

## NOTICE OF EARLY REDEMPTION

PARAGON MORTGAGES (NO.7) PLC  
(Registered in England and Wales under number 4513170)  
(the "**Issuer**")

Class Ala Mortgage Backed Floating Rate Notes Due 2034  
ISIN (Reg S Note): XS0193405890  
Common Code: 019340589  
ISIN (Rule 144A Note): US69912LAA35  
CUSIP Number: 69912L AA 3  
(the "**Class Ala Notes**")

Class Alb Mortgage Backed Floating Rate Notes Due 2034  
ISIN: XS0193406195  
Common Code: 019340619  
(the "**Class A1b Notes**")

Class A1c Mortgage Backed Floating Rate Notes Due 2034  
ISIN: XS0193406351  
Common Code: 019340635  
(the "**Class A1c Notes**")

Class B1a Mortgage Backed Floating Rate Notes Due 2043  
ISIN (Reg S Note): XS0193406435  
Common Code: 019340643  
ISIN (Rule 144A Note): US69912LAB18  
CUSIP Number: 69912L AB 1  
(the "**Class B1a Notes**")

Class B1b Mortgage Backed Floating Rate Notes Due 2043  
ISIN: XS0193406609  
Common Code: 019340660  
(the "**Class B1b Notes**" and together with the Class A1a Notes, the Class A1b Notes, the Class A1c and the Class B1a Notes, the "**Notes**")

NOTICE IS HEREBY GIVEN that all of the outstanding Notes will be redeemed by the Issuer on 15 August 2017 (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, Clearstream Banking S.A. and The Depository Trust Company (as applicable).

Paragon Mortgages (No.7) PLC  
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Dated 25 July 2017