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ROUNDTABLE

The specialist lending landscape in 2026 and beyond

Panellists discuss latest developments within the bridging market and the outlook ahead

Chair: Adam Tyler, CEO, Bridging and Development Lenders Association (BDLA)

Adam has been involved in all types of business and commercial lending for over 30 years. In 2005, he took over the running of a financial trade association, and during his tenure, he oversaw over £100bn in SME lending, before launching the Financial Intermediary and Broker Association (FIBA) in 2018. Adam is currently CEO of the BDLA and is also a director of a Westminster-based small business group.

Chair: How would you compare the bridging market in 2026 compared to 2024/25?

Berry: Both 2024 and 2025 were exceptionally strong in the bridging space. Bridging represented about 38% of our Crystal completions and about 42% of our applications. Somewhat surprisingly, as we've entered Q1 2026, we've seen the percentage share drop to about 33%. But I don't necessarily think that's down to bridging volumes reducing. I think it's because we're completing more commercial and buy-to-let (BTL) business.

Hendry: Why do you think there was this uplift in 2024 and 2025 in the first place?

Berry: There are currently around 400 different bridging lenders and strong competition exists here in the UK. This increased competitive landscape inevitably drives down fees and pricing so what we have seen is bridging solutions becoming far more acceptable and much more consumer friendly. When you overlay that with us living in an impatient world, the traditional bridge is no longer just a heavy refurb or a chain break. You've now got brilliant customer profiles and great asset classes where people simply want to move quickly. There's certainly an environment now where maybe doing a bridge for 12 months is not a bad thing to hedge against the fixed rate fluctuations of the market.

Hendry: I think off the back of Liz Truss' mini-Budget in 2023, that seemed to create the increase in appetite and need for bridging, and it feels like we're in a similar place now with everything that's going on in the world.

Callaghan: Between 2024 and 2026, we've seen, and are seeing, continued growth across both bridging and commercial at OSB. I think that's driven by the bank's appetite to diversify and move away from being heavily invested in BTL and residential. This can be demonstrated with the continued investment in our sales teams, which is only a good thing for the brokers that we work with. Historically, we had people just covering bridging and commercial, and you can't be Jack of both, you need to be a master of one, and that's why we now have separate teams for commercial and bridging.

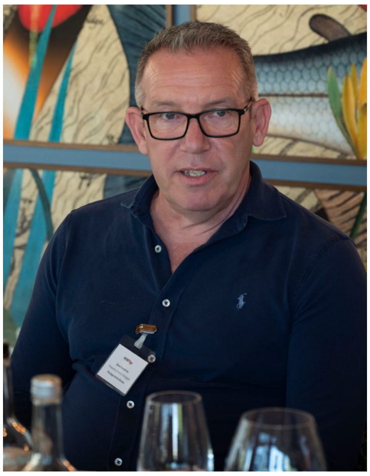
Underwood: The market awareness of bridging has certainly changed over the last few years. When I started in property, bridging was an expensive solution to a bad situation, but that mindset has now changed to being a means to an end. It allows a borrower or a client to arrive at the outcome that they're looking to achieve. Brokers' perceptions of how bridging is treated has changed, and it's now become part of an effective funding stack from acquisition to refurbishment to exit to lower-priced long-term debt. But also, bridging lenders have invested heavily in technology, staff and products, and they've also got access to good real-world data around what products work and don't work. As the bridging lenders around the table know, we're looking for a situation where the client, lender and broker all get the outcome they desire. The market is maturing, and while there will be some winners and losers within that market, that's the natural contraction and expansion of a very dynamic marketplace.

Toke: I would tend to agree with what Grant said earlier about the response to Liz Truss' mini-Budget. We saw an influx of bridging enquiries due to that, purely because clients were struggling to refinance their BTL mortgages because of stress tests and calculations. So, it was a difficult time for them to refinance. For SPF, we had a record-breaking year for bridging last year which is going to be difficult to beat. A lot of it was driven by auctions and we're seeing more properties being sold at these events as more

housing associations offload stock as there are, unfortunately, repossessions.
Humphries: MAB has never been directly involved in bridging. That said, we've got 2,100 brokers that have always had access to conduct regulated bridging. We've done more regulated bridging than we've ever done, and in the last six months, we've done more than in our 23 years as a company. Part of my role is to raise awareness of where regulated and unregulated bridging sits with customers; the majority of which are looking for purchase, renovation or product transfer deals. We've got more advisers and brokers now wanting to do bridging. We've recently set up a partnership with a non-regulated commercial network, and we've got just over 200 AR firms at MAB, of which 60 are set up as a non-regulated entity to conduct bridging and commercial deals.
Hall: It's very tough in the development finance market at the moment and has been since 2023. Our biggest issue is profitability of deals, as well as the cost of making deals, and planning reform. Only 13% of current planning applications actually go through the statutory 13 weeks that they're supposed to, while the average is something around 273 days for a full planning application. Furthermore, the cost of insulation has gone up by 10% since the start of the Iran war, and that is expected to go up by another 15% very soon. As a result, deals that are ready to go are now falling apart because the developer is judging that there's no profitability in it. The other issue is planning reform. We launched our pre-planning bridging product last year because the profitability in deals is before the planning, and centres around the developer

Steve Humphries, proposition director, mortgages, Mortgage Advice Bureau (MAB)

