



**PARAGON MORTGAGES PRESS RELEASE
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PARAGON MORTGAGES REPORT BTL LENDING UP 58%

- Paragon Group reports 14.9% increase in operating profit
- Buy-to-let completions total £222.1 million in Q1
- Pipeline of new business reaches £416.7 million

Paragon Mortgages' parent company, the Paragon Group of Companies, has today announced results for the quarter to 31 December 2014.

The Group reported operating profits of £30.9 million, a 14.9% increase on the first quarter last year (£26.9 million).

Paragon Mortgages reported a strong first quarter, with significant growth in buy-to-let loans completed during the period of £222.1 million – a 58.4% increase on the same time period last year (£140.2 million).

The business has also seen strong growth in the new business pipeline, which stood at £416.7 million at 31 December 2014, which is up from £222.5 million at the same time point last year.

John Heron, Managing Director of Paragon Mortgages, said: "We continue to benefit from an increase in the scale of our funding capability and, as a result of the deposit raising capability of Paragon Bank, improved diversity of funding.

“This has allowed us to continue developing our buy-to-let proposition for landlords and their intermediaries and we now have our most complete and competitively priced range of buy-to-let products. The fact that the pipeline continues to grow demonstrates well that the business has a good platform in place for further development through 2015. ”

ENDS

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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.