



## Fitch Takes Rating Actions on Paragon RMBS Series

**Link to Fitch Ratings' Report:** Fitch Takes Various Rating Actions on the Paragon Series ([https://www.fitchratings.com/creditrisk/reports/report\\_frame.cfm?rp\\_t\\_id=879058&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOiE0NTg2NmZMMDUsInN3b25LZXkiOiJFVEF0T0RlA2SDdPVPpOUDBJSVNFUVZVVUNMUTlINjRWWELOUXZin0.DDeQimXIIU396Mn2P9mTu6IVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditrisk/reports/report_frame.cfm?rp_t_id=879058&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOiE0NTg2NmZMMDUsInN3b25LZXkiOiJFVEF0T0RlA2SDdPVPpOUDBJSVNFUVZVVUNMUTlINjRWWELOUXZin0.DDeQimXIIU396Mn2P9mTu6IVf8QKofgOSVA4dVtLk))

Fitch Ratings-London-17 March 2016: Fitch Ratings has upgraded nine tranches, downgraded two tranches and two currency swap obligations and affirmed 65 tranches and six currency swap obligations of the Paragon RMBS series. A full list of rating actions is available at [www.fitchratings.com](http://www.fitchratings.com) or by clicking the link above.

The series is backed by loans originated by Paragon Mortgage Limited, Paragon Mortgages (2010) Limited and Mortgage Trust Limited, all subsidiaries of The Paragon Group. It comprises 14 Paragon buy-to-let (BTL) deals and one non-conforming RMBS transaction, Paragon Secured Finance (PSF 1), which is fully backed by second-charge loans.

### KEY RATING DRIVERS

#### Stable Asset Performance

Loans with more than three unpaid monthly instalments have remained stable over the 12 months prior to the last reporting dates, when late arrears ranged from 0% (Paragon 18 to 24) to 0.4% of the current portfolio balance (Paragon 13), while Fitch's UK All Buy-To-Let Index was 1.1%. Given the BTL nature of the underlying pools, borrowers in arrears by more than three months are predominantly managed by Paragon via its receiver of rent policy, where the full rental stream is diverted to Paragon, as administrator, and used towards clearing arrears. Paragon's extensive use of its receiver of rent policy has therefore contributed towards the low level of arrears across the series.

The cumulative balance of loans taken into possession has also remained stable and was reported between 0% (Paragon 18 to 24) and 2.8% of the original portfolio balance (Paragon 7), an average increase of 15bps over the last 12 months. The limited arrears pipeline, combined with possession data below Fitch's index (2.9%), contributes to the Stable Outlooks across the series.

As of January 2016, PSF 1's late arrears were reported at 10.4%, 1.2pp above the Fitch UK Non-Conforming Index. However, cumulative losses have increased by only 25bps since January 2015. In Fitch's view, the robust gross excess spread generated by the structure (quarterly average equal to 5.6%, annualised) will continue to be sufficient to cover these losses, as reflected by the upgrades of the class B and C notes.

#### Stressed QSA Assumptions

Based on the analysis of loan level data provided by Paragon on properties taken into possession and sold, the agency applied a higher quick sale adjustment of an average 33.5%, compared with the standard criteria assumption of 31%. This has resulted in lower recovery rate assumptions being applied across the Paragon BTL RMBS series. Fitch's analysis showed that the current credit enhancement (CE) was sufficient to withstand this stress.

#### Counterparty Exposure

The CE available to the junior notes in Paragon 7, 8, 10, 11, 12, 13, 14 and 15 is solely provided by the reserve fund, which is held with Barclays (A/Stable/F1). The junior notes on these transactions are therefore credit-linked to the Long-term Issuer Default Rating of Barclays.

Fitch also notes that the currency swap provider in Paragon 7 (Royal Bank of Scotland (RBS); BBB+/Stable/F2) is posting collateral below that suggested by Fitch's current counterparty criteria for structured finance transactions. To account for the insufficient collateral posting, Fitch reduced the CE available to Paragon 7's class A and B notes by the difference between the collateral posted and that suggested by its criteria. The CE reduction and the credit link to Barclays led to the downgrade of the class B notes in Paragon 7.