With an extensive sales development background, Steve originally joined MAB as regional sales director in 2015, before taking on the role of proposition director - later life and wealth. As a specialist in equity release and later life lending, Humphries ensures that MAB and its advisers can help more aspiring first-time buyers (FTBs), and that customers with more specialist lending needs can get on the property ladder.



taking a risk on a cheaper buy because they don't have the planning. We've also done the development exit bridge for those struggling to sell. It a tough market and while there's developments out there for people to take gambles on, many are not paying off.
Hendry: We've seen in the new build market that developers are not building at the extent that they were. We built our house in 2020, and the builder said that if you were to build that house again, it would cost 20% more, and that was a year to two years later. With HS2 and Universal Studios being built in Bedfordshire, all of that retention and the cost of materials is driving up prices. So, for a developer, why would you build, because there's no profit in it.

The growth of the bridging market

Chair: As mentioned earlier, there are around 400 bridging lenders in the UK. Is this number going to increase in the future, or is it only going to come down?
Berry: There will always be entrepreneurs who see bridging as an area of opportunity, so there's going to be new entrants. However, on the flip side, there'll be casualties, and it's simply not an easy way of making money now. Tony mentioned how challenging it is for developers; in the bridging market, it's easy to lend money out, it's not easy to get that money back, and that's the skill. I think there'll be more caution as we move forward, but that doesn't necessarily mean it reduces opportunities to originate and complete. We'll have a more mature market and some better disciplined decision-making.
Hall: A lot of building societies are looking at non-organic origination now because it's challenging to get our business through the normal routes and through brokers, due to reasons such as capacities. One of the things I'm looking at is non-organic origination, and how do we fund bridging lenders and other vendors, so that's a positive. You've potentially got some steady sources of funding coming into this market, which might change the dynamic a bit, so it is an area that's growing, which provides stability and funding routes at the very least.
Chair: Turning to MAB, how do you look at the bridging market and how do your brokers find the right bridging products?
Humphries: One of the reasons some of

Mike Underwood, relationship director, Black & White Bridging

Mike is a relationship director for Black & White Bridging, specialising in supporting brokers with truly transparent bridging finance solutions with no grey areas for property investors and developers. Based on the South coast, Mike has a strong focus on relationships and practical lending solutions, leveraging a broad financial services background both as a broker and lender.

our staff don't get involved in the regulated bridging market is because sourcing is difficult and some of the processes are outdated. On a straightforward regulated bridge, it should just be about price. There should be an easy way to go into some sourcing system and know from the panel of lenders that you use that you can get a straightforward price. I know there are a few platforms that are starting to lean into that. However, it becomes more difficult in the non-regulated space when you start seeing those variances in deal time and delivery. But every deal is different and comes down to the brokers building their own platform. It used to be an expensive resource to keep products updated, but now, with the development of tech and AI, the ability to drag data from various sources is achievable. As an A-listed business, we've got to make sure we create the right outcomes for customers. I don't like the fact that you can do a standard mortgage and have to have sourcing history and evidence, while in bridging, you can do what do you think is best. That doesn't sit well with me.

Chair: Some lenders don't have the tech within their own organisations to even API their products back into any sources. There's very few that are prepared to invest in it. Mike, correct me if I'm wrong.

Underwood: You're right, but there's always a payoff from a lender's perspective about the amount of business that we're going to get. Yes I agree, you can spend a lot of money creating a bespoke system, which builds in an API on

the back door of another sourcing system, or a network, but as a lender that does that, you're going to get one in 20 deals maybe, so what sort of volume are you going to get from that? Ultimately, it comes back to economics and metrics, but it's very tricky from an unregulated perspective because every deal is on risk so we just can't work off rate cards. Maybe as we get more consolidation and some lenders get backed by the bigger funding lines from the building societies, they may well invest into those technologies.

Toke: Concerning the regulated space, there's fewer lenders and it's all price driven, so we could potentially do something there but on the non-regulated side, I don't think that will ever be possible. There's a couple of sourcing systems out there that we don't feel are quite yet fit for purpose. The issue is that it's so relationship driven, as so much of it can be done verbally via phone call and there's too many criterion to put into a sourcing system. Yes, it works well for mortgages, but we probably have to escalate one in 100 mortgages, and concerning bridging, maybe one in three, so it's always going to be very difficult, especially when you've got 400 lenders.

Callaghan: I think it will develop over time though especially as lenders start to demonstrate with data what deals they've funded. For non-regulated bridging where every deal is different, it's hard to gain data points. However, lenders giving examples based on geographical locations, property types, build costs etc. will certainly help.

Chair: Grant, is the semi-commercial market easier to put into a sourcing system?

Hendry: 100%, it's very easy to put into a sourcing system. The market is still growing and there's still a lot of demand. Landlords are really attracted to diversifying their portfolio and the opportunity of having two different forms of rental income coming in.

Callaghan: When I came to Interbay 12 years ago, there wasn't that many specialist lenders in the market covering semi-commercial, so we found that our mainstay. Over time, we've not just seen landlords diversify, but lenders have also recognised that it is another income stream.

