

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

While Buy-to-Let lending is outside the scope of Consumer Duty rules, we have taken the voluntary decision to apply the same PRIN principles to our Buy-to Let Lending, and 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 clients / customers.**

### 1. Summary of our assessment

We have assessed that:

- Our BTL product range continues to meet the needs, characteristics, and objectives of customers in the identified target market which reflects the customer's circumstances.
- 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, most notably the need to secure finance on an investment property for the purpose of residential letting only. The product features and criteria are designed to support these needs.

- Fixed or Variable products. Not all products or options mentioned in section 3 are always available.
- Products with a range of different Product Fees and incentives to suit different customer needs.
- Mortgage Term up to 45 years.
- Interest Only or Capital Repayments.
- Available on new or existing properties.
- Product Transfer available following maturity from the fixed or variable product period.
- Available from First Time through to Portfolio Landlords.
- Available on a wide range of property types including non-standard construction, HMOs, MUBs and flats above commercial.

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

### 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.

Term	Summary	Customer Needs & Objectives
UK based First Time landlords looking to purchase their first investment property in Great Britain	Available through Intermediary* only	<ul style="list-style-type: none"> <li>• Access to high LTV lending</li> <li>• Option to fix their costs for a defined period</li> <li>• To service interest only over the initial product term</li> <li>• To repay the capital by the end of the mortgage term</li> <li>• Become a landlord for the first time</li> <li>• To ensure that rental income adequately covers mortgage costs</li> <li>• To identify a lender that can accommodate a range of historic missed payments and arrears</li> </ul>
Experienced UK based landlords looking to expand their portfolio in Great Britain	Available through Intermediary* only	<ul style="list-style-type: none"> <li>• Access to a range of LTV's, fixed and variable terms</li> <li>• Option to fix their costs for a defined period</li> <li>• To service interest only over the initial product term</li> <li>• To repay the capital by the end of the mortgage term</li> <li>• To ensure that rental income adequately covers mortgage costs</li> <li>• To identify a lender that can accommodate a range of historic missed payments and arrears</li> </ul>
UK based Landlords looking to remortgage	Available through Intermediary* only	<ul style="list-style-type: none"> <li>• Access to a range of LTV's, fixed and variable terms</li> <li>• Option to fix their costs for a defined period</li> <li>• To service interest only over the initial product term</li> <li>• To repay the capital by the end of the mortgage term</li> <li>• To ensure that rental income adequately covers mortgage costs</li> <li>• To identify a lender that can accommodate a range of historic missed payments and arrears</li> </ul>
Expats** looking to invest in UK property	Available through Intermediary* only	<ul style="list-style-type: none"> <li>• Access to a range of fixed and variable terms</li> <li>• Option to fix their costs for a defined period</li> <li>• To service interest only over the initial product term</li> <li>• To repay the capital by the end of the mortgage term</li> <li>• To ensure that rental income adequately covers mortgage costs</li> <li>• To identify a lender that will accept the Country Risk of where applicant is currently based.</li> </ul>

\*Intermediary distribution through:

- Networks and their Appointed Representatives
- Mortgage Clubs
- Packagers

All intermediaries must be registered with us.

Product Transfers available through intermediaries and, on an execution only basis, direct to customers online.

\*\*British Citizens living or working in selected EEA or Worldwide countries only ([see expat guide](#)).

The Product is not for customers who:

- Do not meet our lending or property criteria.
- Already have 20 properties mortgaged, or a total aggregated exposure of more than £4m, with Vida.
- Require a mortgage on a commercial property or where commercial trading activities are permitted.
- Intend for themselves or a family member to reside in the property at any point (Consumer Buy to Let).
- Has, or a family member has, previously resided in the property (Let to Buy).
- Property intended for short or long term holiday lets.

#### 4. Customers with characteristics of vulnerability

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

First Time Landlords are less likely to have a comprehensive understanding of the BTL mortgage market. Therefore, they may require additional advice and support to ensure they understand the information being presented to them and the implications of the arrangement they are entering into to reduce the risk of harm occurring.

We considered the needs, characteristics, and objectives of customers with characteristics of vulnerability at all stages of the design process for this Product to ensure the Product meets their needs.

We have in place a framework to achieve good outcomes for vulnerable customers, which includes:

- Regular education and training for our staff to ensure they have the appropriate skills and experience to recognise and respond to the needs of vulnerable customers.
- Suitable customer service provision and communications.
- Flexible policies, where appropriate, to support vulnerable members. These policies are reviewed regularly along with associated procedures to reflect our recent experience.
- Monitoring to ensure we continue to meet and respond to the needs of customers with characteristics of vulnerability.

Intermediaries should continue to comply with your obligations to ensure that you treat customers in vulnerable circumstances fairly. A guide on identifying Vulnerable Customers is available on our website, along with a form to notify us in the event of a vulnerability being identified.

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 and is supported by a set of Pricing Principles agreed at our Customer Committee, one of our formal Executive Committee meetings.

The outcomes of the assessment process are presented to our Pricing Committee (Executive Sub-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:

<b>Benefits</b>
The range of features that the Product provides, the quality of the Product, the level of broker service that is provided and any other features that the Product may offer
<b>Prices</b>
The interest rate, fees and charges customers pay for the Product and any incentives received (e.g., free valuation), comparable market rates, advice fees paid to intermediaries and non-financial costs associated with operating the Product.
<b>Costs</b>
The cost of funding the Product and any other reductions in costs to the customer made possible by economies of scale. Potential credit losses due to customers defaulting on the mortgage.

### Limitations

Any limitations on the scope and service we provide or the features of the Product

### Results of our assessment

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

---

### For intermediary use only. Not intended for retail consumer use.

Vida Homeloans is a trading name of Vida Bank Limited, registered in England and Wales with company number 09837692 with its registered office at 1 Battle Bridge Lane, London, SE1 2HP. Vida Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority with Financial Services Register Firm Reference Number 738741.