



**PARAGON MORTGAGES PRESS RELEASE
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MORTGAGE INTERMEDIARIES EXPECT RISE IN BUSINESS

- Intermediaries expect 6% increase in overall mortgage business in Q4
- 3% average rise expected in buy-to-let mortgage business over next 12 months
- Rental demand most important factor in determining levels of buy-to-let business

Intermediaries' are positive about their future levels of mortgage business over the next year, according to the latest quarterly intermediary survey by leading buy-to-let lender Paragon Mortgages.

The specialist lender's Q3 survey shows that, on average, advisers expect to do 6% more overall mortgage business in Q4 in comparison with Q3. This figure is up slightly from an average predicted quarter-on-quarter increase of 5% in Q2.

In terms of levels of buy-to-let mortgage business, advisers expect to see a 3% average increase over the next 12 months, which is unchanged from the level recorded in Q2.

More than half (56%) of intermediaries surveyed in Q3 expect their levels of buy-to-let mortgage business to remain stable over the next year. In comparison, 40% said they expect to do more buy-to-let business, with nearly one fifth (19%) expecting there to be an increase of 6% or more.

The majority (69%) of intermediaries surveyed in Q3 identified rental demand as the most important factor for determining the expected change in their level of buy-to-let mortgage business over the next 12 months, followed closely by property prices (65%) and interest rates (64%).

Paul Clampin, Director of Underwriting, said: "It is positive to see that average expected levels of mortgage business, both general and buy-to-let, have increased since the previous quarter, particularly following the recent implementation of MMR.

"Demand from tenants continues to remain high and is likely to do so over the foreseeable future as more people move into the Private Rented Sector. Therefore, this is likely to have a positive impact on intermediaries' expected levels of buy-to-let business going forward."

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NOTES TO EDITORS

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.