The downgrade of Paragon 7's class B notes also triggered the downgrade of the respective currency swap obligations to 'Asf' from 'AA-sf', in line with Fitch's Criteria for Rating Currency Swap Obligations of an SPV in Structured Finance Transactions and Covered Bonds.

#### Excess Spread Reductions

The Paragon deals feature loans linked to the Bank of England Base Rate (BBR) and Paragon's Standard Variable Rate (SVR). The mismatch between the three-month Libor payable on the notes and the variable rates paid on the underlying loans is not hedged in these transactions. Consequently, the agency adjusted the transaction's excess spread by assuming Paragon's SVR (5.1%) is reduced to three-month Libor plus 2%. For BBR-linked loans the weighted average spread on the BBR paying loans was reduced between 1% and 2%, depending on the rating scenario, for the first year and 50bps for every year thereafter.

#### Regional Concentration

The geographic distribution of the loans in each portfolio is compared with the population distribution across regions. If there is a significant geographic concentration (by loan count) of two times or more of the population in that region, a 15% increase is applied to the foreclosure frequency of all loans in the respective region. This adjustment is relevant for loans in Paragon 7, 19, 22 and 23.

#### Sufficient CE

The stable asset performance, together with non-amortising reserve funds has contributed to a steady build-up of CE, which resulted in the upgrade of PSF 1's class C notes and the class B notes of PSF 1, Paragon 12, 13, 14 and 18.

#### Paragon 13 class A1 Short-Term Rating Withdrawn

Paragon 10, 11, 12, 13 and 14 class A1 notes were subject to a remarketing agreement and a conditional purchase agreement intended to facilitate their eligibility for purchase by money market funds. The note tranches were structured to be issued on an annual, revolving basis. Unless noteholders exercised their right to retain the notes, they would be automatically tendered for remarketing. The remarketing bank would then first try to sell the notes in the open market or, if unsuccessful, would require the conditional purchaser to acquire them. Ultimately, the short-term ratings on these notes reflect the ability of the conditional purchaser to acquire them every year.

Paragon 10, 11, 12 and 14 class A1 notes are still subject to their annual remarketing and as such, we have affirmed their Short-term ratings in line with the Short-term ratings of the respective conditional note purchasers.

On 16 July 2015, there was a remarketing termination event on Paragon 13's class A notes following the repurchase of the notes by the conditional note purchaser RBS. As a result, the Short-term rating is no longer applicable and it has been withdrawn.

#### RATING SENSITIVITIES

A rise in interest beyond Fitch's expectations could lead to a rise in loans in arrears greater than three months and potentially an increase in defaults, which in turn could lead to negative rating actions on the notes.

CE for the junior notes of Paragon 7 to 15 is provided solely by the reserve fund, which is held in the account bank Barclays (A/Stable/F1). As such, the ratings on these notes are linked to Barclays' ratings. Any changes in the bank's Issuer Default Rating may result in rating actions on these notes.

#### DUE DILIGENCE USAGE

No third party due diligence was provided or reviewed in relation to this rating action.

#### DATA ADEQUACY

Fitch has checked the consistency and plausibility of the information it has received about the performance of the asset pools and the transactions. There were no findings that were material to this analysis.

#### Relevant for PSF 1 to Paragon 15:

Fitch did not undertake a review of the information provided about the underlying asset pools ahead of the transactions' initial closing. The subsequent performance of the transactions over the years is consistent with the agency's expectations given the operating environment and Fitch is therefore satisfied that the asset pool information relied upon for its initial rating analysis was adequately reliable.

#### Relevant for Paragon 18 to Paragon 24:

Prior to the transactions' closing, Fitch reviewed the results of a third party assessment conducted on the asset portfolio information, which indicated no adverse findings material to the rating analysis. Prior to the transactions' closing, Fitch conducted a review of a small targeted sample of Paragon's origination files and found the information contained in the reviewed files to be adequately consistent with the originator's policies and practices and the other information provided to the agency about the asset portfolios.

Overall, Fitch's assessment of the information relied upon for the agency's rating analysis according to its applicable rating methodologies indicates that it is adequately reliable.

#### SOURCES OF INFORMATION

The information below was used in the analysis.

