

# Commercial Trust Quarterly Index Q1 2026



## The headline shift

UK buy to let capital pivoted sharply north in Q1 2026, with landlords switching their focus to cheaper, high-yielding northern markets. Remortgaging led over new purchases as the dominant mortgage application type.

### AVERAGE LOAN SIZE

**£194,695**

Down 7.5% on Q1 2025 (£210,477)

### DOMINANT APPLICATION TYPE

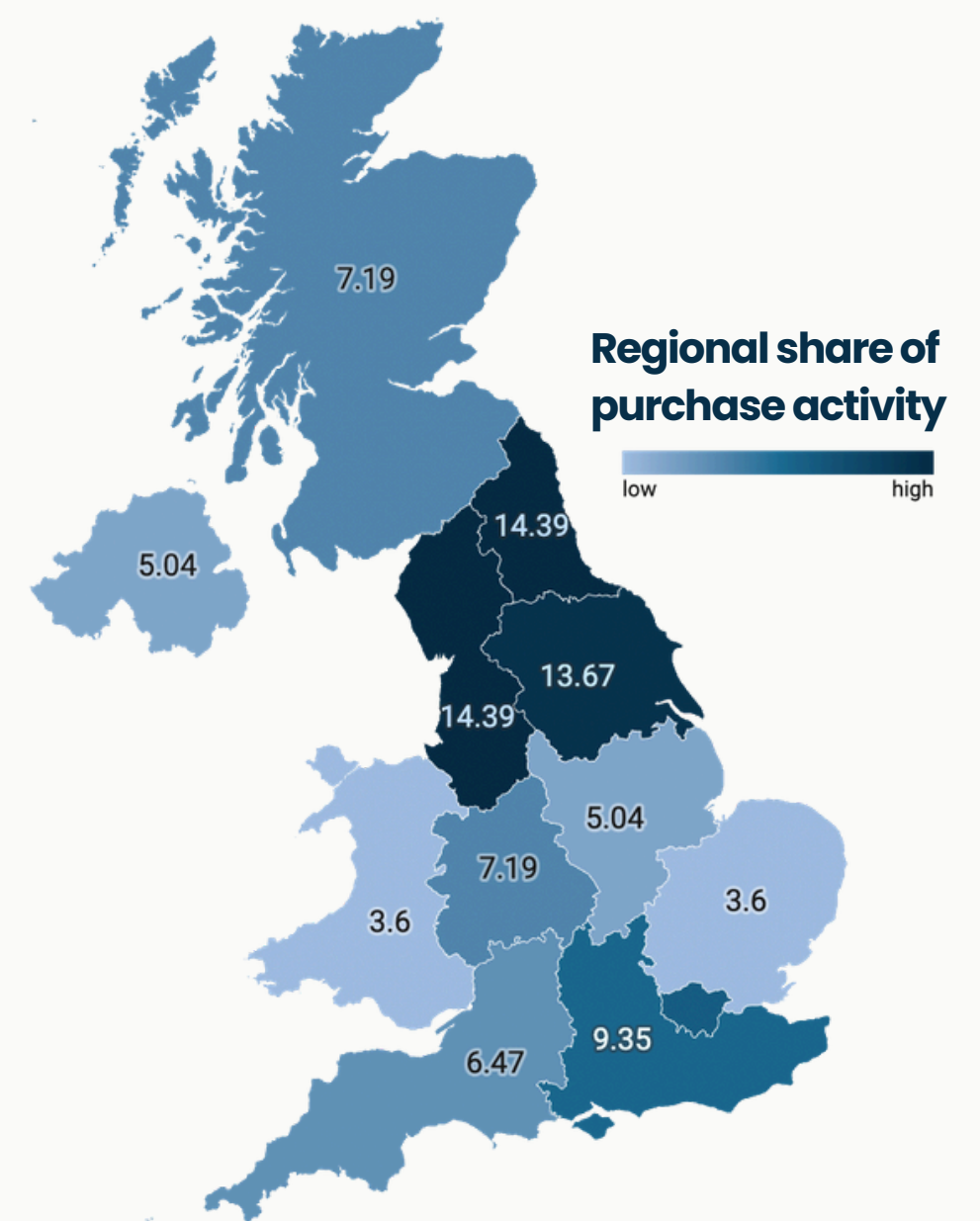
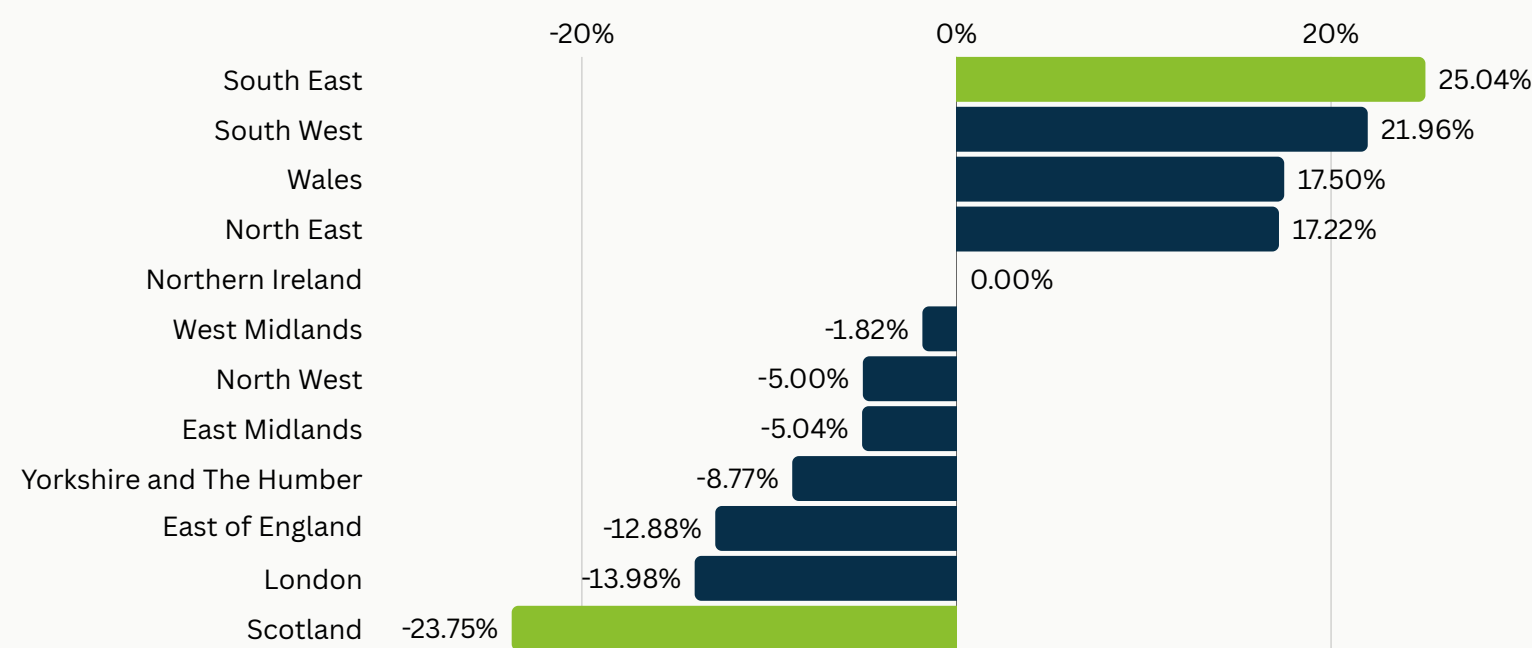
**Remortgage**

53.5% of all applications, up from 46.1% in Q1 2025

## Who is buying where

### LOCAL BUYER SHARE BY REGION

Local landlord buying increased most in southern and Welsh markets.



