

## First Time Buyer Mortgage Products

Assessment Date: 31<sup>st</sup> July 2025  
 Next Review Date: 31<sup>st</sup> July 2026

### **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.

#### **Summary of Our Assessment**

We have assessed that:

- Our first time buyer 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).

#### **Product characteristics and benefits**

The products are designed to meet the needs of the target group, the product features and criteria are designed to support these needs. Our first time buyer fair value assessment should be read in conjunction with the applicable accompanying fair value assessment (for example fixed rate mortgage products or discount mortgage products).

- Beneficial or equal arrangement fee compared with standard equivalent (product specific)
- Mortgage Term up to 40 years (subject to eligibility)
- Beneficial or equal cashback and fee support compared with standard equivalent (product specific)
- Family support options, including JBSP and Guarantor, available using standard products and rates (subject to eligibility)
- Availability on new and existing homes subject to LTVs
- Up to a maximum age of 90 (subject to eligibility)
- Exclusive to first time buyers (at least one applicant)

Full eligibility criteria can be accessed on our intermediary website via [\[this\]](#) link.

### 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.

Our first time buyer fair value assessment should be read in conjunction with the applicable accompanying fair value assessment (for example fixed rate mortgage products or discount mortgage products)

Customer Circumstances	Distribution Strategy	Customer Needs & Objectives
New borrowers looking to purchase their first property	Direct  Intermediary via: The Appointed Representative Firms of Mortgage Networks and Directly Authorised Firms through Mortgage clubs only	First time buyers who are looking to purchase their first home and would benefit from support above and beyond a standard product range through enhanced incentives such as lower fees or cashbacks.

The Product is not designed for customers who:

- Are under the age of 18 (under 21 for lending above 90% LTV)
- Will be aged 90 or over at the end of the mortgage term.
- Are currently resident outside of the UK or have been resident outside the UK within the last 3 years
- Are purchasing or remortgaging a BTL property (any first time landlord products will be covered in the buy to let FVA)
- Do not meet our lending or property criteria
- Are not first time buyers (where all applicants have previously held a mortgage)

### Customers with characteristics of vulnerability

Our first time buyer fair value assessment should be read in conjunction with the applicable accompanying fair value assessment (for example fixed rate mortgage products or discount mortgage products)

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

Some borrowers may not have a comprehensive understanding of mortgages or the 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.

As first-time buyers by their nature will not have been through the mortgage process previously, we made the decision to only allow our first time buyer products to be accessible on an advised basis for direct, and through the support of intermediaries. This is to ensure that the complexity involved in arranging a mortgage for the first time is fully understood and the mortgage product is appropriate for the customer's individual circumstances.

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 also tested the Product to assess whether it will meet the identified needs, characteristics, and objectives of the target market, including customers in the target market who have characteristics of vulnerability.

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

- 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.
- Flexible approach to communication based on the individual needs of the customer.
- Flexible policies, where appropriate, to support vulnerable members.
- Monitoring to ensure we continue to meet and respond to the needs of customers with characteristics of vulnerability.
- Dedicated team who can support customers with early hardship and arrears.

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

We can offer extra support to your client if they have additional needs, such as physical or mental health needs, or if there's anything else we should be aware of to support them. Where appropriate, and with any necessary customer consents, you should share relevant details with us so we can respond appropriately.

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

#### **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 the Asset-Liability Committee (ALCO) allowing for challenge and further investigation before we sign-off the outcomes and share the summary of our assessment with you.

The FVAs are reviewed annually or more frequently if a material change occurs.

Our fair value assessment has considered the following:

<b>Benefits</b>	<b>Price</b>	<b>Costs</b>	<b>Limitations</b>
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.	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 with frequent reviews to ensure the best outcome to the customer.	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 delivers fair value for customers in the target market for the Product.

Information correct as of 31/07/2025

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