

SPRING 2026



“There are decades where nothing happens;
and there are weeks where decades happen”

– Vladimir Lenin

Uttered just before the Russian Revolution in 1917, this quote perfectly expresses life's tendency to move slowly until punctuated by periods of rapid, radical and revolutionary change. Until the Iran war began at the end of February we were set for a steady and gradual reduction in interest rates but how the picture has changed since then. Prospective base rate reductions for 2026 have evolved into prospective increases and financial markets move markedly on a tweet or a soundbite from the White House.

Our prediction is that interest rates will remain higher for longer but we remain optimistic that the market could settle down as quickly as it took off, if the flow of oil and gas recommences from the Gulf. Environments such as these typically foster doubt and hesitation, but behind the noise, change and uncertainty lie significant opportunities for investment.

This edition of Ashbridge Insights will explore the broader opportunities created by the reduced cost of money over the last two years and the fierce competition for business amongst lenders, which has narrowed their interest margins. The strongest borrowers are still able to access variable rate money at between 4% and 5%, dependent on whether it's residential or commercial lending and some may also be able to benefit from green finance discounts.

The breadth and depth of residential lender offerings have also expanded, resulting in 100% mortgages, six times income multiples and more lending into retirement. The commercial market has seen an ever-increasing number of secondary lenders supporting the short- and medium-term funding market, whilst the high street and private banks fight for the best quality borrowers.

It is well reported that, in nominal terms, London houses and flats are selling for less than their purchase price 10 years ago. Factor inflation into the figures and these properties are now around 30% cheaper. This depreciation bucks the trend of modest growth in the UK as a whole and savvy buyers, both international and domestic, are taking advantage of this opportunity. We are supporting an increasing number of buyers with expert mortgage advice and access to lending options, particularly international investors from a multitude of jurisdictions.

In recent months, our team has observed an increased demand for bridging finance. In some cases, this allows buyers to present as cash and negotiate a better deal. In other situations, it can provide a fully-funded

stop gap for those under financial stress who need time to negotiate the disposal of certain assets.

Our presence in the farms and landed estates market throughout the UK is well-established and we continue to act for a diverse range of clients, from small investors releasing modest equity from their farms, to multi-million pound estate refinancing, which can save significant sums in interest over the term.

Following our success with the Wadworth Brewery and pub group last year, we are working with several regional breweries, helping them address current challenges and pave the way for growth with strategic funding decisions. We are also actively supporting independent schools through restructure and future investments, against a backdrop of new economic stresses.

Our team continues to grow and develop and we're grateful to all our partners and clients for their contributions to the shared successes of the last 12 months.

Ashbridge PARTNERS

KEY FACTS 2025

£145m

TOTAL LOANS ADVISED UPON

17

LENDERS
USED

42

LENDERS
APPROACHED

46%

AVERAGE PERCENTAGE OF CLIENT FEE
FUNDED BY LENDER COMMISSION

TYPES OF FUNDING

Residential mortgage, lifetime mortgage, Buy to Let, residential development, bridging, commercial loans, working capital.

Ashbridge PARTNERS

KEY FACTS LAST 5 YEARS

62

LENDERS
USED

£8.7m

ROLLING AVERAGE
COMMERCIAL LOAN SIZE

£65m

LARGEST
LOAN SIZE

£845k

ROLLING AVERAGE
RESIDENTIAL LOAN SIZE

SECTORS

Landed estates, farms, residential, breweries and pub groups, independent schools, hotels, family businesses

The Reality Behind the Mortgage Headlines



Residential market insights from **Daniela Istrati**,
Relationship Director at Ashbridge Partners

Mortgage activity improved significantly in the second half of 2025, as rates decreased and remortgage activity grew by 25% (in comparison with the same quarter in 2024). Increased activity led to a spike in mortgage products and, at the beginning of this year, there were 7,158 available - the highest level of choice we've seen in some time.

However, current political circumstances have abruptly shifted the mood over the last month, reviving inflation fears and prompting lenders to withdraw some products and raise mortgage rates in general.

In a challenging market, it is more important than ever for buyers to seek expertise and help in navigating the products and lending options available.

