



**PARAGON MORTGAGES PRESS RELEASE  
31 JANUARY 2014**

**PARAGON MORTGAGE LENDING UP 207%**

- Buy-to-let completions increase by 207%
- Q1 Group operating profits total £26.9 million
- Mortgage pipeline £222.5 million at the end of Q1

Paragon Mortgages' parent company, The Paragon Group of Companies, has today announced results for the period 1 October 2013 to 31 December 2013.

The Group's Interim Management Statement for the first quarter reported strong growth in buy-to-let loans completed by the specialist lender, £140.2 million compared to £45.6 million for the same quarter the previous financial year. This is a 207% increase in new business.

The pipeline of applications and offers outstanding totalled £222.5 million at the end of December 2013 and the credit quality of the new loans written has remained exemplary.

The Group reported operating profits of £26.9 million, this compares with £23.7 million for the same time period in the previous year.

At the end of December 2013, arrears across Paragon's buy-to-let portfolio remained very low, with the three months arrears figure for the period just 0.31%, compared with 0.44% at 31 December 2012. This compares very favourably with the market level of buy-to-let arrears which according to the CML stood at 1.16% at 30 September 2013.

John Heron, Managing Director Paragon Mortgages, said: "We have had a fantastic start to the year with a marked step-up in buy-to-let business compared to a year earlier. The credit quality of the business written continues to be of a very high quality and arrears across the whole book have fallen again.

"Our landlords remain very optimistic about the rental market and have indicated that they intend to continue to grow their portfolios to meet the demands of tenants for quality rented accommodation. We continue to work on innovative products and improved means of delivery to facilitate this growth, and expect to remain very busy through the spring."

### **ENDS**

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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.