

NOTICE OF EARLY REDEMPTION

Paragon Mortgages (No.17) PLC
(Registered in England and Wales under number 6356366)
(the "**Issuer**")

Class A Mortgage Backed Floating Rate Notes due 2040
ISIN: XS0843322594
Common Code: 084332259
(the "**Class A Notes**")

Class B Mortgage Backed Floating Rate Notes due 2040
ISIN: XS0843326314
Common Code: 084332631
(the "**Class B Notes**")

Class C Mortgage Backed Floating Rate Notes due 2040
ISIN: XS0843328286
Common Code: 084332828
(the "**Class C Notes**")

Class D Mortgage Backed Floating Rate Notes due 2040
ISIN: XS0843328443
Common Code: 084332844
(the "**Class D Notes**" and together with the Class A Notes, the Class B Notes and the Class C Notes, the "**Notes**")

NOTICE IS HEREBY GIVEN that all of the outstanding Notes will be redeemed by the Issuer on 8 January 2016 (the "**Optional Redemption Date**"), pursuant to Condition 5(d) of the Terms and Conditions of the Notes. The Notes will be redeemed at their Principal Liability Outstanding together with accrued interest to the Optional Redemption Date.

Payment of principal and interest will be made through Euroclear Bank S.A/N.V and Clearstream Banking S.A.

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51 Homer Road
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Dated 29 October 2015