

**Afin Bank**

**Product Name: Professional 2 Year Tracker  
Residential Mortgage and Remortgage Products**

**Information Sheet Produced: May 2025  
For Intermediary Use Only**

## Product Information

### Products and Services Outcome and Price and Value Outcome – Information for distributors of the Product.

Product: Afin Bank Professional 2 Year Tracker Residential Mortgage and Remortgage Products

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 Professional 2 Year Tracker Residential Mortgage and Remortgage product range (the "Product") meets the needs, characteristics, and objectives of customers in the identified target market.
- The intended distribution strategy is 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 and benefits

The Product is designed to meet the needs of the target group. The following product features and criteria are designed to support these needs:

A residential mortgage with a short-term variable rate that tracks the Bank of England Base Rate which is designed for professionals, offering no Early Repayment Charges (ERC) and unlimited overpayments, and the potential to benefit from interest rate reductions over a 2 year period.

#### Who it's for:

- Professionals purchasing their first home, moving, or remortgaging.
- Customers with up to 90% LTV
- Applicants with professional qualifications, complex income, or emerging UK credit profiles.
- Foreign nationals living in the UK for at least 6 months on eligible visas.
- Customers with complex borrowing needs who require non-standard underwriting or tailored affordability assessments.

#### Core Benefits:

- No early repayment charges, repay, refinance, or exit anytime within the 2-year period.
- Manual underwriting tailored to the needs of professionals with diverse financial profiles.
- Supports career progression, relocation, or short-term planning.
- Manual underwriting tailored to diverse financial situations.
- Accessible for professionals with limited UK credit history or international backgrounds.
- Access to trained support teams via phone or email.

#### Key Product Details:

- Loan size: £100k – £2.5m
- LTV: Up to 90% (<£500k), Up to 80% (£500k–£1m), Up to 70% (£1m–£2.5m)
- Income Criteria:
  - Younger professionals: 21-35 years old with a loan to income limit (LTI) of up to 6.5x
  - Up to 80% LTV – £35,000 min application income
  - 80%+ LTV – £50,000 Sole apps / £75,000 joint apps (with the professional applicant earning £50,000+)
  - Older professionals: 35+ to 75 years old – £70,000 Sole and/or joint apps with a LTI of up to 5.5x
- Term: 2–40 years
- Fee: £1,495 (can be added to loan)
- Applicants: Max 2 per application
- Rate Structure: Tracks the Bank of England Base Rate + margin
- Reverts to: Bank of England Base Rate plus an Afin Bank margin after 2 years
- Portability: This product is not portable and cannot be transferred to a new property

Intermediaries will have access to knowledgeable and experienced staff within the Commercial team and Underwriting teams. Support will be given to intermediaries to ensure they understand our products and services via face-to-face meetings, webinars and Intermediary website pages.

Full eligibility criteria can be accessed on our Intermediary website via [afinbank.com/intermediaries](https://afinbank.com/intermediaries).

### 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 to distribute the Product.

Customer Circumstance	Distribution Strategy	Customer Need and Objectives
Professional buying their first home or remortgaging a residential property for their own use.	Available through FCA-authorised Intermediaries. Initial due diligence is conducted before an intermediary is added to the panel, with ongoing periodic monitoring to uphold standards.	Access to affordable borrowing with flexibility and the potential to benefit from rate reductions linked to Base Rate.
Early-career professional seeking up to 90% LTV and enhanced LTI of up to 6.5x (if aged 35 or under).		Ability to borrow at higher LTV or LTI levels to access homeownership earlier while maintaining financial control.
Customer expecting near-term life changes (e.g. relocation, new job, family planning).	Available through direct applications with an authorised Mortgage Advisor.	Short-term product without tie-ins, allowing future reassessment without Early Repayment Charges.
Self-employed or contractor with variable income who may not pass automated credit scoring.		Access to lending through manual underwriting, with affordability assessed holistically.
Recently arrived foreign national professional on a visa with limited UK credit history.		Fairly priced mortgage with manual assessment, ability to build UK credit profile while establishing residency.
Customer with one or two satisfied defaults (under £250) within the past 36 months.		Opportunity to rebuild credit via a structured mortgage, while accessing mainstream borrowing.
Customer with bonus or irregular income planning to reduce debt more quickly.		Ability to make unlimited overpayments or fully redeem without incurring penalties.

