.25%		WEAKER	
		Prime Regional - Direct Let	4.75% - 5.00%	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	3.25%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00% +	+	WEAKER
		Prime Regional - 25 yr lease, Annual RPI	3.50%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25% - 4.50%	+	WEAKER
	Co-Living	Prime London	3.75% - 4.00%	4.00%	4.00%	4.00%	4.00% +	4.00% +	4.00% +		STABLE	
		Prime Regional	4.50% - 4.75%	4.75%	4.75%	4.75%	4.75%	4.75% +	4.75% +		STABLE	
	Build to Rent	Zone 1 London Prime	3.00% - 3.25%	3.25% +	3.25% - 3.50%	3.25% - 3.50%	3.50% +	3.60%	3.75%	+0.15%	STABLE	
		Zone 2 London Prime	3.25%	3.50% +	3.60%	3.60% +	3.70%	3.80%	3.90%	+0.10%	STABLE	
		Zones 3-4 London Prime	3.25% - 3.50%	3.60% +	3.70%	3.70% +	3.80%	3.90%	4.00%	+0.10%	STABLE	
		Greater London Prime	3.50% - 3.75%	3.75% - 4.00%	3.85% - 4.00%	3.85% - 4.00%	4.00%	4.00% - 4.10%	4.10%	+	STABLE	
		South East Prime	3.50% - 3.75%	3.75% - 4.00%	3.85% - 4.00%	3.85% - 4.00%	4.00%	4.00% - 4.10%	4.10%	+	STABLE	
		Tier 1 Regional Cities	3.75%	4.00%	4.00% - 4.10%	4.00% - 4.10%	4.10%	4.20%	4.25%	+0.05%	STABLE	
		Tier 2 Regional Cities	4.25%	4.25% - 4.50%	4.25% - 4.50%	4.25% - 4.50%	4.25% - 4.50%	4.50%	4.50% +	+	STABLE	
		South East – Single Family Housing	3.75%	3.75% +	3.75%	3.75%	3.75% +	3.75% - 4.00%	4.00%	+	STABLE	
Regional – Single Family Housing	4.00% - 4.25%	4.00% - 4.25%	4.00% - 4.25%	4.00% - 4.25%	4.00% - 4.25%	4.25% +	4.50%	+0.25%	STABLE			
	Seniors Housing	Prime South East	5.00% - 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



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KEY CONTACTS

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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