Berry: OSB has a clear understanding of what each of its brands does. Sticking to what you know is important. I look at our experiences and now is a great time to be educating the marketplace. The lack of technology creates opportunity for a business like ours where we serve the sector with real people providing placement solutions and administration support to completion stage. It's easy for us to manage this process with individual advisers from one building. We train and monitor daily so they become subject matter experts in specific areas such as bridging and commercial. We completed business with 77 different lenders across all our product verticals last year and we completed bridging business with 12. There's a level of insight intelligence that that experience delivers and being able to manage our people under one roof is important.

Hendry: Foundation acquiring Catalyst has brought in those experts and the contacts, and you can't put a price on that experience. But I think it's the same going back to the broker side. Brokers say "I want the procuration fee; I want to do bridging" when they don't have that expertise. I think SPF's a great model where they tell brokers whether to do BTL, residential or bridging, and they stay in their lane, and for brokers wanting a piece of the pie, they use a packager like Crystal in that scenario where they've got that expertise on a daily basis.

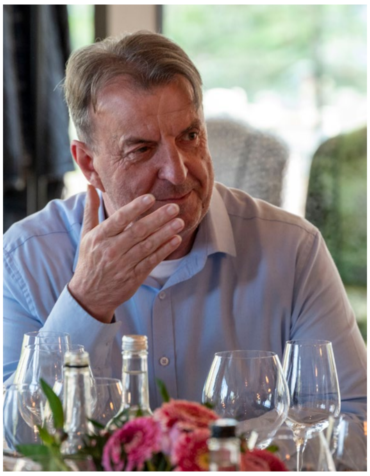
Humphries: It's like anything, you can't dabble in something and be an expert in it. We've got advisers/brokers at MAB that want to be a good mortgage writer as well as wanting to do BTL, bridging, equity release and commercial, and we're telling them no. One of the key messages we are giving to MAB firms this year is it's not about what you can do for a customer, it's about what you can facilitate for them. Just because you can't do it yourself, that's not a bad thing, you can't be an expert in everything. As long as you're signposting the customer to the right person or partner, that's okay. I'm a big believer in if you do the right thing for the customer, you'll earn some money somehow.

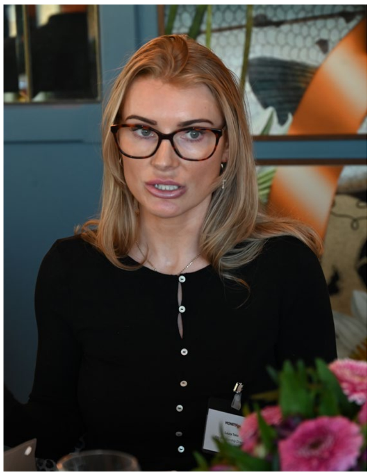
The one-man band approach

Chair: Are large brokers now starting to dominate the market, or is there still a place for a one-man band approach?

Callaghan: There's still the space for a one-man band approach. However, brokers need to know where their skill sets sit. It's ultimately about building partnerships with specialists.

Berry: We want to support these one-man band brokers, and I think education is key to making sure they've got that level of competency.





Laura Toke, associate director, SPF Private Clients

Laura is associate director at SPF Private Clients specialising in partnerships and property finance across the UK. Having worked in the industry since 2015 and with extensive experience in bridging finance, development finance, and auction finance, she is known for delivering specialist finance solutions and nurturing strategic partnerships. She works closely with lenders, brokers, and industry partners, with a focus on delivering excellent client outcomes.

Callaghan: There are different types of one-man bands. There's the one-man band directly authorised firm that sits in their bedroom and does their mortgages per month, and there's some that are part of an appointed representative model with a support structure around them that have got those partnerships and referrals in place. I'll be honest, I think the days of the one-man band directly authorised firm in their bedroom are slowly coming to an end.

Chair: What about in the unregulated space?

Toke: I agree with what Marc and Jason have said. The issue you've got is that there are one-man bands out there that are amazing at what they do, but then there are those that just dabble in bridging and specialist areas and they unfortunately don't always provide the correct advice to the client. We've had to pick up the pieces when a deal's gone wrong because the wrong advice has been given. I don't know what the answer is to how we police that. We've had clients come to us for an auction purchase where they've been recommended a bridging lender but could never complete within those time frames and clients do lose their deposits. If they can go via a packager and get that support and become more competent, that's one way to do it. I think the good thing about some networks is they ask you to go via a packager for the more specialist cases.

Chair: Tony, where do the lenders play a role and what is their responsibility in this?

Hall: I'm not the regulator, so if there was a blaringly obvious issue, we would speak to

that broker, but it’s not my job to police what they do, that is what the regulator is for. We have a duty to lend responsibly and that’s where it stops. Advice is not our bag either. One example, to make my point clearer, is around the fees that brokers charge. A lot of lenders are now checking and putting caps on fee levels, but why would I do that? It's not my business to tell you what fee you can charge, all we do say is “look yourself in the mirror and tell us if you think it's fair”. We’ve set an internal cap on what we think is proportionally acceptable and if it goes over that threshold, we'll have a word with the network or the broker to let them justify why the fee is in place, but we don't want to play being the regulator, it's not our position.