- Loan-by-loan data provided by Paragon as at October 2015 (Paragon 7, 12, 19 and 20), November 2015 (Paragon 10, 14, 15, 18, 22 and 24), December 2015 (Paragon 8, 11, 13 and 23) and January 2016 (PSF 1).
- Transaction reporting provided by Paragon as at October 2015 (Paragon 8, 11 and 23), November 2015 (PSF 1, Paragon 7, 12, 19, 20 and 24) and December 2015 (Paragon 10, 14, 15, 18 and 22).

#### MODELS

The models below were used in the analysis. Click on the link for a description of the model.

#### ResiEMEA

ResiEMEA. (<https://www.fitchratings.com/jsp/creditrisk/ToolsAndModels.faces?context=2&detail=135>)

#### EMEA RMBS Surveillance Model

EMEA RMBS Surveillance Model. ([https://www.fitchratings.com/web\\_content/pages/rmbs/emea-rmbs-surveillance-model.htm](https://www.fitchratings.com/web_content/pages/rmbs/emea-rmbs-surveillance-model.htm))

#### REPRESENTATIONS AND WARRANTIES

A comparison of the transaction's Representations, Warranties & Enforcement Mechanisms to those typical for the asset class is available by accessing the appendix that accompanies the initial new issue report (see Paragon Mortgages (No.18) plc - Appendix, dated 20 September 2013; Paragon Mortgages (No.19) plc - Appendix, dated 20 March 2014; Paragon Mortgages (No.20) plc - Appendix, dated 18 July 2014; Paragon Mortgages (No.22) plc - Appendix, dated 25 March 2015; Paragon Mortgages (No.23) plc - Appendix, dated 23 July 2015; Paragon Mortgages (No.24) plc - Appendix, dated 19 November 2015 at [www.fitchratings.com](http://www.fitchratings.com)). In addition refer to the special report "Representations, Warranties, and Enforcement Mechanisms in Global Structured Finance Transactions" dated 12 June 2015 available on the Fitch website.

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Additional information is available at [www.fitchratings.com](http://www.fitchratings.com).

**Applicable Criteria**

Counterparty Criteria for Structured Finance and Covered Bonds (pub. 14 May 2014) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=744158&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=744158&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Counterparty Criteria for Structured Finance and Covered Bonds: Derivative Addendum (pub. 14 May 2014) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=744175&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=744175&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Criteria Addendum: UK Residential Mortgage Assumptions (pub. 16 Dec 2015) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=875200&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=875200&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Criteria for Interest Rate Stresses in Structured Finance Transactions and Covered Bonds (pub. 19 Dec 2014) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=838868&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=838868&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Criteria for Rating Currency Swap Obligations of an SPV in Structured Finance Transactions and Covered Bonds (pub. 22 Jul 2015) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=868763&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=868763&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Criteria for Servicing Continuity Risk in Structured Finance (pub. 17 Dec 2015) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=875102&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=875102&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
EMEA RMBS Rating Criteria (pub. 16 Dec 2015) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=875102&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=875102&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Global Structured Finance Rating Criteria (pub. 06 Jul 2015) ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=867952&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=867952&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))

**Related Research**

Paragon Mortgages (No. 19) PLC - Appendix ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=741495&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=741495&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Paragon Mortgages (No. 18) plc - Appendix ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=718800&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=718800&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Paragon Mortgages (No. 20) plc - Appendix ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=752484&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=752484&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Paragon Mortgages (No. 22) PLC - Appendix ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=863959&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=863959&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Paragon Mortgages (No. 23) PLC - Appendix ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=868941&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=868941&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))  
Paragon Mortgages (No. 24) PLC - Appendix ([https://www.fitchratings.com/creditesk/reports/report\\_frame.cfm?rpt\\_id=873885&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk](https://www.fitchratings.com/creditesk/reports/report_frame.cfm?rpt_id=873885&ctf=eyJ0eXAI0iJKV1QILCJhbGciOiJIUzI1Ni9yJleHAiOiE0NTg2NzZMMDU5InNic3Npb25LZXkiOiJFVEFTS0dTRIA2SDdPVpOUBDJSVNFUVZVVUNMUTlINjRWWWE9LOUxZi0.DDeQimXlIU396Mn2P9mTu6lVf8QKofgOSVA4dVtLk))

**Additional Disclosures**

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