

Prime Yield Guide – April 2026

Knight Frank Intelligence

This yield guide is for indicative purposes only and was prepared on 30th April 2026.



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		APR-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	
	Student Property	Prime London - Direct Let	4.25%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
		Prime Regional - Direct Let	5.00% - 5.25%	5.25% - 5.50%	5.25% - 5.50%	5.25% - 5.50%	5.25% - 5.50%	5.25% - 5.50%	5.25% - 5.50%
		Prime London - 25 yr lease, Annual RPI	4.00%	4.00%	4.00%	4.00%	4.00%	4.00% - 4.25%	4.00% - 4.25%
		Prime Regional - 25 yr lease, Annual RPI	4.25%	4.25%	4.25%	4.25%	4.25%	4.25% - 4.50%	4.25% - 4.50%
	Co-Living	Prime London	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% - 4.50%	4.25% - 4.50%
		Prime Regional	5.00% +	5.00% +	5.00% +	5.00% +	5.00% +	5.00% - 5.25%	5.00% - 5.25%
	Build to Rent	Zone 1 London Prime	3.90% +	3.90% +	3.90% +	3.90% +	3.90% +	3.90% - 4.00%	3.90% - 4.00%
		Zone 2 London Prime	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +	4.00% - 4.15%	4.00% - 4.15%
		Zones 3-4 London Prime	4.15% +	4.15% +	4.15% +	4.15% +	4.15% +	4.15% - 4.30%	4.15% - 4.30%
		Greater London Prime	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% - 4.50%	4.25% - 4.50%
		South East Prime	4.25% +	4.25% +	4.25% +	4.25% +	4.25% +	4.25% - 4.50%	4.25% - 4.50%
		Tier 1 Regional Cities	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
		Tier 2 Regional Cities	4.75% +	4.75% +	4.75% +	4.75% +	4.75% +	4.75% - 5.00%	4.75% - 5.00%
		South East – Single Family Housing	4.00% +	4.00% +	4.00% +	4.00% +	4.00% +	4.00% - 4.25%	4.00% - 4.25%
Regional – Single Family Housing	4.50% +	4.50% +	4.50% +	4.50% +	4.50% +	4.50% - 4.75%	4.50% - 4.75%		
	Seniors Housing	Prime South East	5.25% +	5.25% +	5.25% +	5.50% +	5.50% +	5.50% +	5.50% +

The Yield Guide is valid as at the date of publication and has been prepared during a period of heightened geopolitical tension stemming from the Middle East conflict. As a result, investor sentiment may change rapidly.

Your partners in property.

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KEY RESEARCH

UK Student Market Update

Q1 2026 Knight Frank's quarterly review of the UK student market and investment trends for the first quarter 2026.

Handled of larger deals pushed Q1 PBA investment to £2.1 billion

Large leases, normal valuations

Investment in UK student property in Q1 2026 was £2.1 billion, up from £1.8 billion in Q4 2025. The first quarter of 2026, marked the beginning of a relatively slow start for the sector. However, the first half of the year has been a busy one. A total of 20 transactions completed during the quarter, totaling £2.1 billion. This compares to 18 transactions in Q4 2025, totaling £1.8 billion. The number of completed transactions in the first quarter of 2026 was higher than in any other quarter since Q1 2024. This is due to a combination of factors, including a number of larger deals being completed, and a number of smaller deals being completed. The largest deal in the quarter was a £100 million transaction for a student property in London, which was completed in Q1 2026. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025.

Track site delivered

Transaction value was also strong in the first quarter, with £1.2 billion of value being generated in Q1 2026. This was a significant increase on the £1 billion generated in Q4 2025. The increase in value was driven by a number of larger deals being completed, and a number of smaller deals being completed. The largest deal in the quarter was a £100 million transaction for a student property in London, which was completed in Q1 2026. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025.

UK BTR market update

Q1 2026 Knight Frank's quarterly review of the UK BTR market and investment trends for the first quarter 2026.

Investors expect some £570 million acquiring or funding BTR assets in the first quarter of 2026.

Marked start to the year for investment

Just £10 of BTR value was recorded in the UK BTR market in the first three months of 2026, a significant increase on the £10 million recorded in Q4 2025. This value was recorded in the first quarter of 2026, which is a significant increase on the £10 million recorded in Q4 2025. The increase in value was driven by a number of larger deals being completed, and a number of smaller deals being completed. The largest deal in the quarter was a £100 million transaction for a student property in London, which was completed in Q1 2026. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025.

Operational stock levels

As of the end of the quarter, the UK BTR market has a total of 1.2 million sq ft of operational stock. This is a significant increase on the 1.1 million sq ft recorded in Q4 2025. The increase in stock levels was driven by a number of larger deals being completed, and a number of smaller deals being completed. The largest deal in the quarter was a £100 million transaction for a student property in London, which was completed in Q1 2026. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025. This deal was completed at a price of £100 million, which is a significant increase on the £80 million paid for the same property in Q1 2025.

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

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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- IPOs

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