Underwood: I think that ‘take a look in the mirror’ is a great expression. Firstly, I think brokers are more aware of things like cost of client acquisition these days and the lifetime value of that client. If they spent a lot of money getting that client in the first place, they do want to maximise their income from that which is absolutely right. Secondly, the way that people buy these days is very different to what it was 10 to 15 years ago. People don't particularly like being sold to, but they like to find a solution to their problem, which generally starts at a Google search or a personal relationship with someone. I come from a broker background so I will bang the drum for these people. I've seen exceptionally good brokers, whether in an organisation or as a one-man band,

Marc Callaghan, head of commercial mortgages, InterBay

Marc is head of commercial mortgages at InterBay (OSB Group), with over a decade of experience in specialist lending. He leads the commercial strategy, working closely with brokers to deliver tailored funding solutions across complex transactions. Known for his broker centric approach, Marc focuses on product innovation, relationship development, and driving strong outcomes for both customers and intermediary partners across the UK market.

provide real value to the client and take them through the process. As long as they still put themselves out there by providing the solutions to the problems that the clients have and have been accessible in providing that, then there's always going be a place for the smaller brokers and large brokers. The size of the bridging market is now worth £4.8bn, so there's always the opportunity. What I do think will fall away is the people that have just spammed the front pages of Google with no face websites and provide the solutions on an 0330 number. We see them as lenders, they come in with a deal, and in comes the broker who doesn't really know the full details of the client. You might get the same deal from a couple of other brokers at the same time, so on large transactions, it does come down to the personal relationship as well as adding and maintaining the value of that client.

Hendry: I was invited to Nottingham Trent University recently where the business students presented gaps in the mortgage market to us, and it was apparent that there is a real lack of trust in the process as everyone is seen as a bank, thinking that lenders only sell one specific product. When the students were speaking, I realised that it’s this generation whose parents were directly impacted by the global financial crash in 2008/09, so they've been told by their parents banks are terrible. But when hearing them speak about where they get their advice from, they rely very heavily on reviews. So, if we talk about advisers, if someone's coming into the market as a one-man band, thinking “I can just do this for my bedroom”, actually it’s very difficult unless you are out there as a brand with a profile. So, you could do it on your own, but you must be driving at quite a pace to be able to achieve that, otherwise you will be swallowed up and will miss out.

Toke: The issue with ‘finfluencers’ is knowing how many transactions they are completing. Because someone can be really good in front of the camera, but what kind of volumes are they actually doing? If you do one or two bridging loans a year, I don't think you should be going on a video and talking to the masses about bridging, because you're not really an expert in that area. But how, again, do we police that? It's difficult. You can't do financial promotion, that's under FCA regulation, but if someone was to come on and talk about non-regulated bridging products, they can do

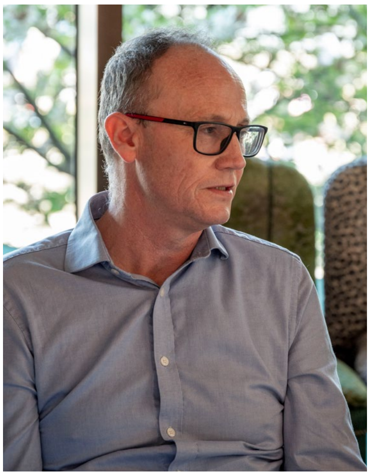
Jason Berry, group sales director, Crystal Specialist Finance

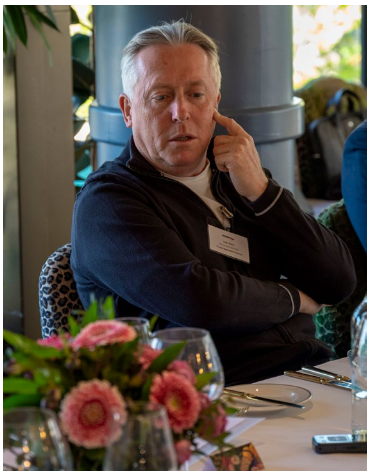
With 35 years in financial services, Jason has helped drive the award-winning growth of Crystal Specialist Finance since 2020. A respected industry leader, he previously held leadership roles at Platform Home Loans and the fintech insurer, Uinsure. Jason is also co-founder of The Mortgage Industry Mental Health Charter, championing mental health, wellbeing, and positive cultural change across the mortgage sector.

that. We're very strict at SPF, as we don't allow too much advice to be done via Instagram or social media, but you have got to adapt.

Berry: I'm excited about these new entrants. My generation was all about working harder than everybody else so a strong work ethic has been a given for me personally. Many of these youngsters now have a focus on working smart. They're certainly more disciplined than I was at how they deliver their time and how they offer time out to the client. Working smarter also means that they're more likely to maybe consider an introduction or a facilitation, rather than actually delivering the advice, which is encouraging for a business like ours, because we are pivoting. Packaging, as it was, is dead, but having a partner like Crystal with subject matter expertise in different specialist product channels means we can handhold people through that specialist journey. We'd like to see more talent enter, but the talent we are seeing is improving. I'm very impressed how MAB brings younger talent through. Steve, how does that newer talent compare to others in the industry?

Humphries: We really want to bring a new breed of adviser and broker into the market. We run the MAB Academy, and we're constantly bringing new people in and helping them with knowledge, education, advising and broker skills. There must be new talent coming through because where is it coming from otherwise? Whether it's in mortgages, bridging, commercial, it doesn't matter. The scary part is, back to what Laura was rightly saying, is they want to go on TikTok and Instagram, and they want to advertise themselves and their brand. But there's a real fine line between giving information and giving advice. These are not finance experts and there are some dangerous adverts out there. So, we've got very tight controls on what advisers and brokers, can and can't do on social media and websites. Yet there is a fine line between holding back entrepreneurialism, because we have got to accept that the younger generation go to that type of platform and media source for information and advice. However, that requires lenders and bodies to be speaking to the regulators and talking about the evolving landscape and the way the market's moving.