Lenders are still continuing to offer innovative products for first-time buyers, which aim to boost activity, help people get on the property ladder, and keep the market energised in general. Affordability criteria has also softened, which is allowing a greater number of people to access the finance they need.

Fixed rates jumped higher this week with sub-4% fixes disappearing from the market. Average rates are certainly higher than they were in February 2026, but there are still multiple options, and rates remain within the range we have been used to over the last 12 months.

- The average 2-year fixed rate is now 5.51%.
- The average 5-year fixed rate is 4.95%, a 0.30% decrease year on year.

It's important to remember that the headline rates often don't reflect what many borrowers experience. Clients with rural or semi-commercial homes, complex income streams or international tax residency frequently fall outside standard criteria, which can mean they don't qualify for headline rates. Building societies, specialist lenders and private banks may offer specific products that are difficult to understand and navigate without specialist advice.

The buy-to-let market adds even more complexity. Some lenders advertise rates below 3%, but with arrangement fees exceeding 3%, the true cost can be significantly higher. Understanding the all-in cost remains essential. This shift comes at a crucial time, with 1.8 million fixed rate mortgages due for renewal this year. Clients who fixed in 2020 should expect higher payments, while those coming off 2023–2024 deals may still see reductions.

The mortgage and property market in 2026 is likely to continue growing, as affordability rules are improving and housing prices are expected to grow between 2% to 4%. However, the buy-to-let market might see a shift, as landlords adapt to tax changes.

The likelihood of near-term interest rate cuts from the Bank of England has been paused and the next movement may be upwards. However, it is important to view these changes with context and perspective, as rates are still well within the range we've experienced over the past 24 months.

The Ashbridge Partners Residential Team specialises in navigating complexity. We analyse options, evaluate true cost and structure borrowing that aligns with long term goals.

Talk to our specialist residential advisory team and let us help you plan with confidence.



Understanding The International Buyer Landscape

The sustained interest in UK property from overseas buyers is shaped by a range of global factors:

- Political uncertainty in markets such as the US and Middle East
- Economic instability that prompts investors to seek out safer jurisdictions
- Ongoing demand for access to UK education

Research shows that around 190,000 UK properties are registered to overseas addresses, with individuals from Hong Kong, Singapore, the US and the UAE being the biggest investors. Overall, international buyers now own around 1% of UK properties, with numbers trending lower due to changes in tax rules and regulations affecting non-UK residents.

The Ashbridge Partners Residential Team have advised clients from a range of jurisdictions. Our experienced team has a proven track record of meeting and exceeding the expectations of global clients, many of whom are unaccustomed to processes in the UK. Our long-standing banking relationships enable us to find solutions, even for clients with a higher risk profile and the need for flexibility.

We maintain strong links with a trusted network of international professional advisors, allowing us to introduce clients to specialists with relevant cross-border expertise whenever needed.

If you're navigating the UK property market as an international buyer - or supporting clients who are - our team is here to help.

Get in touch to explore tailored solutions designed for international buyers.



Focus on: Green Finance



by **Tom Windett**, Head of Credit at Ashbridge Partners

Sustainability has been a marketing buzzword among lenders for decades, but it has really gained momentum over the last ten years, driving the recent development of some attractive green financing options.

Green finance refers to funding available for projects considered to be environmentally sustainable and many of our clients running rural businesses and landed estates are at the forefront of this movement. Recently, lenders have extended their green finance products to serve the wider market, opening up options for commercial businesses to fund sustainability projects.

Lenders have their own sustainability objectives and delivering recognised green finance loans can reduce their internal capital costs. It makes sense that they should share these gains with qualifying borrowers.

Green finance covers a variety of products offered in different sectors. It could mean finance for specific assets, such as equipment to improve a business' environmental footprint, or green mortgages for buyers investing in energy efficient properties.

Sustainability-linked finance is funding provided for general corporate purposes or business investment. This type of green finance is not linked to specific assets but supports a long-term transition to more sustainable business practices. The borrower is obliged to meet certain criteria and must report on an ongoing basis. For example, a landlord could utilise sustainability-linked funding to retro-fit their property portfolio to be more energy efficient. Businesses looking to invest in new projects could leverage green finance to incorporate renewable energy assets such as solar panels or heat source pumps into their plans, or to include sustainability-focused measures within their wider business strategy.

