



**PARAGON MORTGAGES PRESS RELEASE
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PARAGON REPORT 90% INCREASE IN BUY-TO-LET LENDING

- Paragon announces record pre-tax profits - £105.4 million
- Surge in buy-to-let lending – up 90% to £360 million
- Preparations for new Bank progressing well

Paragon Group, parent company of specialist buy-to-let lender Paragon Mortgages, today reported a 10% increase in profits for the year ended 30 September 2013.

During the year, buy-to-let advances increased by 90.5% to £359.8 million, compared with £188.9 million in 2012. The pipeline of new buy-to-let business at 30 September 2013 was £231.9 million (2012: 129.9 million).

Paragon Mortgages launched two securitisations in the last 12 months and also increased its warehouse facility to £450 million.

John Heron, Director of Mortgages, said: "It has been an excellent year for the Group, with record profits and a sharp increase in buy-to-let lending on the back of improved funding.

"The mortgage business has performed strongly over the past year, not only increasing lending, but developing new, competitive products and launching two securitisation deals.

"We have successfully laid the foundations for further growth for the future, as the buy-to-let market continues to gain momentum and demand from landlords remains high."

Highlights from the Group's full-year results include:

- Pre-tax profits up by 10.4% to £105.4 million (2012: £95.5 million)
- Warehouse facilities increased to £450 million
- Two securitisations of new buy-to-let loan assets completed
- First retail bond issue completed successfully
- Preparations for the launch of a new bank progressing well

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NOTES TO EDITORS

Paragon Mortgages is a 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 private investor 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.