



**PARAGON MORTGAGES PRESS RELEASE  
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## **IMPROVED AVAILABILITY OF BUY-TO-LET FINANCE FUELS GROWTH IN PRS**

- Research shows landlords are growing their property portfolios
- Landlords report continued improvement in finance availability
- Tenant demand remains strong

Landlords have increased the size of their rental portfolios in Q3, a survey by specialist buy-to-let lender Paragon Mortgages has revealed.

Landlords who took part in the specialist lender's quarterly Private Rented Trends Survey reported an average rental property portfolio size of 14.7 properties, an increase from 13.3 properties in Q2. In the next 12 months, landlords expect to have 14.8 properties in their portfolios.

During the quarter, landlords also continued to report improvement in the availability of buy-to-let finance, with 37% of landlords saying finance is now reasonably available. This represents a steady increase compared with 35% in Q2 and a substantial improvement compared with 25% who reported finance to be reasonably available a year ago.

An overwhelming majority of landlords were positive about demand levels, with 91% describing tenant demand as stable or growing. Given this favourable backdrop, the void period tightened slightly to 2.9 weeks from 3.0 weeks in Q2 and the average rental yield was unchanged at 6.4%.

John Heron, Director of Mortgages, said: "The third quarter survey paints an encouraging picture of growth in the private rented sector, suggesting landlords increasingly have the confidence to invest because of improved access to finance.

“Demand for private rented accommodation remains high and it is vital that this emerging confidence in the landlord community is nurtured in order to maintain the growth in supply.

“Lenders are clearly improving their buy-to-let finance propositions in a bid to increase lending volumes. This is helping landlords expand their portfolios but we must ensure that this lending is sustainable and particularly that lending remains affordable to borrowers over the long term.”

For a full copy of the PRS Trends Q3 2013 report click [here](#).

### **ENDS**

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#### **NOTES TO EDITORS**

The Paragon PRS Trends survey is carried out with a panel of circa 200 landlords.

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.