



# ASK Partners study suggests debt financing will boom in 2025

12 Dec 2024 By [Madeleine Knight](#)

**Appetite for debt finance in the UK is rising, with 32% of businesses surveyed by specialist property lender ASK Partners and OakNorth stating their desire to borrow has grown.**

This increased appetite for debt reflects the “compelling opportunities” in the UK market from a real estate perspective, ASK Partners said. Opportunities are expected to be particularly prominent in growth sectors such as build-to-rent, co-living, student housing, hotels and offices, which are all supported by robust demand.

The research also found that 70% of respondents expressed a stronger interest in UK investment opportunities in the coming six-12 months.

Three in 10 (29%) respondents plan to incorporate junior debt into their financial structures, while a quarter are opting for a mix of equity and junior debt.

Junior debt [mezzanine finance can help borrowers leverage up and free some equity to use for other projects.](#)

Meanwhile, 18% of respondents intend to increase equity to manage rising debt costs. When applying for a business loan, respondents highlighted that pricing, flexibility in the loan terms, and speed of execution were all of importance.

Daniel Austin, chief executive and co-founder at ASK Partners, said: “These results are a really positive sign for economic growth. The Autumn Budget was generally not well received by businesses, given the rises in employment costs, but these figures prove that it has not dampened appetite for borrowing and investment.

“However, challenges such as tax increases, inflation, and tighter environmental regulations persist. Navigating these headwinds will require innovative financing and deep market insight. Debt finance providers with these skills will play a key role in reshaping UK real estate in 2025, helping developers and investors capitalise on opportunities in this evolving landscape.”