The Product is not designed for customers:

- Who Afin Bank do not define as a Professional.
- Where more than 2 applicants wish to be party to the mortgage.
- Who require more than 90% LTV.
- Who are non-UK residents.
- Where the property is not the main residence.
- Who require mortgage rate certainty over a fixed period.
- With recent or significant credit events (e.g. CCJs, DMPs, IVAs, or bankruptcies within the past 36 months).
- In need of later life lending solutions.
- In need of shared ownership, Right to Buy and Help to Buy Mortgages.
- Who do not meet our lending or property criteria.
- Who do not have complex borrowing needs (likely to find a cheaper product with high street lender).
- Who require features such as product portability or access to further borrowing during the product term.
- Applicants above the age of 75 at the end of the mortgage term.

### 4. Customers with characteristics of vulnerability

This Product is not specifically targeted at customers with inherent characteristics of vulnerability, but at Afin we recognise that vulnerability is not fixed and can affect any customer at any stage of their mortgage journey, before application, during the term, or at the point of exit.

At the start of every customer journey and mortgage application, customer vulnerabilities are captured on internal systems. As vulnerability is not fixed and can impact a customer at any time, customer vulnerabilities information can be captured and updated when required.

While vulnerability risks exist across all customer types, tracker customers may experience heightened exposure to payment fluctuations due to variable interest rates.

The absence of Early Repayment Charges (ERCs) and full overpayment flexibility allows customers to adjust borrowing in response to changing personal or economic circumstances.

Support is underpinned by Afin Bank's Vulnerable Customer Policy and Arrears and Forbearance Policy, with all associated costs included in the pricing model. Vulnerable customers do not pay more than others.

**Common Triggers for Vulnerability:**

- Rising interest rates leading to increased monthly payments.
- Economic volatility or income changes affecting affordability.
- Redundancy or long-term illness impacting income.
- Bereavement, relationship breakdown, or other disruptive life events.
- Mental health conditions affecting financial management.
- Signs of addiction e.g. Alcohol / drug dependency or frequent gambling.

**For Self-Employed / Irregular Income Customers:**

- May face volatility in income due to seasonal contracts or reduced demand.
- Absence of any employment-based period of sick pay.

**For Foreign Nationals / Diaspora Customers:**

- Cultural and Language Barriers: May misunderstand terms or implications of fixed-rate structures, penalties, or early repayment charges.

Afin Bank has implemented a framework to identify and assist customers with vulnerabilities, which includes training for frontline staff, clear and accessible communication, and flexible policies to accommodate those facing financial hardship. Processes are in place for distributors to notify us of any characteristics of vulnerability at the point of application. Procedures are also in place to manage any vulnerabilities identified throughout the lifetime of the mortgage.

All intermediaries are expected to meet their regulatory obligations by identifying and supporting customers in vulnerable circumstances and ensuring they receive suitable advice and outcomes.

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 product. This analysis is used to ascertain whether the Product delivers fair value for customers.

The outcomes of the assessment process are presented to Executive Risk and Compliance Committee and Board Risk and Compliance 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
<p>A flexible mortgage with a range of product features, competitively priced variable rates, no early repayment charges, and unlimited overpayments which support customers who value adaptability and want to manage their borrowing around changing financial goals.</p> <p>Manual underwriting enables more inclusive access, while high service levels provide a smooth and transparent mortgage experience.</p>	<p>Pricing is informed by internal modelling and peer benchmarking across:</p> <ul style="list-style-type: none"> <li>• Interest rates</li> <li>• Fees</li> <li>• Early repayment charges</li> </ul> <p>Pricing aims to balance commercial sustainability with customer value.</p>	<p>Cost of funding the product through deposit inflows.</p> <p>Operational cost of manual underwriting and case-by-case assessment.</p> <p>Ongoing servicing costs, including customer support, account management, and arrears handling.</p>	<p>This product is not suitable for customers who fall outside the defined target market, including those requiring higher LTVs, non-residential property use, or those seeking fixed-rate features.</p>

## Results of our assessment

Our assessment concluded that the Product delivers fair value for customers in the target market for the Product.

We're here to help by phone on **0333 344 2974** from 09:00 - 17:00, Monday to Friday (excluding bank holidays). You can also email us at [support@afinbank.com](mailto:support@afinbank.com).

If you need an alternate format, please contact us at [support@afinbank.com](mailto:support@afinbank.com).

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