



Information sheet: **Standard residential mortgage product range**

Produced 22.11.24

V4 - 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 **standard residential 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 needs of the target groups, **their key need being to get a mortgage to buy their first or next home**. The product features and criteria are designed to support these needs.

- Fee free standard valuation
- Fixed term products
- Mortgage term length can extend up to 40 years
- Availability on new and existing homes

- 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.

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 first-time buyers	Only available with advice through mortgage intermediaries*.	<p>Objectives:</p> <ul style="list-style-type: none"> ● Get onto the property ladder ● Live in the home they are buying (it's their primary place of residence) ● Own their home outright by the end of the mortgage term <p>Needs:</p> <ul style="list-style-type: none"> ● Mortgage advice ● Access to high LTV lending ● Access to high LTI lending

<p>First-time buyers with complex income</p>	<p>Only available with advice through mortgage intermediaries*.</p>	<p>Objectives:</p> <ul style="list-style-type: none"> ● Get onto the property ladder ● Live in the home they are buying (it's their primary place of residence) ● Own their home outright by the end of the mortgage term <p>Needs:</p> <ul style="list-style-type: none"> ● Mortgage advice ● Access to high LTV lending ● Access to high LTI lending ● Additional flexibility to cater for the complexity of their income ● Manual underwriting available to ensure affordability understood
<p>Standard homebuyers</p>	<p>Only available with advice through mortgage intermediaries*.</p>	<p>Objectives:</p> <ul style="list-style-type: none"> ● Take their next step on the property ladder ● Live in the home they are buying (it's their primary place of residence) ● Own their home outright by the end of the mortgage term <p>Needs:</p> <ul style="list-style-type: none"> ● Mortgage advice ● Access to high LTV lending ● Access to high LTI lending

<p>Homebuyers with complex income</p>	<p>Only available with advice through mortgage intermediaries*.</p>	<p>Objectives:</p> <ul style="list-style-type: none"> ● Take their next step on the property ladder ● Live in the home they are buying with us as their main place of residence ● Own their home outright by the end of their mortgage term <p>Needs:</p> <ul style="list-style-type: none"> ● Mortgage advice ● Access to high LTV lending ● Access to high LTI lending ● Additional flexibility to cater for the complexity of their income ● Manual underwriting available to ensure affordability understood
<p>Standard remortgagers</p>	<p>Only available with advice through mortgage intermediaries*.</p>	<p>Objectives:</p> <ul style="list-style-type: none"> ● Switch mortgage providers (to Gen H) ● Keep their current property ● Use their current property as their main place of residence <p>Needs:</p> <ul style="list-style-type: none"> ● Mortgage advice ● Access to high LTI lending ● Mortgage advice ● Access to high LTI lending
<p>Remortgagers making a material change</p>	<p>Only available with advice through mortgage intermediaries*.</p>	<p>Objectives:</p> <ul style="list-style-type: none"> ● Switch mortgage providers (to Gen H)

		<ul style="list-style-type: none"> ● Keep their current property ● Use their current property as their main place of residence <p>Needs:</p> <ul style="list-style-type: none"> ● Mortgage advice ● Access to high LTI lending ● Mortgage advice ● Access to high LTI lending ● Access to high LTV lending ● To make a material change to their mortgage
<p>Remortgagers borrowing more</p>	<p>Only available with advice through mortgage intermediaries*.</p>	<p>Objectives:</p> <ul style="list-style-type: none"> ● Switch mortgage providers (to Gen H) ● Keep their current property ● Use their current property as their main place of residence <p>Needs:</p> <ul style="list-style-type: none"> ● Mortgage advice ● Access to high LTI lending ● Mortgage advice ● Access to high LTI lending ● Access to high LTV lending ● To increase the amount they are borrowing

*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 buying a property to let
- Want to remortgage to a buy to let
- Want an interest-only or part & part mortgage
- Have extremely poor credit
- Do not meet our lending criteria

4. Customers with characteristics of vulnerability

The Product is designed for first-time buyers and homebuyers. These groups are likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

First-time buyers have never been through the process before, so they may have a low understanding of mortgages, the market and the homebuying process. This can lead to vulnerability characteristics related to “capability” i.e. low understanding or confidence in financial matters.

Returners, people who have once owned a property but no longer do, may have characteristics of vulnerability related to their reason for falling off the property ladder. For example, if someone had to sell their last home because of the death of a partner (life event) or as a result of a health condition, they could be or become a vulnerable customer.

Some homebuyers may have characteristics of vulnerability. People may be moving homes because of a life event that has occurred e.g. the loss of a partner, a job loss etc.

Remortgagers 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
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<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>
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Results of our assessment

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