

**Paragon Mortgages (No.11) PLC (“PM11”) : Class A, B and C Notes Available Redemption Funds for October 2015**

PM11 hit a Determination Event in July 2015 i.e. the Interest Payment up to an including when the deal halved in value, so PM11 is in a position to start paying down the Class B and Class C Notes from the following Interest Payment Date, 15th October in 2015. The ratios in page 92 of the PM11 Offering Circular need to be brought back into line such that PM11 ends up with 73.40% of the total Notes relating to the Class A Notes and 26.60% of the total Notes relating to the Class B and Class C Notes. While any Class A Note remains outstanding, Available Redemption Funds will be applied in redemption of the Class A Notes, the Class B and the Class C Notes so that the percentages stated above is achieved and then maintained.

With effect from the October 2015 Interest Payment Date (15<sup>th</sup> October 2015), PM11 will be in a position to pay down the Class A, B and C Notes on a pro rata basis subject to the Terms and Conditions of the Notes.