
KEYNOTE INTERVIEW

Loan servicers step up



In a shifting European real estate debt market, the loan servicer's role has moved from administrative support to a value-add partnership, says Trimont's Rebecca Percossi

Following a resilient 2025, which saw renewed activity across the European debt market, particularly in the refinancing space, non-bank lenders continued to gain traction in Europe. This rise of non-bank credit, combined with banks' greater use of third-party servicers for complex or non-standard loans, is reshaping the loan servicer's role into one that goes well beyond traditional administration, requiring a deeper understanding of deal structures, business plans and the ability to provide more detailed and timely data to lenders.

Beyond the changing role of loan servicers, Rebecca Percossi, executive managing director and head of Trimont's international business, explains how the firm is supporting lenders and borrowers through

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evolving market dynamics and where the main opportunities and challenges are heading into 2026.

Q How were lending market conditions in 2025?

We saw a clear improvement in lending market conditions compared with previous years, evidenced by a notable increase in transaction volumes. Our fourth quarter, for instance, was particularly active, reaching levels comparable with those seen before the pandemic, inflationary pressures and interest rate hikes.

This uptick was predominantly driven by refinancing activity, as the

maturity wall prompted many borrowers to seek new financing solutions. We observed especially strong transaction activity in the UK.

Overall, 2025 was a positive year for deal volumes compared with the prior two years. Lenders continued to favour assets with strong fundamentals and lower-risk profiles, such as logistics, residential and office sectors, while remaining more cautious around retail and hospitality.

Historically, we have managed a significant construction book, but in 2025 investment lending outpaced construction lending. Higher interest rates and elevated building costs led to a slowdown in new developments, resulting in a greater proportion of investment loans relative to construction loans last year.

Q Your firm was awarded Loan Servicer of the Year: Europe. What drove your success in the loan servicing market last year?

Our success is driven by three core factors. First, we prioritise building and maintaining strong partnerships with our key clients. By engaging proactively and positioning ourselves as strategic partners rather than just service providers, we were able to better understand and anticipate our clients' needs.

Second, we focused on delivering value-added services that directly supported our clients' goals. A notable example was the launch of our escrow service, which facilitated smoother transaction closings and more secure movement of funds. With increasing reluctance among lawyers to hold cash at closing, our escrow solution provides clients with a reliable alternative and builds their confidence in the process.

Finally, we invested significantly in operational efficiency and data quality. This included implementing a new loan servicing system, which has delivered strong results; creating a dedicated role focused on operational excellence; and restructuring our team to promote greater accountability and collaboration. These initiatives enabled us to streamline workflows, improve data accuracy and consistently deliver a high standard of service to our clients.

Q How did the role of loan servicers and loan asset managers in European real estate markets change last year?

We have observed a significant rise in non-bank credit solutions, which has expanded the role of loan servicers beyond traditional operational responsibilities. Increasingly, our teams are engaged in co-ordinating amendments, managing consent requests and handling a broader range of activities between interest payment dates. This shift requires an in-depth

understanding of each transaction's structure, dynamics and underlying business strategy.

We also saw more banks turning to third-party loan servicers for complex transactions that fall outside their standard product offerings, rather than relying solely on in-house agency teams. This trend has created new opportunities for us to support a wider range of clients and participate in more sophisticated transactions.

Additionally, in the debt fund space, there has been a growing demand for enhanced data access and transparency. In response, we have invested considerable effort in developing our technology platforms and collaborating with clients to ensure they can seamlessly access the data they need, integrating it directly into their own systems.

Q To what extent did you witness distress in the market last year, and how were situations resolved?

Overall, we experienced a relatively low proportion of sub-performing loans in our portfolio. During the year, we successfully resolved a number of these cases, particularly within the

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construction space. Most resolutions were achieved through close collaboration between the borrower and the lender, focusing on addressing breaches and driving projects toward completion – outcomes that were largely realised over the past year.

In terms of new transactions, we have observed a decline in the issuance of waivers and reservations of rights, indicating a more stable risk environment. At present, risk management and loan performance across our book remain steady.

Q What do you see as the main challenges and opportunities for European real estate markets in 2026?

One of the primary challenges in the market is the increasing competition within the credit space. We are seeing more Asian banks entering the market, alongside the establishment of new debt funds and heightened fundraising activity. Real estate continues to compete with infrastructure and fixed income for capital allocations, which adds another layer of complexity. Additionally, ongoing geopolitical uncertainty and the risk of new tariffs remain, though there is hope for greater stability and resolution of the challenges experienced in 2025.

On the opportunity side, borrowers now have access to a broader range of financing strategies. We anticipate an increase in loan-on-loan structures and expect CMBS issuance to rise this year. Larger credit platforms are also supporting smaller managers, enabling them to originate smaller loans and create a more diversified credit exposure. This trend is becoming increasingly evident in the market.

Sector-wise, investor focus remains on living, residential, logistics, industrial and prime office. At the same time, we are seeing growing interest in data centre transactions, driven by technological advancements and the expansion of AI and digital infrastructure. We anticipate another busy year. ■