“One year on, new commercial property lending activity looks to have remained largely unchanged despite Brexit. However, the structure of the market has changed, with a suppression of major financial commitments, a shift from new acquisitions to refinancing of existing deals, widening regional disparities, and heightened caution among lenders.”

– Marco Amasanti, B2B Analyst

This report looks at the following areas:

- What have been the key determinates of activity over the past year?
- One year on, how has the commercial mortgages market reacted to Brexit?
- How has the structure of the market changed in recent years?
- Looking forward, how will Brexit further manifest in the industry?
- What does the future hold for the industry?
## Executive Summary

### The market

- Debt fell over the past year, regaining momentum following growth last year
  
  **Figure 1:** Aggregated value of outstanding debt in loan books, £ billion, 2012-16

- New loan volume falls, but market retains resilience
  
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- **Investment in UK commercial property**
  
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- **By lender category**

  - **UK banks and building societies continue to tighten their dominance in lending**
    
    **Figure 9:** New loans volume, allocation by lender category, 2012-16
    
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- **Ongoing structural changes to the market by lender category**

- **Which sectors will grow and which will decline?**

- **Foreign investors well positioned to benefit from next few years of uncertainty**

### What we think

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- **How has the shape of investment changed over the past decade?**

- **How has Brexit manifested in the marketplace over the past year?**

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Regional disparities

Commercial lending rates

Business confidence levels regain growth for the first time since Brexit but remain subdued

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Further Sources and Contacts

Trade associations
Association of Short Term Lenders
CoStar
The Institute of Chartered Accountants in England and Wales
National Association of Commercial Finance Brokers
RICS
Trade magazines
Bridging & Commercial
Business Matters
Commercial Reporter
Loans Insider
Mortgage Finance Gazette
Mortgage Introducer
Mortgage Strategy
Trade exhibitions
ASTL Annual Bridging Conference 2017 – Brexit and Bridging
Council of Mortgage Lenders (CML) Annual Launch
Commercial Real Estate Finance Council (CREFC) Autumn Conference
Financial Services Expo London 2017

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