Cost vs Pricing

Chair: On the subject of pricing versus value, when I've measured brokers over the years, they've said that it's all about service from the lenders. It that still the case? How rate driven are we?

Hall: It depends where you sit in the market. If you're more mainstream, it's more about price. But I think there's three things to a successful lending business. It's about product relativity to the market, which links to pricing, and you've got to have criteria that meets the market's need. The key differentiator is your service delivery. It doesn't guarantee you business, but it will definitely lose you business if you fall at this hurdle. In our market, price is relative. Especially as a complex lender, it's about can you do the deal? We had to withdraw our fixed rates because of global economics, and swap rates and pricing. We weren't able to price effectively, so we relied on the more traditional model of discounted variable rates of products, which brokers are less certain about. But funnily enough, we have started to do business on them because they're a viable opportunity in this market. That's not price-led, because all those products are more expensive, but it's about availability as well as solutions. Brokers have asked when we are coming back to fixed rates, which we have now done, but our pricing is not where we'd like it to be because we don't know where to price commercially. However, brokers say that they don't care about that, they just want a solution. For us, we're a solution-focused lender; it's not about the price. It is relative, so if you're massively off, you won't get business. But if you're within and someone trusts you, your BDMs and your underwriters they will use you and will justify to their compliance teams and to their clients why they're going with you. So, I think service is a differentiating factor, but it is relative to the overall case situation.

Underwood: Key pricing provides you with the opportunity to show your service levels. You can have the best service in the world, but if the broker is placing all the business with someone else because they're cheaper, you don't get the opportunity. One of the things that helps is that Black & White Bridging is in a high growth situation at the moment, which is fantastic. We're really enjoying that, but one of the things that's driving that is repeat business by the same brokers. They've tried us out and they've given us an opportunity because our pricing has been fair and we've delivered high service levels. We're now getting multiple deals. We even had situations where brokers would give us several hundred-thousand-pound deals to test us out. We work very hard on being a person-first business and being accessible. I have networks of brokers that have what they call a 'graveyard list', which is where they give lenders an opportunity to deliver and if they don't deliver, they get put on the 'graveyard list'. So, I think service levels are very important. They differentiate lenders in the marketplace, but you do need the key pricing to get the opportunity.

Humphries: Going back to your point earlier Adam, there's nearly 400 lenders in this non-regulated world, and if it does come down to quality of service, relationships etc. without speaking to all 400 lenders, how does a broker actually ever know they've got the customer the right product at the right price with the right value of the service?

Hall: The truth is they don't, until they get a global single source that does that for them. Until then it's all about relationships and trusting.

Chair: Jason, you've already said you only deal with 12 bridging lenders.

Berry: We've got a panel of 12 that will get 90% of the business. Without wishing to contradict what Mike says too much, price is fourth in terms of criteria for us. Certainty in delivering the solution is definitely number one and then speed would probably be number two, followed by the deal shape. The structure of the deal would probably be three and then it would be pricing. Pricing has got to be there or thereabouts but is not a determining placement factor. The

'Key pricing provides you with the opportunity to show your service levels'

– UNDERWOOD

Tony Hall, head of business development, Saffron for Intermediaries

Tony is head of business development at Saffron for Intermediaries, with more than 35 years in financial services. A transformation specialist, he focuses on strengthening propositions and supporting lenders through change. Since joining Saffron in 2020, he has helped drive growth across residential, buy-to-let and development finance, while also serving on the board of NaCSBA.

biggest challenge we face when new entrants come towards us is how they differentiate themselves other than price? New entrants will come and say, "we'll do it quicker, we'll do it faster" and we've heard that before. Finding criterion issues and nuances which create an opportunity for businesses like ours to plug gaps is quite often overlooked, meaning new entrants fail because they're so vanilla. We're loyal to the 12 that we regularly support, so it's difficult for others to break in because if it isn't broke, we don't want to try and fix it.

Humphries: You've got to have complete confidence in deliverability of a deal and a facility. It's harder for the newer lenders on that point.

Callaghan: That's why they have to be more price competitive to get the first try. When the trial's done and it's a good outcome for the broker, then great, you normally give them another go, otherwise they end up in the graveyard if they don't.

Hall: It's about confidence. Everything we do in our operations is about driving confidence into the broker that makes them want to use us again. Once they use us again, processing gets easier; they know what we like and what we don't. The process is faster and we get to completion a lot quicker.

Humphries: It can be challenging for lenders as well. Even some of the most established lenders are known in that space for doing one or two things really well. When experienced long-standing lenders try to diversify themselves into another area, that's an even harder thing to do even when you're that known across the market for being that. So, for someone new coming into a company, it's a real difference.

Chair: Mike, the opportunities rose because you have competitive funding so the pricing could be more competitive. And the other thing that happens, Steve, in the unregulated market, is the flexibility the lenders have on the rate. So, if a bridging lender wants to do a deal, they can adjust the rate to suit that particular deal to win that business over somebody else.

