

Best in Class Equivalent Yields October 2021



Sector	Oct-21 %	Sep-21 -1 months %	Jul-21 - 3 months %	Oct-20 - 1 Year %	Trending
Shops - High Street					
Prime	6.75	6.75	6.75	6.50	Stronger
Regional	8.00	8.00	8.00	7.25	Stronger
Market Towns	9.75	9.75	9.75	9.00	Stronger
Small Market Towns	10.25	10.25	10.25	9.50	Stable
Shopping Centres					
Dominant Regional Scheme	6.75	6.75	6.75	6.00	* Stable
Prime City Centre	8.00	8.00	8.00	7.00	* Stable
Sub-Regional	8.50	8.50	8.50	7.75	* Stable
Local Scheme	12.00	12.00	11.00	10.00	* Stable
Neighbourhood Scheme Successful	11.00	11.00	11.00	10.50	* Stable
Neighbourhood Scheme Challenged	*25.00	25.00 +	25.00 +	16.00 +	* Stable
Retail Warehouses					
Parks - Open A1 (see footnote 7)	*6.00	6.25	6.50	7.25	Stronger
Parks - Bulky Restricted	*6.25	6.50	6.50	7.00	Stronger
Parks - Secondary	*10.00	10.25	10.25	10.00 ++	* Stronger
Solus Units - A1	*5.75	6.00	6.25	7.00	Stronger
Solus Units - Bulky	*5.75	6.25	6.50	7.25	Stronger
Foodstores - Supermarkets	4.25	4.25	4.25	5.00	Stronger
Leisure					
City Centre	7.75	7.75	8.00	8.00	Stronger
Out of Town	7.75	7.75	8.00	8.00	Stronger
Offices					
City <£40m	*3.75	4.00 -	4.00	4.00	* Stable
City £40m - £125m	*3.75	4.00 -	4.00	4.00	* Stable
City >£125m	*3.75	4.00 -	4.00	4.00	* Stable
West End <£40m	3.50	3.50	3.50	3.75	Stronger
West End £40m - £125m	*3.50	3.75	3.75	3.75	* Stable
West End >£125m	*3.50	3.75	3.75	4.00	* Stable
Greater London Area Preferred	5.00	5.00	5.00	5.00	Stable
M25 Towns Preferred	5.25	5.25	5.25	5.25	Stable
Top Regional Cities	*4.75 -	4.75	4.75	4.75 +	Stronger
Secondary Towns/Cities	8.50	8.50	8.50	8.00	Weaker
Business Parks - South East	7.00	7.00	7.00	6.50	* Stable
Business Parks - Regional	8.00	8.00	8.00	7.50	Weaker
Industrial/Logistics					
SE Single Let	3.50	3.50	3.50	4.00	Stronger
Regional Single Let	3.75	3.75	3.75	4.50	Stronger
London Single Let	3.25	3.25	3.25	3.50	Stronger
SE Multi Let	3.75	3.75	3.75	4.00	Stronger
Regional Multi Let	4.00	4.00	4.00	4.75	Stronger
London Multi Let	3.25	3.25	3.25	3.50	Stronger
Alternatives					
Car Showrooms	5.25	5.25	5.25	5.25	Stable
Healthcare - Care Homes	4.25	4.25	4.25	4.25	Stable
Hotels	4.25	4.25	4.50	4.50 +	Stronger
Student Accommodation - Regional	*3.75	4.00	4.00	4.00	Stable
Residential London Zones 3-6	3.75	3.75	3.75	3.75	Stable
Residential Regional City Centre	4.25	4.25	4.25	4.25	Stable
JLL Prime Yield	5.64	5.70	5.74	5.72	
Money Markets (8 October 2021)					
LIBOR 3 month	0.09	0.06	0.08	0.05	
SWAP 5 years	0.98	0.58	0.52	0.22	
Gilt 10 years	1.16	0.74	0.67	0.33	
Base rate	0.10	0.10	0.10	0.10	

Notes

1. Best in Class Yields relate to rack rented investments let with lease lengths considered by the market as most appropriate for the asset class. Within London, the yields may be keener.
2. * Denotes a change from last month.
3. Trending denotes investor sentiment towards the sector.
4. RPI/CPI uplifts on longer leases can achieve keener yields than those assessed at market rents.
5. Yields are based on transactions and sentiment.
6. Yields stated are Initial Yields for the Alternatives section based on 20 year unexpired leases to strong covenants with indexation/uplifts, except for residential where yields are net based on stabilised Build to Rent Stock
7. Given the ongoing structural change in retail the definitions are subject to change, in particular we have removed fashion from our prime retail warehousing definition as of March 2021.

Source: JLL, 11 October 2021. For indicative purposes only.