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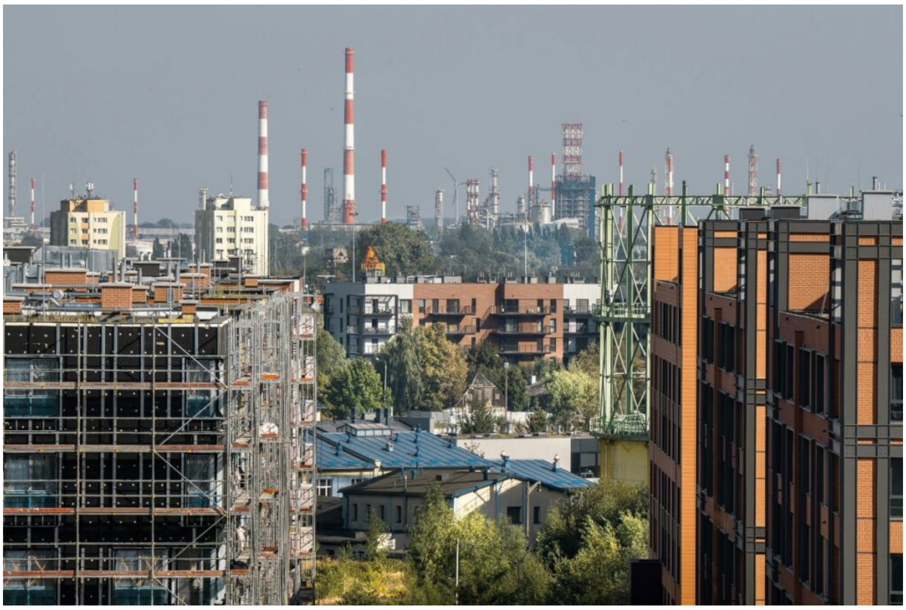
# One in Three Developers Scaling Back Projects as They Turn to Bridging

6 months ago



The latest research from specialist lender, Octane Capital, has revealed that UK property developers are increasingly relying on bridging finance to overcome mounting financial pressures, as one in three have been forced to postpone or scale back projects due to funding challenges.

The survey of UK property developers, commissioned by Octane Capital, found that 36% say they are actively using bridging finance in 2025, making it the most commonly used form of funding, ahead of traditional buy-to-let or commercial loans (22%) and refurbishment finance (17%).

While 46% of developers say their activity has remained stable compared to 2024, nearly a third (30%) have paused entirely due to market uncertainty, whilst 13% have been more selective and just 12% have increased their output.

The survey highlights a broader caution in the market, with 51% of developers saying they are not confident about launching their next project within the next 12 months. A further 34% confirmed they had already scaled back or postponed a development in the past year due to financial barriers.

Interest rates remain the most commonly cited obstacle to securing finance, named by 40% of respondents, followed by planning uncertainty or delays (16%) and lender appetite (14%).

Despite these concerns, there is a silver lining: 65% of developers said they would rate their current access to specialist development or exit finance as “reasonable” or better – showing that while terms may be tighter, routes to funding remain open.

Jonathan Samuels, CEO of Octane Capital, commented: “It’s clear that 2025 remains a testing environment for property developers, with high interest rates, funding pressures, and market uncertainty weighing heavily on confidence. But what's encouraging is that bridging finance continues to play a vital role in keeping projects moving, offering developers speed and flexibility when traditional funding routes fall short.

Despite the challenges, most developers are still active in the market and can access funding – albeit with more cautious terms. This resilience, supported by specialist lenders, is what will keep the development sector ticking over as we head into 2026."

Data Tables and Sources

- Survey of 1,003 property investors active within property development carried out by ProperPR on behalf of Octane Capital via consumer research platform Find Out Now (18th July 2025).
- View full data tables and sources online here.