



Interbridge Mortgages

Product and Services Information Sheet

FOR INTERMEDIARY USE ONLY



Product and Services Information Sheet

Lender name:

Interbridge Mortgages Limited

Products covered:

Second Charge Mortgages

(variable, fixed, fixed no ERC - Classic, Flex and Max)

Information sheet produced: April 2024

Our aim is to provide a range of innovative solutions to meet the needs of customers with an efficient, frictionless and best in class service proposition.

This summary document provides the necessary information to help you understand the characteristics of our products and the identified target market. It is designed to support you in understanding the value that our products are intended to provide to customers, so that you can assess their fair value when considering your distribution arrangements.

1 Summary of our assessment

We have assessed that:

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

2 Product characteristics and benefits

The products are designed to meet the needs of the homeowners with accumulated wealth locked into their property and an existing first charge mortgage, most notably the need to secure finance to help with debt consolidation and/or capital raising. The target market is further broken down as follows:

- Prime customers
- Near-prime customers
- Those borrowing to a higher loan to value
- Those with non-complex income (single source employed or self-employed)
- Those with limited or no adverse credit (defaults, CCJs or missed payments)



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The products' features and criteria are designed to support these needs and include:

- The majority of applications will be eligible for an AVM
- No legal fees payable
- Fixed and Variable options
- A Mortgage term between 5 and 30 years
- A lender fee is payable and/or a broker fee (this may be added to the loan or paid upfront)
- An Early Repayment Charge if the borrower redeems the mortgage during the period of the fixed rate
- Over payments or lump sum payments of part at any time, without penalty

Full eligibility criteria can be accessed on our portal.

3 Target market assessment and distribution strategy

This target market assessment matrix segments the target customers for the products, recognising their different needs to enable you to tailor the services you provide when you distribute the products.

Customer Circumstances	Distribution Strategy	Customer Needs & Objectives
<ul style="list-style-type: none"> • Borrowers who are over the age of 21 and resident in the UK and a UK tax payer • Security property must be in England, Scotland or Wales • Borrowers who are younger than 70 and will repay their mortgage before they retire • Borrowers looking to keep their existing mortgage on their existing residential property in the UK • Borrowers who are living in the security property • Borrowers who are seeking a repayment mortgage to clear the capital by the end of the term or a mortgage with an element of interest only borrowing with suitable prepayment vehicle in place to clear at the end of the term • Borrowers who are employed and/or self-employed • Borrowers who are able to meet our affordability tests and requirements • Borrowers with limited or no adverse credit (defaults, CCJs or missed payments) • Borrowers with non-complex income (single source employed or self-employed) 	<p>Second charge mortgage products will be distributed through an approved network of intermediaries. All mortgage applications are derived from FCA approved intermediaries and brokers who provide customer advice using their specific knowledge, expertise and competence to understand the features of the product to ensure the demands and needs of the customers are met.</p> <p>All intermediaries must be registered with us and complete an initial due diligence process.</p> <p>Second charge marketing activity is targeted at the intermediate market. For second charge brokers, there is a range of information online on our portal.</p>	<ul style="list-style-type: none"> • To obtain capital raising or clear existing debts • To fix their costs for a period of time (fixed rate) • To be comfortable for monthly payments to rise, as well as fall (variable rate) • To improve monthly cash flow • To improve quality of home • To release equity for multiple purposes • Access to adverse credit lending (where customers have limited adverse credit)



The products are not designed for customers who:

- wish to let the security property
- are severely credit impaired (in-house system will determine most suitable product available)
- do not meet our lending or property criteria
- under 21
- are already retired or will be over 80 years old in the life of the mortgage (dependent on product type)
- are not UK residents
- are without a repayment strategy
- are unable to demonstrate affordability for their monthly mortgage payment and their ongoing living expenses and declared credit commitments
- expect to prepay their loan within 12 months, to amortise full repayments over a term of less than 60 months, as spreading the loan setup costs and associated fees over a short period may create a disproportionately high cost of credit
- Wish to borrow less than £15,000, as the sum of the broker and lender fees may create a disproportionately high cost of credit
- have an existing second charge loan and wish to borrow only a small amount more, as spreading the loan setup costs and associated fees over a small amount of incremental borrowing may create a disproportionately high cost of credit
- wish to consolidate credit that is at a lower interest rate than the Interbridge mortgage unless there is a clear benefit to the borrower of extending or shortening the repayment term or the interest rate is expected to increase sharply, such as 0% balance transfer credit card
- have considerable uncertainty over the total amount they wish to borrow, as the product does not allow further draw-downs, and borrowing more than is actually required as a safety-net could disproportionately increase the cost of credit when interest charges are spread over the sum actually required
- may borrow more easily and cost-effectively from their first charge mortgage lender, once all relevant factors such as debt consolidation, fees, redemption costs, interest rates changes, loan term, and other requirements imposed by the lender are considered, or
- may borrow more cost effectively on an unsecured basis, once all relevant factors such as loan size, interest rate and loan term are considered
- are looking to refinance shortly, as the higher loan to value may restrict opportunities to refinance
- do not wish to have a second charge mortgage secured against their property



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4 Customers with characteristics of vulnerability

The products are designed for a wide target market, and not to meet any inherent characteristics of vulnerability in the target market. However, it is likely to include some customers with characteristics of vulnerability who will experience vulnerability over time.

The products will align with our vulnerable customer framework and aim to achieve fair value and good outcomes for customers who are vulnerable.

Intermediaries - you 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 products.

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 products. This analysis is used to ascertain whether the products deliver fair value for customers.

The outcomes of the assessment process are presented to the Board allowing for challenge and further investigation before we sign off the outcomes and share this summary of our assessment with you.

Our fair value assessment has considered the following:

Benefits	Price	Costs	Limitations
The range of features that the 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 products, comparable market rates, advice fees paid to intermediaries and non-financial costs associated with operating the products.	The cost of funding the products and any other reductions in costs to the customer made possible by economies of scale.	Any limitations on the scope and service we provide or the features of the products.

Results of our assessment

Our assessment demonstrates that, the price is reasonable relative to the nature, quality and benefits of the products that are transparently sold and properly supported and continues to deliver fair value for customers in the target market.