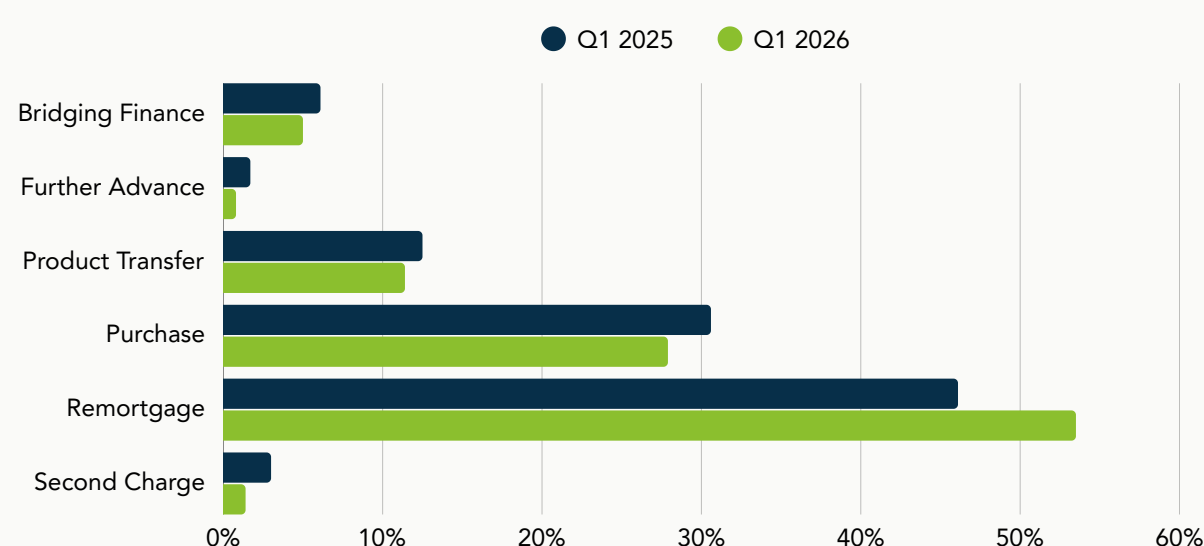
- The North East still has the lowest local-buyer share in the country at 45%, although that itself is up from 27.8%.
- The South East local-buyer share jumped from 59.6% to 84.6%, the South West from 55.8% to 77.8%, and Wales from 62.5% to 80%.
- Scotland fell sharply from 93.8% to 70% and London from 78.3% to 64.3%.

The North West held top position at 14.4%, up from 13.2%. East Midlands fell from 8.8% to 5.0% and West Midlands from 8.8% to 7.2%.

## Specialist lending

### APPLICATION TYPE

Remortgaging accounts for more than half of all buy to let applications, the clearest sign yet of a market prioritising portfolio optimisation over expansion.



### AVERAGE LOAN SIZE BY PRODUCT

Product	Q1 2025	Q1 2026	Change
<b>Bridging finance</b>	£109,174	£176,760	+ 62%
<b>Commercial</b>	£230,546	£266,392	+ 16%
<b>Further advance</b>	£26,957	£42,844	+ 59%
<b>Product transfer</b>	£161,165	£149,053	- 8%
<b>Purchase</b>	£240,708	£189,604	- 21%
<b>Remortgage</b>	£227,891	£205,006	- 10%
<b>Second charge</b>	£37,772	£66,462	+ 76%
<b>Overall average</b>	£210,477	£194,695	- 7.5%



Q1 2026 marked a notable northward redistribution of buy to let capital, with landlords pivoting into the North East, Yorkshire, and the North West while pulling back from the East of England. The size of the average purchase loan fell 21%, which is consistent with landlords moving down the price ladder to access better-yielding stock in cheaper regions, whilst the average bridging loan size rose 62% to £176,760, pointing to a parallel rise in complex, professionalised deals at the other end of the market.

**Jorden Abbs, Chief Executive of Commercial Trust**



Everything starts with a good conversation. Speak to the Commercial Trust team today. Call free on 0808 132 0097