together.

Product name: Regulated Consumer Buy to Let

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Our approach to meeting the Products & Services Outcome and Price & Value Outcome – Information for distributors of the Product

Together is committed to conducting its business in a fair, honest and open manner and we ensure that we have appropriate product oversight and governance systems and controls in place to offer products that have been assessed as providing fair value to customers that are within the appropriate target market.

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 Regulated Consumer Buy to Let (CBTL) 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 group, who require a CBTL first or second charge mortgage. The product features and criteria are designed to support these needs.

- Fixed or Variable products
- Mortgage term up to 30 years
- Minimum loan size £50k
- Non-standard properties accepted
- Interest only accepted (not for debt consolidation on CBTL 2nd Charge)
- Up to four applicants accepted
- Property must be self-funding based on rent received
- Projected rent accepted
- No maximum age
- Ex pats considered

Full eligibility criteria can be accessed on our intermediary website via the link below.

https://togethermoney.com/intermediaries/our-products

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
Applicants looking to rent a property that used to be their main residence and will be their only rental property and raise funds against this security.	Available through FCA authorised Intermediaries, Direct and Online channels.	• To support customers who do not want to sell their property, preferring to rent to tenants. • To support customers who do not want to sell their property, preferring to rent to tenants and move into rented accommodation. • To support customers who require funds to aid an onward purchase, but rent their existing residence out (Let to Buy). • To support applicants looking to refinance an existing Consumer Buy to Let mortgage which has come to the end of its fixed rate period. • To support customers whose rental agreements cover the mortgage payments. • To support customers who intend to raise funds for home improvements. • To support customers intending to consolidate debt. • To support customer wanting to raise funds against a non-standard construction property. • To support customers looking for a capital and repayment loan. • To support clients looking to raise funds using an interest only loan and use sale, endowment policies or stock and shares ISAs as their repayment strategy.
Applicants looking to rent a property that has been inherited and will be their only rental property and raise funds against this security.	Available through FCA authorised Intermediaries, Direct and Online channels.	• To support customers who have inherited a property from family and want to rent it out and turn the property into their first buy to let. • To support customers whose rental agreements cover the mortgage payments • To support customers who intend to raise funds for home improvements. • To support customers intending to consolidate debt. • To support customer wanting to raise funds against a non-standard construction property. • To support customers looking for a capital and repayment loan. • To support clients looking to raise funds using an interest only loan and use sale, endowment policies or stock and shares ISAs as their repayment strategy.

Applicants looking to secure a second charge against a property classed as a CBTL.	Available through FCA authorised Intermediaries, Direct and Online channels.	• To support customers who already have a CBTL first charge, but want to raise funds as a second charge. • To support customer wanting to raise funds against a non-standard construction property. • Raising funds as a second charge as to not incur ERCs on their first charge loan. • To support customers whose rental agreements cover the mortgage payments • To raise funds via a CBTL second charge loan as opposed to an unsecured loan due to rate and overall cost. • To support customers who intend to raise funds for home improvements. • To support customers intending to consolidate debt. • To support customers looking for a capital and repayment loan. • To support clients looking to raise funds using an interest only loan and use sale, endowment policies or stock and shares ISAs as their repayment strategy.

The product is not designed for customers who:

- Have more than one buy to let
- Intend to live in the property
- Don't have self-funding rental agreements
- Have more than 3 Demerits
- Have declining unsecured credit in the last 6 months

4. Customers with characteristics of vulnerability

The product is designed for residential mortgage customers, which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

Together recognises that some customers we come into contact with will be vulnerable in the context of how we interact with them because of their personal circumstances. As a provider of secured lending, we have a duty and obligation to make sure that all of our work is consistent with our purpose and that we make reasonable adjustments and put in place appropriate support mechanisms to ensure our vulnerable customers receive positive outcomes and receive consistently fair treatment.

In order to achieve this, we are committed to:

•Ensuring colleagues have the right skills and capability to recognise and respond to the needs of vulnerable customers.

•Responding to customer needs through product design, flexible customer service provision and communications to deliver good customer outcomes.

•Monitoring and assessing whether we are meeting and responding to the needs of vulnerable customers and making improvements where this is not happening.

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 allows 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
The product supports a customer base requiring finance within the specialist lending sector by allowing criteria not accepted by high street mortgage lenders.	Policies in place to ensure products are priced fairly, in comparison to competitors and assessed regularly. The policies ensure the approach when pricing decisions are made are consistent and compliant. When determining price we consider rate, customer risk profile, a reasonable pre-estimate of early redemption and longer term economic and financial assumptions. An overall cost comparison detailing the Annual Percentage Rate of Charge is available for customers explaining how pricing affects their payments.	Our policies are designed to ensure customers are charged fees that are a fair reflection of the market and our cost to do business. Our costs include; Cost of funds - reflects our cost to acquire funds to lend. Cost to sell – reflects cost to sell products and includes broker commission and advertising. Cost to process – reflects the cost to process and underwrite applications. Cost to service – reflects cost to maintain and support customers throughout the course of their loan.	This product is not suited to customers who fall outside the target market for this product.

<u>Results of our assessment</u>

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