



Product name: First-Time Buyer (FTB) Range

Information sheet produced: 30/04/2023

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 FTB 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.
- Our products provide fair value to customers in the target market (i.e. the total benefits are proportionate to total costs).

2. Product characteristics & benefits

Our mortgage products are designed to meet the needs of the target market, most notably the need to secure finance on a first home. The product features and criteria are designed to support these needs (subject to eligibility).

- FTB products available up to 95% LTV
- Our Helping Hand product range which offers high LTI lending
- £500 cashback on all FTB products
- Green Reward cashback for new and existing members who purchase a more energy efficient home with Nationwide.
- A range of no fee and fee products
- Fee free standard valuation
- Fixed or tracker products

- An overpayment allowance as standard on all fixed products
- Option to underpay against an overpayment reserve
- Mortgage term up to 40 years
- Support for government & selected industry-led affordable housing schemes
- Availability on new and existing homes
- Family support options (such as gifted deposits)

Full eligibility criteria can be accessed on our intermediary website via

<https://www.nationwide-intermediary.co.uk/>

3. Target market assessment and distribution strategy

This target market assessment matrix segments the target customers for our mortgage products, 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
FTBs looking to purchase their first residential property in the UK (where they have not owned a home in 3 years)	Available through Nationwide mortgage advisors, online channels & intermediaries. Applications can be through advised sale and execution-only. Helping Hand mortgages are only available with advice.	<ul style="list-style-type: none"> • Access to high LTV lending • Access to high LTI lending • Option to fix their payments for a defined period or to have their payments vary in line with a reference rate • To repay the capital by the end of the mortgage term. • Become a homeowner for the first time • Receive support from family
FTBs looking to purchase their first residential property in the UK with an affordable housing scheme.	Available through Nationwide Mortgage Advisors and Intermediary channels. Only available through advised sale.	<ul style="list-style-type: none"> • Access to government/industry affordable housing schemes to support home ownership aspirations • Option to fix their costs for a defined period or to have their payments vary in line with a reference rate • To repay the capital by the end of the mortgage term.
Intermediary Distribution		
Intermediary distribution through:		
<ul style="list-style-type: none"> • Networks and their Appointed Representatives. 		

- Mortgage clubs.
- Directly authorised mortgage intermediaries.

All intermediaries must be registered with us.

This product is not designed for customers who:

- Have previously owned a home in the UK within the last 3 years
- Are purchasing a property to let
- Require an interest-only or part & part mortgage
- Do not meet our lending or property criteria

4. Customers with characteristics of vulnerability

This mortgage product is designed for the FTB market segment, this includes individuals with characteristics of vulnerability or those who may experience vulnerability at some point during the lifetime of their mortgage.

Customer vulnerability can be permanent or temporary and cover a broad range of challenging personal circumstances. These customers are especially susceptible to harm, and they may require additional support to help them manage their mortgage. Nationwide uses the FCA's four key drivers of vulnerability (Health, Life Events, Resilience, and Capability) to help identify where customers can experience harm when interacting with their mortgage. This approach assists product and policy development to support our vulnerable customers during their time of need.

Financial capability is key driver for the FTB market segment as they are less likely to have a comprehensive understanding of mortgages or the mortgage market. Therefore, they may require additional advice and support to ensure they understand the information given to them and the implications of their arrangement, to ensure they receive fair value and to reduce the risk of harm.

We aim to consider the needs, characteristics, and objectives of customers with characteristics of vulnerability at all stages of the design process to ensure the product meets their needs.

We also aim to test our mortgage products to assess whether they will meet the identified needs, characteristics, and objectives of the target market, including customers in the target market who have characteristics of vulnerability.

We are continually developing our framework to achieve good outcomes for vulnerable customers, which includes:

- Education and training for our staff to ensure they have the appropriate knowledge and skills to recognise and respond to the needs of vulnerable customers.
- Suitable customer service provision and communications.
- Credit risk policies are designed to assess existing financial circumstances at the point of application and ensure that lending is affordable for the applicant.
- Monitoring to ensure we continue to meet and respond to the needs of customers with characteristics of vulnerability.
- A dedicated specialist support team available for members most at risk of harm due to their vulnerable circumstances.
- A dedicated collections and recoveries team that works collaboratively with customers if they become financially vulnerable and cannot afford to meet their mortgage repayments.

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 range.

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 our products deliver fair value for customers.

The outcomes of the assessment process are presented to the relevant 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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The range of features that the mortgage products provide, the quality of the products, the level of customer service that is provided and any other features that the products may offer.	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.	The cost of funding the product.	Any limitations on the scope and service we provide or the features of the product.
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Result of our assessment

Our assessment concluded that our mortgage products continue to deliver fair value for customers in our mortgage target market.