Preface

The idea for this book began with a personal story on a damp day in Birmingham in 2012.

At the time, I was looking to buy an old factory in the city's historic Jewellery Quarter, which I wanted to turn into a modern co-living space for young professionals. Like many industrial buildings across Britain's former industrial heartlands, it had seen better days. Yet below the neglect, there was potential. The Jewellery Quarter has always been a place where craftsmanship and entrepreneurship meet, and the idea of giving the building a new lease of life was deeply appealing.

I had a capable contractor and a clear plan. What I did not have was a track record with a project of such scale, even though I had completed many smaller projects.

In theory, that shouldn't have been insurmountable. In practice, it proved exactly that. One by one, banks declined to finance the project. The reasons varied in detail but were consistent in essence: without a development track record, the risk simply didn't fit. The fundamentals were there, the contractor was highly experienced and the numbers broadly stacked up. But none of that was enough. The answer remained the same. No.

It was only after several months that a broker introduced me to a local lender I had never heard of before: a small, specialist firm operating outside the traditional banking system. It was what would later become known as a non-bank lender.

Unlike the banks, they were willing to look at the project itself instead of just my track record. They visited the site, spoke with the contractor and assessed the local market dynamics. Their underwriting process was thorough, but it was also pragmatic. They were prepared to structure a loan that recognised both the risks and the opportunity. That loan allowed the project to move forward.

At the time, I didn't realise that this experience would shape the direction of my professional interests for the next decade. But it was the first moment when I clearly saw how capital could come from outside the traditional banking system to enable projects that would otherwise remain on paper.

Over the following decade, my career increasingly intersected with the world of non-bank lending. Working within financial markets and later advising FinTech and credit platforms, I watched as private lenders, institutional investors and technology-enabled platforms began to fill the banks' shoes.

What I had first encountered as a niche corner of the market slowly revealed itself as something much larger.

Developers had started getting excited about new sources of funding that could move faster and structure more flexibly than traditional banks. Institutional investors began allocating capital to private credit strategies backed by real assets. FinTech platforms introduced new ways of originating and monitoring loans. In parallel, regulatory reforms reshaped bank balance sheets and reduced their appetite for certain forms of lending.

Taken together, these developments were quietly transforming the financial ecosystem surrounding real estate.

At first, the shift was easy to overlook. Private credit remained relatively small compared with traditional lending, and many observers assumed the change was short-lived. The prevailing narrative was that banks had retrenched in response to post-crisis regulation and that they would eventually resume their previous roles.

But over time it became increasingly clear that something deeper was happening. Across markets, private lenders were financing projects that banks no longer touched: development schemes in regional cities, refurbishment of historic buildings, bridge financing for complex projects and capital for small and medium-sized developers who struggled to access traditional credit.

Insurance companies, pension funds and sovereign wealth funds were allocating increasing amounts of capital to private credit strategies. Technology platforms were digitising parts of the lending process. Specialist funds were emerging to finance everything from logistics infrastructure to student accommodation.

Taken together, these forces began to redraw the map of real estate finance. What had once appeared marginal was steadily moving toward the centre of the market.

As my own exposure to the sector deepened—including becoming an equity investor in a non-bank development finance lender—I became increasingly fascinated by the broader forces behind this transformation. The story was not just about alternative lenders replacing banks. It was more nuanced. It was about how financial systems evolve when regulation, technology and investor behaviour change simultaneously.

Yet despite its growing importance, real estate private credit remains surprisingly under-explored. Discussions of private markets often focus on corporate lending or private equity, while the role of private debt in financing the built environment receives far less attention.

This book seeks to address that gap.

It examines the rise of real estate private credit from multiple angles: the regulatory shifts that altered bank lending after the financial crisis, the institutional investors seeking stable income in a low-yield world and the technological innovations reshaping how credit decisions are made. It also highlights the perspectives of practitioners—developers, lenders and investors—who are navigating this evolving landscape every day.

Throughout this book, I draw on conversations with those allocating capital, structuring deals and delivering projects who are actively shaping this market. Their perspectives reveal the practical realities behind the headlines: how deals come together, how risk is assessed and how capital flows through projects in practice.

The aim is not to present private credit as a flawless solution. Like any financial innovation, it carries risks and will inevitably face cycles that test the discipline of lenders and borrowers alike. But its rise offers a window into a broader transformation occurring across finance.

Looking back, the old factory in Birmingham's Jewellery Quarter now feels like an unlikely starting point for a book about the evolution of credit markets. Yet that early experience revealed something that would later become much clearer: the financial system is constantly adapting, often through small and practical decisions made far from the headlines.

Sometimes those decisions begin with a lender willing to say yes when everyone else says no. And sometimes they quietly reshape the way entire markets function.