There is usually a financial incentive offered by the lender for green finance, such as a reduction in the arrangement fee or lending margin, if pre-agreed criteria are met. Penalties may be imposed on borrowers that fail to uphold the agreed criteria.

For large corporations and institutions, accessing incentives such as these may be easier, as they typically have the resource to implement, report and monitor specific criteria. In many cases they are reporting on it anyway, in the form of their annual shareholder reports.

The challenge lies where businesses don't have the capacity or skills to undertake this reporting. In the absence of an industry standard, many struggle to decide which framework or assessment criteria to use. The lack of clarity around monitoring and reporting means that many businesses are foregoing the possibility of securing green finance because they fear doing things wrong and incurring penalties.

Gaining access to the most beneficial incentives can also be an issue for landowners and family businesses, especially if their current bank doesn't offer an appropriate or market-leading scheme. As green finance is relatively new, it can be hard to navigate the wide spectrum on offer.

How We Can Help

An increasing number of business leaders are recognising the need to incorporate sustainability into their future plans. Green finance can be a viable option for businesses in any sector looking to access funding for sustainability-conscious initiatives. For rural businesses and landowners, green finance can facilitate the continued investment in sustainable projects, in the face of tighter agricultural returns and reduced subsidy support.

We have recently leveraged a lender's green financing scheme to achieve a 0.3% discount on a client's interest margin. This is worth £90,000 on a £3m loan over a ten-year term and is in addition to our ability to access market-leading terms in the first instance. Cutting through the marketing noise to access the most suitable options, whilst also ensuring that reporting is robust and compliant, requires expertise and market knowledge. Working with an expert partner is key.

Get in touch to discuss green financing options.



NAVIGATING THE HEADWINDS - Our Work with Breweries and Independent Schools



by **Ellie Newell**, *Head of Business Development*
at *Ashbridge Partners*

Over the past 12 months we have seen our offering expand into new sectors, including family-run breweries and independent schools. These two seemingly different sectors are experiencing their own unique headwinds, but both are areas where Ashbridge Partners can bring great value.

It is well-documented in the press that the hospitality industry, while still recovering from the pandemic and cost of living crisis, has been hit with additional costs in the form of national insurance and living wage increases. The U-turn on business rates for pubs has offered a brief respite, but with a record 366 pubs closing in the UK last year and many businesses struggling in precarious circumstances, the future remains uncertain.

Concurrently, independent schools face the huge challenge presented by the implementation of VAT on school fees on 1st January last year and the removal of charitable business rates relief, which took effect on 1st April 2025. Falling pupil numbers and increasing costs are placing an enormous strain on independent educators. In January, Rendcomb College announced that it will close at the end of this academic year, after 106 years. This Gloucestershire-based school is one of over 100 independent schools that have closed since the introduction of VAT on fees.

Despite the gloomy short-term outlook for both these sectors, there are still opportunities available. Economies of scale play a key role, and this has been demonstrated in the schools' market by a material uptick in mergers and acquisition activity. Larger brewery and pub companies already operating at scale have been able to absorb costs for the time being and many are looking ahead strategically to try and recoup losses in the long term. Investment also remains a market differentiator in both sectors, where they look to capture the attention of end users, whether this is prospective parents or pub-goers.

Ashbridge Partners has a successful track record of helping clients to fulfil their business plans and we continue to play a key role in facilitating a range of financing needs, including refinancing, restructuring, development and bridging.



As the world waits to discover the long-term implications of the developing situation in the Middle East, the economic outlook for businesses and individuals in the UK is fraught with challenges and characterised by overwhelming choice in the finance market. Yet with expert guidance, it is possible for investors to identify significant opportunities and achieve the best available terms.

Get in touch to discover your next project or financing needs.

"From our initial meeting with Ashbridge Partners we have been impressed with their professionalism and efficiency in helping us to refinance our debt. They have guided us through the process and achieved an excellent result."

Toby Bartholomew, Managing Director, Wadworth & Co

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Autumn Insights 2025 ↗

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