



**PARAGON MORTGAGES PRESS RELEASE
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PARAGON REPORTS STRONG Q1

- Paragon Group reports £23.7 million operating profits
- Buy-to-let advances total £45.6 million
- Arrears remain low

The Paragon Group of Companies, the parent company of buy-to-let lender Paragon Mortgages, has today announced results for the period 1 October to 31 December 2012.

The Group's Interim Management Statement for the first quarter reported operating profits of £23.7 million, which is a 16.7% increase on Q1 2012 (£20.3 million).

During the quarter £45.6 million of new buy-to-let loans were made, an increase on the same period last year (£37.4 million). At December 31 2012 the pipeline of new buy-to-let business totalled £102.7 million.

Arrears levels across Paragon's buy-to-let book remained low with the three month arrears figure for the period just 0.44% compared to 0.64% in Q1 2012.

John Heron, Director of Mortgages, said: "The first quarter was a successful one for the Group. Following the increase in our funding capacity with the additional warehouse from Lloyds and the extension of our existing Macquarie facility, we are actively growing our buy-to-let business.

"In January we announced the launch of a range of limited edition products through our Mortgage Trust brand and the increase in our lending activities over the last few weeks will be reflected in the second quarter. We are delighted with the excellent quality of the business we continue to receive."

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NOTES TO EDITORS

[Paragon Mortgages](#) is the leading specialist provider of buy-to-let mortgages and is part of [The Paragon Group of Companies](#), a FTSE 250 company. Paragon's product range caters for both professional and smaller scale landlords. Paragon Mortgages introduced its first product aimed at the professional property investor in 1995 and is a member of the Council of Mortgage Lenders (CML), the Intermediary Mortgage Lenders Association (IMLA), National Landlords Association (NLA) and the Association of Residential Letting Agents (ARLA) Lenders' Panel.