



# **Information sheet:** **Existing customer** **mortgage product** **range**

**Produced 22.11.24**

**V3 – November 2024**

# Our approach to meeting the Products & Services Outcome and Price & Value Outcome

## Information for distributors of the Product

This summary document is being provided to you to fulfil our responsibilities under PRIN 2A.4.15R and PRIN 2A.3.12 R (2).

It is designed to support you to comply with your responsibilities under PRIN 2A.3.16 R and PRIN 2A.4.16 R. Please note that you are ultimately responsible for meeting your obligations under 'The Consumer Duty'.

This information is intended for intermediary use only and should not be provided to customers.

## 1. Summary of our assessment

We have assessed that:

- Our **existing customer mortgage** product range continues to meet the needs, characteristics, and objectives of customers in the identified target market.
- The intended distribution strategy remains appropriate for the target market.
- The product provides fair value to customers in the target market (i.e. the total benefits are proportionate to total costs).

## 2. Product characteristics & benefits

The products are designed to meet the objectives & needs of the target groups, **their key objective being to get a new fixed term mortgage product and continue with Gen H as their mortgage lender**. The product features and criteria are designed to support these objectives and needs.

- Discounted rates (vs. standard residential mortgage product)
- Execution-only & advised sales possible
- Fixed term products

- Mortgage term length can extend up to 40 years
- High LTIs available (subject to affordability)
- High LTVs available (subject to additional criteria)
- Up to 4 owners permitted on the mortgage
- Deposit & income booster options

Full eligibility criteria can be accessed on our intermediary website via

[intermediaries.generationhome.com](https://intermediaries.generationhome.com).

### 3. Target market assessment and distribution strategy

This target market assessment matrix segments the target customers for the Product, recognising their different needs to enable you to tailor the services you provide when you distribute the Product.

Customer Circumstances	Distribution Strategy	Customer Needs & Objectives
Standard existing customers	<p>Available through direct channels (online only) and mortgage intermediaries*.</p> <p>Execution only or advised sale</p>	<p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>• Get a new fixed-term product and continue with Gen H as their mortgage provider</li> <li>• Keep their current property and continue to use it as their main residence</li> </ul> <p><b>Needs:</b></p> <ul style="list-style-type: none"> <li>• The option to have mortgage advice</li> <li>• Access to high LTV lending</li> <li>• Access to high LTI lending</li> </ul>

<p>Existing customers making a material change</p>	<p>Available through direct channels (online only) and mortgage intermediaries*.</p> <p>Only available with mortgage advice.</p>	<p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>● Get a new fixed-term product and continue with Gen H as their mortgage provider</li> <li>● Keep their current property and continue to use it as their main residence</li> </ul> <p><b>Needs:</b></p> <ul style="list-style-type: none"> <li>● Mortgage advice</li> <li>● Access to high LTV lending</li> <li>● Access to high LTI lending</li> <li>● To make a material change to their mortgage e.g removing an applicant, increasing their term length etc.</li> </ul>
--	--	--

<p>Existing customers borrowing more</p>	<p>Available through direct channels (online only) and mortgage intermediaries*.</p> <p>Only available with mortgage advice.</p>	<p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>● Get a new fixed-term product and continue with Gen H as their mortgage provider</li> <li>● Keep their current property and continue to use it as their main residence</li> </ul> <p><b>Needs:</b></p> <ul style="list-style-type: none"> <li>● Mortgage advice</li> <li>● Access to high LTV lending</li> <li>● Access to high LTI lending</li> <li>● To increase the amount they are borrowing</li> </ul>
--	--	---

\*Intermediary distribution may be through:

- Networks and their Appointed Representatives
- Mortgage clubs
- Directly authorised mortgage intermediaries

All intermediaries must be registered with us.

The product is not designed for customers who:

- Are not Gen H customers at the time of selecting the mortgage product
- Want to convert their property into a BTL
- Want an interest-only or part & part mortgage
- Do not meet our lending criteria

#### 4. Customers with characteristics of vulnerability

The Product is designed for existing customers which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

Existing customers looking to take out additional borrowing or make a material change to their mortgage, may have suffered a life event that has caused them to do so. For example, someone may be looking to remortgage and transfer equity after a divorce. Or, they could be removing their partner who has passed away from the mortgage. These life events are drivers of vulnerability.

The needs, objectives and characteristics of customers with vulnerability have been considered in the design of our product and customer journey.

We have in place a framework to help customers with vulnerability.

Intermediaries should continue to comply with your obligations to ensure that you treat customers in vulnerable circumstances fairly.

Please contact us if you need any further information about how we support the needs of all our customers in relation to the Product.

## 5. Our assessment of value

We have developed a comprehensive and robust assessment process which evaluates several aspects of our business to determine the value of our mortgage product. This analysis is used to ascertain whether the Product delivers fair value for customers.

The outcomes of the assessment process are presented to our Customer Committee allowing for challenge and further investigation before we sign-off the outcomes and share the summary of our assessment with you.

Our fair value assessment has considered the following:

Benefits	Price	Costs	Limitations
----------	-------	-------	-------------

<p>The range of features that the Product provides, the quality of the Product, the level of customer service that is provided and any other features that the Product may offer.</p>	<p>The interest rates, fees and charges customers pay for the Product, comparable market rates, advice fees paid to intermediaries and non-financial costs associated with operating the Product.</p>	<p>The cost of funding the Product and any other reductions in costs to the customer made possible by economies of scale.</p>	<p>Any limitations on the scope and service we provide or the features of the Product.</p>
---	---	---	--

## Results of our assessment

Our assessment concluded that the Product continues to deliver fair value for customers in the target market for the Product.