



**PARAGON MORTGAGES PRESS RELEASE
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LANDLORDS UPBEAT ABOUT TENANT DEMAND

- 43% of landlords experience rise in tenant demand
- Over half of landlords believe growth will continue in the next 12 months
- Young people and families are driving tenant demand higher

Research by specialist buy-to-let lender, Paragon Mortgages, highlights the continued growth in tenant demand in the second quarter, with 43% of landlords believing demand is either growing or booming.

The most recent findings show that the trend for strong tenant demand is well-established, with ongoing steady growth for the past three consecutive quarters.

The level of growth is expected to continue over the next 12 months with more than half of landlords (51%) believing they will continue to see a rise in demand.

The research also identified the tenant groups that landlords are most frequently letting to with almost half of landlords (47%) renting to young couples, young singles (43%) and families with children (42%).

John Heron, Managing Director of Paragon Mortgages, said: "It is no surprise that rental demand is steadily increasing. With continued stress on the housing stock driving prices up, tough affordability hurdles for would-be buyers and a social rented sector under pressure as a result of renewed interest in right-to-buy, a steady increase in rental demand was practically inevitable. It is important that landlords continue to expand the supply of rented property in order to maintain balance and so avoid unsustainable increases in rents. A healthy, competitive and innovative buy-to-let market is critical to this."

ENDS

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NOTES TO EDITORS

* The Private Rented Sector Trends survey is a quarterly survey of a panel of 200 Paragon Mortgages' landlord customers

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.