Hendry: We've been conducting research and have spoken to 12 established players in the regulated bridging space, and everyone has said the same five to six lenders are chosen.

Callaghan: You don't always have to be the cheapest, especially if you deliver 99 times out of 100, you can afford to price differently. But again, it's for the newer lenders to gain that trust. That takes time and sometimes they don't have that.

Chair: It would be very difficult to put all of the things we have discussed into a sourcing tool, apart from pricing really.

Callaghan: We've got advisers wanting to transition to commercial and they're saying "what sourcing system do you use", and there isn't a sourcing system.

Hendry: That's where the likes of Crystal can be used. Let's say you take an MAB broker and they say, "I want to do bridging" or whatever else. They can place it with Crystal, learn from them and who they're using.

Callaghan: It comes down to the lender to control who they're receiving business from, because if you open it up to everyone without the expertise, without knowledge, without correct due diligence, you end up in a position where people don't know or understand the process. They're trying to do a deal but how much control is there, if there is any at all? We completely take a view based on experience, type, size, and what they know. I use Initiative; there's over 3,000 registered firms, however only 3% are select and then only 6% have direct access. The rest have to come via a club or network, which actually remediates you the same way as if you went to a strategic partner or select broker who would do the work for you. The chat has always been, we would rather you come via one of the specialists who know us and know the market so you end up with the exact same result, and we know we'll get the service because they know how to place it because you've got the quality.

Chair: It comes back to what I said about setting up as a one-man band; it's very difficult because you just won't get on the broker panel.

Callaghan: But once they can demonstrate they've been around for a while and have completed a number of transactions and they're now going on their own, it's an easy discussion to get on the panels because we know them and what they've got to offer.

The legal side of bridging

Chair: Just to mix things up quite a lot now, let's discuss the legal process. Is it taking longer to complete bridging loans? The bridging market has grown by 50 times in the last 20 years; is the legal process matching that growth?

Toke: It's taking much longer. While it's still quick because it's in the bridging market, a deal that would have taken two weeks is now taking three or four, because of the amount of due diligence that's going on behind the scenes, especially after recent events. I don't think that's necessarily the lender's fault, but it is painful at the moment.

Underwood: I'm not going to say anything negative about our professional partners, they're not here to defend themselves, but what we haven't seen is any big jump in the technology used by them to enhance that. It's a constant challenge and we see a marked difference between legal providers that are experienced in bridging in short-term property transactions as opposed to, for example, a generic family solicitor. We see more firms offering dual representation services now as well. I don't think there's a clear data line between the real benefits of dual representation versus a really good single representation experience from a legal partner. I think there's definitely more room for improvement but you're always playing that fine line, even with our brokers perspective, of recommending a legal partner. There are legal requirements around that as well, so you have to be careful.

Berry: Influencing that legal connection early, it's so important for us now. It's about match-making specialist legal experts with specialist lenders. The days where a £100 referral fee was something a broker was chasing, forget that. They're just craving competency and an

> 'The bridging market has grown by 50 times in the last 20 years; is the legal process matching that growth?
>
> – CHAIR

ability to get the deal closed. We can do more to influence this connection better. When we identify brilliant legal representation, we need to grab hold of that and ensure we connect for other future opportunities.

Underwood: We find that when you do that, then that lawyer might get swamped by cases and their service levels drop. Then you've got the broker asking what's going on and the client in the dark. So, it's always a balancing act.

Callaghan: Interbay always had one solicitor firm and panel who were there from day one. Compare that to today, we're up to 16 firms. The biggest driver of it all is the customer advice about how the lawyer is acting for the customer. If they want to do single representation, that's fine. But does that lawyer know bridging or commercial, or have they just done residential-regulated transactions? And if they haven't, that's where, for me, you really don't want to use that lawyer, you want the specialists.

Chair: What about development finance Tony? That's been more difficult.

Hall: We tend to work with one trustee partner because otherwise, it's just not worth it. They help us when we are doing something wrong and we help them when we think they're doing something wrong. You need to know who you're dealing with in these cases. The issue we have is the lack of tech. We're light years behind in the mortgage space.

Chair: I knew brokers who used to tell the customer that if you wouldn't use a certain lawyer, they wouldn't do the deal because it was never worth it and the transaction would never, ever complete if they were using their local family solicitor. To me, it was a controversial way of doing things, but I suppose it made some sense.

Callaghan: It makes sense if it's a specialist transaction, but then how many brokers have got the confidence to say, "if you're going to lose that deal, I'll go elsewhere".

Toke: Educating the client early on and letting them know how crucial the lawyer is in specialist transactions is very important, because a lot of clients aren't aware that the legal process for a bridging lender is so different to say, Barclays or HSBC. You've got to educate these clients from day one and tell them that they're going to pay a premium for this lawyer, and if they don't, it's going to cost them at some point later down the line. Going back to the point on tech, we've recently started using a platform for all our conveyancing. It's amazing for your standard conveyancing and remortgages, but there's no real bridging solicitors on there. I think it's about enhancing bridging solicitors and the technology they use, maybe onboarding them on platforms so we have more choice for bridging solicitors. A lot of solicitors shy away from bridging because they know it's time sensitive and complicated, so we definitely need more in that space.

