



**PARAGON MORTGAGES PRESS RELEASE
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INTERMEDIARIES REPORT STRONG GROWTH IN FIRST-TIME LANDLORDS

- 27% of intermediaries' buy-to-let business from first-time landlords
- Landlord demand continues to strengthen
- Improved availability of buy-to-let finance

First-time landlords made up a growing proportion of intermediaries' buy-to-let business in the third quarter, a survey by Paragon Mortgages has found.

The proportion of all buy-to-let cases from first-time landlords was 27% in the third quarter, up sharply compared with 22% in the second quarter and the highest level seen since the financial crisis.

The growth in first-time landlord buy-to-let business comes at a time when tenant demand for rental property is high, with 91% of current landlords describing tenant demand as stable or growing.

A total of 43% of intermediaries reported landlord demand for buy-to-let finance as being strong or very strong in the third quarter, rising steadily from 22% in the comparable period last year.

In addition, almost six out of ten intermediaries (56%) said they thought that the availability of buy-to-let finance had improved over the previous three months.

John Heron, Managing Director, Paragon Mortgages, said: "As demand for accommodation in the PRS continues to grow, we have seen a steady rise in the

number of first-time landlords entering the sector, drawn by the potential for attractive yields relative to returns on cash and other investments and long-term capital growth.

“First-time landlords have been an important source of growth at a time when more established landlords with larger portfolios have found themselves constrained by limited equity.

“Improved availability of finance is critical to the continued growth of the PRS and to meet the demands of renters. Lenders will need to continue to innovate to support further expansion of the PRS.”

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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.