

# YIELD GUIDE SEPTEMBER 2017

Sector	Sep-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Market Sentiment
<b>High Street Retail</b>											
Bond Street	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	2.00% - 2.25%	STABLE
Oxford Street	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	STABLE
Prime Shops	4.00%	4.00%	4.00%	4.00%	3.75%	3.75%	3.75%	3.75%	3.75%	4.00%	STABLE
Regional Cities	4.75%	4.50%	4.50%	4.50%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	STABLE
Good Secondary (Truro, Leamington Spa, Colchester etc)	6.00% - 6.25%	6.00% - 6.25%	6.00% - 6.25%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	POSITIVE
Secondary / Tertiary	10.00%+	10.00%+	10.00%+	10.00%+	10.00%+	10.00%+	10.00%+	10.00%+	10.00%+	10.00%+	NEGATIVE
<b>Shopping Centres</b>											
Regionally Dominant (£200+ psf Zone A)	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	NEGATIVE
Dominant Prime	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	NEGATIVE
Town Dominant	6.50%	6.50%	6.50%	6.50%	6.75%	7.00%	7.00%	7.00%	7.00%	7.00%	NEGATIVE
Secondary	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.50%	NEGATIVE
<b>Out of Town Retail</b>											
Open A1/Fashion Parks	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	STABLE
Secondary Open A1 Parks	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	NEGATIVE
Bulky Goods Parks	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	POSITIVE
Secondary Bulky Goods Parks	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	NEGATIVE
Solus Open A1	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	STABLE
Solus Bulky (c.50,000 sq ft let to strong covenant)	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	STABLE
<b>Leisure</b>											
Leisure Parks	5.25%	5.25%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	STABLE
<b>Specialist Sectors</b>											
Dept. Stores Prime (with fixed uplifts IY)	5.00%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	NEGATIVE
Car Showrooms (20 yrs with fixed uplifts & manufacturer covenant)	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	STABLE
Car Showrooms (20 yrs with fixed uplifts & dealer covenant)	5.25%	5.25%	5.25%	5.25%	5.25%	5.00%	5.00%	5.00%	5.00%	5.00%	STABLE
Budget Hotels (Fixed/RPI uplifts 20 yr+ term, Strong Covenant)	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.50%	POSITIVE
Student Accommodation (Prime London - Direct Let)	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	POSITIVE
Student Accommodation (Prime Regional - Direct Let)	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	POSITIVE
Student Accommodation (Prime London - 25 yr lease Annual RPI)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	POSITIVE
Student Accommodation (Prime Regional - 25 yr lease Annual RPI)	5.00%	5.00%	5.00%	4.75%	4.75%	4.75%	4.50%	4.50%	4.50%	4.50%	POSITIVE
Healthcare (Elderly Care 30 yrs indexed linked reviews)	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	STABLE
<b>Foodstores</b>											
Annual RPI increases (IY) (25 year income)	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	POSITIVE
Open market reviews	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	STABLE
<b>Warehouse &amp; Industrial Space</b>											
Prime Distribution/Warehousing (20 year income (with fixed uplifts IY))	4.25% - 4.50%	4.25% - 4.50%	4.25% - 4.50%	4.25% - 4.50%	4.25% - 4.50%	4.25% - 4.50%	4.25% - 4.50%	4.25%	4.25%	4.25%	POSITIVE
Prime Distribution/Warehousing (15 year income)	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	4.75%	4.75%	4.75%	POSITIVE
Secondary Distribution (10 year income)	6.50%	6.50%	6.50%	6.50%	6.50%	6.25%	6.00%	5.75%	5.75%	5.75%	POSITIVE
SE Estate (exc London & Heathrow)	4.75% - 5.00%	4.75% - 5.00%	4.75% - 5.00%	4.75% - 5.00%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	POSITIVE
Good Modern RoUK Estate	5.50%	5.50%	5.50%	5.50%	5.25%	5.25%	5.25%	5.00%	5.00%	5.00%	POSITIVE
Secondary Estates	7.00%	7.00%	7.00%	7.00%	6.75%	6.75%	6.75%	6.50%	6.50%	6.50%	POSITIVE
<b>Offices</b>											
City Prime	4.25%	4.25%	4.25%	4.25%	4.00-4.25%	4.00-4.25%	4.00-4.25%	4.00-4.25%	4.00-4.25%	4.00-4.25%	STABLE
West End Prime	3.50% - 3.75%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	STABLE
Major Regional Cities	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	STABLE
SE Towns	5.25%+	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	POSITIVE
SE Business Parks	5.35%+	5.35%+	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	POSITIVE
<b>Bonds &amp; Rates</b>											
Libor 3 mth (04/09/17)	0.38%	0.37%	0.35%	0.35%	0.33%	0.32%	0.30%	0.30%	0.28%	0.27%	
Base rate (04/09/17)	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	
5 year swap rates (04/09/17)	0.49%	0.88%	1.00%	0.81%	0.79%	0.91%	0.79%	1.00%	0.85%	0.82%	
10 yr gilts redemption yield (04/09/17)	0.70%	1.32%	1.42%	1.14%	1.09%	1.22%	1.03%	1.35%	1.16%	1.10%	

Based on rack rented properties and disregards bond type transactions

This yield guide is for indicative purposes only and was prepared on 5 September 2017

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