Humphries: The broker should be having that informed discussion with the customer about the type of solicitor they want to use. I know of someone who is a first-time buyer and she wanted to use her dad's family lawyer to do the conveyancing. The whole process completely fell apart two weeks before completion because she realised that that family lawyer doesn't work on Fridays.

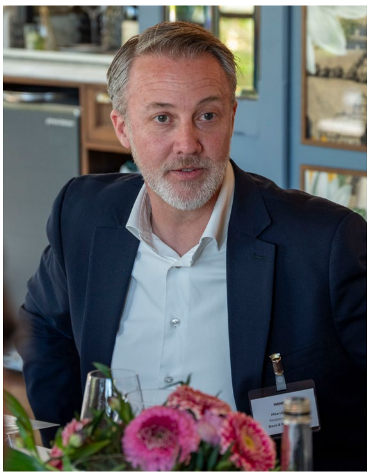
Hall: I would suggest the majority of brokers may not have the confidence to say, you're making a mistake here. But you've got to back yourself and say "you've come to me as a professional, you're asking for my advice. I'm advising you, this is the best way forward".

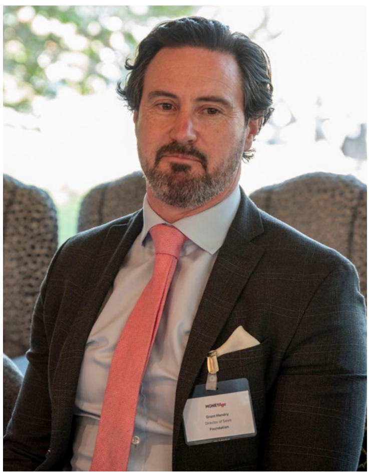
Humphries: And you have to think, are brokers brokers or are brokers advisers? I think there's a subtle difference sometimes, in just finding the best deal for the customer and giving them really good, sound advice. They've got to back themselves. You're charging a fee for that service. Any broker or adviser who is looking at building their brand, as a trusted and respected partner for the customer, needs to give them advice in all different areas or make informed choices in all different areas.

Hall: I was an adviser and would tell clients that my job is to give them choices and

Grant Hendry, director of sales, Foundation

Grant is director of sales at Foundation, with over 20 years' experience across the specialist mortgage and intermediary market. He has held roles at Santander, Nationwide, Metro Bank, Atom Bank and MortgageGym, building in-depth expertise. Known for his relationship driven approach and market insight, Grant leads Foundation's sales strategy across the UK, strengthening broker partnerships and supporting growth across specialist residential and BTL lending.





'The brokers that are offering a best-in-class service will continue to thrive'

– TOKE

informed choices to make. The reality being that if you choose not to protect what you have told me is important to you, that's on you because it's not me that's going to be impacted in that choice.

Humphries: The more help, information and advice a broker can give a customer, the more chance the customer is to refer them to friends, family and colleagues.

Chair: We know that the valuer and the solicitor will always get paid, but if the deal doesn't go through, the broker will earn nothing.

Outlook for 2026 and beyond

Chair: What will happen to the market in 2026 and even further into the future?

Toke: Who really knows? Every time analysts and people in the Government try and predict what's going to happen with interest rates or other areas, they're normally wrong. At the beginning of this year, we all thought interest rates were on a steady trajectory downwards and that's not happened. I can only really speak about what I'm seeing in the bridging space. But unfortunately, I think we're going to continue to see repossessions in the market, that's just the result of the economic climate we're in. However, there's going to be opportunities for investors, who are going to be savvier about the type of properties they're buying. They're going to be more focused on yield, on commercial and semi-commercial properties. So, while it's a difficult market, the brokers that are offering a best-in-class service will continue to thrive, and that goes for the lenders as well. I can see bridging continuing to fill a gap where the mainstream lenders are maybe struggling with it.

Humphries: From a MAB perspective, we don't do commercial, non-regulated bridging, we only do this via a partner. We've got 70 advisers and brokers that are working on that. So, for us, it's going to go up. We're seeing an increase in demand because we're now starting to promote and talk to people about the fact that we can offer those sorts of services, not necessarily directly, but via our partner. The fact that having the big residential arm linked to bridging is a massive benefit for us because we've seen quite a few chain breaks because of what's going on in the market and the way the housing market is. Regulated bridging is going through the roof for us. I hope for the market that that's a good thing as well because we want to be a bigger player in that market. We look at the commercial and the development side, again, because we've started working in that space now with our partners, we're coming across cases out of the blue that we wouldn't have seen before. We know that the demand's there and we've probably got slightly different access to it than other brokers in the market because we've got hundreds of thousands of mortgage customers in our client base. What we're now trying to work at is how we, without breaking any rules around financial promotions, inform those customers that we have these partners to do it. For us, we're really excited about the market and it's a great new area for us to be in.

Chair: I've been lobbying for the last 21 years in Westminster for greater awareness of all these different lenders out there. I can talk all day about the number of lenders that are out there that the man on the street has never heard of.

Humphries: We want to create that awareness as a mortgage partner for our customers, and we can offer all these different services and access other lenders that we've never done before.

Hendry: What's really positive for me is looking at your average broker, it's going to be easier for a customer to go direct into the more complex side of the market and take them on a journey. It's fantastic to see the investment that's taking place in the market.

