



**PARAGON MORTGAGES PRESS RELEASE
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BUY-TO-LET LANDLORDS REPORT ON STEADY QUARTER

- 41% of landlords say tenant demand is growing or booming
- Just 3% of landlords described demand as declining
- Rental arrears expected to remain stable

The latest landlord research from buy-to-let mortgage lender Paragon Mortgages shows that landlords are still experiencing high levels of demand during the third quarter.

The Private Rented Sector Trends survey, which the specialist lender has been running for the past 13 years, tracks landlord confidence and their views on the wider buy-to-let market.

During the third quarter 41% of landlords surveyed said tenant demand was growing or booming, however just over half (51%) said in their view demand was stable. Just 3% of landlords described tenant demand as declining.

Looking ahead, 61% of landlords felt that the level of tenant arrears would remain stable over the next 12 months. In comparison 12% of landlords stated that in their view tenant arrears would increase and 8% expect a decrease.

Landlords were also asked what the most important factor is when they are looking for new buy-to-let mortgage finance. Interest rates remained the most important, having been top of the list for the past 12 months, followed by average loan-to-value and product fee.

John Heron, Director of Mortgages, said: "Our latest survey of landlords reveals that that the past quarter has been a stable and steady one, with just over a third of landlords saying they feel more optimistic about the prospects for their rental portfolios.

“At this point in the year, we can usually gauge how the wider buy-to-let market has performed and what likely lending volumes for the calendar year will be. Last year, the Council of Mortgage Lenders (CML) reported total buy-to-let lending for 2013 as £20.7 billion.

“Current thinking is that gross buy-to-let lending this year will be around the £25 billion mark, which represents a healthy increase over 2013 - but there has been some evidence that the rate of growth has slowed as the year has progressed.”

To download a copy of the PRS Trends Q3 report [click here](#)

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NOTES TO EDITORS

The PRS Trends Q3 2014 survey included responses from 196 landlords.

Paragon Mortgages is a leading provider of buy-to-let mortgages delivering lending solutions designed for professional landlords with more complex requirements. These include lending to limited companies as well as private individuals, lending on more complex property including HMO's and multi-unit blocks, higher aggregate lending limits and the ability to accommodate more complex letting arrangements including local authority leases and corporate leases along with standard ASTs.

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).

Paragon Mortgages is part of The Paragon Group of Companies, a FTSE 250 company and a specialist provider of finance.

In February 2014 Paragon Group launched its banking subsidiary, Paragon Bank PLC. It is a retail-funded lending bank with a direct-to-consumer Internet platform for savings. Its loan products are distributed via intermediaries. The Bank is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.