Overseas property buyers cautious amid economic and political uncertainty

Nov 17 2025

Recent policy changes and economic shifts are having an impact on international property investors looking at UK-based assets, according to UK brokers.

Butterfield in the UK commissioned market research firm Censuswide to conduct an independent survey of 300 UK-based mortgage brokers. Seven in ten (71%) reported seeing greater caution among their overseas clients in anticipation of the upcoming Autumn Budget, while 73% believe that recent tax changes have reduced the appeal of UK property.

The data also shows that three in four brokers (75%) say their clients now need more support to understand the UK market since Labour came to power in July 2024. Meanwhile, the Bank of England's base rate continues to be a significant factor in investors' decision making according to 67% of brokers.

It suggests that uncertainty across the political and economic landscape are having a dampening effect on market sentiment. That said, nearly three-quarters (74%) believe that proposals to streamline the home-buying process will have a positive impact on the market if they are introduced by the government.

Alpa Bhakta, CEO of Butterfield Mortgages Limited, said: *"With the Autumn Budget drawing close, this data underlines what's at stake, with policy reforms clearly influencing how international investors think about UK property – particularly in prime markets, where the higher concentration of overseas buyers means the impact is most obvious.*

"More than anything, right now we need clarity. If the Budget can deliver that, property buyers will be able to make informed decisions and plan with confidence. To support this, brokers and lenders have a crucial role to play after the Budget. By maintaining clear communication and a flexible approach, lenders can help ensure that international buyers continue to see the UK as a stable and attractive market for investment."

—ENDS—

Notes to editors

About Butterfield Mortgages Limited

Alpa Bhakta is the CEO of Butterfield Mortgages Limited, a London-based property mortgage provider specialising in providing residential mortgages against prime properties in London and the South of England, with a particular focus on the needs of UK and international HNWIs. It is part of the Butterfield Group and a subsidiary of The Bank of N.T. Butterfield & Son Limited.

Butterfield Mortgages Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register Number: 119274). Registered office: Sun Court, 66-67 Cornhill, London, EC3V 3NB. Registered in England No. 338594.

Butterfield Mortgages Limited does not provide tax, legal or accounting advice. This release has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

About the research

The research was conducted by Censuswide, among a sample of 300 UK mortgage brokers. The data was collected between 16.10.2025 - 23.10.2025. Censuswide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuswide is also a member of the British Polling Council.