Humphries: Customers want speed, ease and convenience to get to market, whether that's via Instagram, TikTok or direct to the lender. They're getting less patient and want quick answers and information. They also want a different range of products and services. If you can't offer that as a business or brand, and you can't offer access to residential and non-regulated commercial products, then you might as well start thinking about an exit.

Underwood: I don't think any of us can doubt that the geopolitical events that have happened recently have not influenced the market. It's caused more delays in making decisions and that will continue until it flattens out. But I do think we'll move back towards the fundamentals. If the fundamentals of a deal work, and going back to "location, location, location", the numbers work out, I think there's enough entrepreneurs in the UK and opportunities, even if that comes through repossessed properties, and I think the market will sustain. From

Black & White's perspective, we're going to see more growth and we're going to launch more products in line with customer demand. It's a bit bumpy but as long as the fundamentals on deals still come good, I think there's still plenty of business to be had out there, so you will see growth. We're still seeing large American hedge funds investing in bridging lenders, which is a sign that there's capital to deploy and there's confidence in the market.

Hendry: I'd say they are a lot more cautious at the moment though.

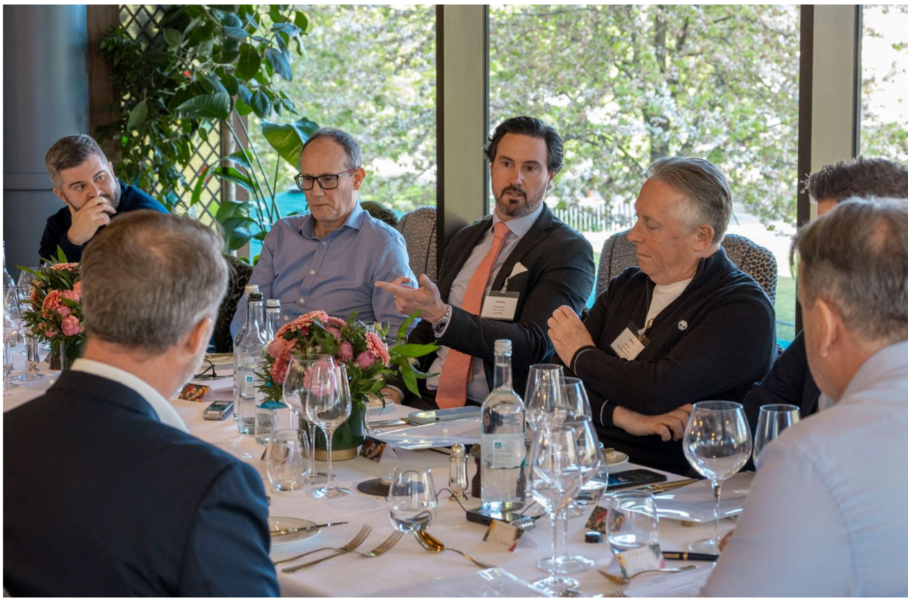
Callaghan: You know that whenever there's a challenge in the market, there's always an opportunity. The right broker, the right lender, will always find a way around it. We talked about buy-to-let being difficult, bridging will be used more as a result. If bridging is done in the right way, for a short-term period, to then exit back to a new term facility, it will get done, and lenders will innovate. So, with any challenge, there's always an opportunity in the market.

Berry: I think we can be optimistic about some growth in challenging times. We're going to see a more competitive and disciplined environment around the actual lending decisions. Ultimately, bridging is a consumer-friendly product now and offers a competitiveness which is not too far away from where the bank base rate is. There are actually some excellent profile customers on amazing assets. It's not the murky waters it once was, which is really encouraging. That's down to the people around this table, and in general, we can be optimistic. I must emphasise that the solution provided is but that's not about price, it's about certainty and a deal structure which makes logical sense.

Hendry: I think that with world events dragging out there's going to be a more cautious approach from customer and lenders. As lenders, we're more cautious to the deals we're doing, so the market certainty is changing.

Berry: What I like that lenders like yourself do, is not saying no, but asking how a solution can be found. Even if you need to drop the LTV by 5%, or raise pricing to be more reflective of the risk it's not you being in a cul-de-sac. You are thinking laterally to get the deal done.

Hendry: You're right and there's a huge opportunity, once again, for bridging and good lending to the right people, rather than panicking and saying yes to every deal because you will get caught out. What we've learned as well, since 2023, is where those opportunities are, and it's still fresh for brokers and customers as well. We've seen rents come up to match where we are in the pricing point of view, so that's not been a stumbling block. Lenders have learned a lot over the last couple of years, so I think we're in a strong position. Regulation has put us in a good position, so it's going to be tough, but I think it will be okay.



'Whenever there's a challenge in the market there's an opportunity'

– CALLAGHAN

Hall: Opportunity exists in all markets. What we're seeing is a is a more professional market on both the lender and broker sides, which can only mean better outcomes, more competition, more innovation for the market, and we're in a resilient market. This market might not grow at the pace that we want it to, but it will grow, and it will still be here, like it always is. We've learned a lot of lessons over the last 18 years, since the credit crunch, and we've not seen ourselves go back into that, despite global environments. We've seen prices rocket up recently, but they've come back down even faster, especially in the residential market, because people are wanting to do business.

Chair: To conclude, all of the words that have been used around this table have been the right kind of words, whether it's opportunity, whether it's professionalism, but in this market, the one word that's always used is innovation. We've always been innovative and able to change and adapt, and that's why we've been successful.