

# Nottingham Building Society

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[Consumer duty | Nottingham Building Society](#)

**Product name: Residential Mortgages**

**Information sheet produced: 23/06/2025**

## **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.**

### **1. Summary of our assessment**

We have assessed that:

- Our Residential 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; and
- The Products provide 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 target group, to own a home or raise capital to improve their home or lifestyle, which is the core of our strategy: "Together we fight for the Extra Ordinary to Own their Own Home". The product features and criteria are designed to support these needs.

#### **Key eligibility criteria:**

Lending to borrowers who:

- Are over the age of 18 and resident in the UK
- are living in the mortgaged property or intend to live in the property once purchased, as applicable; and
- are seeking a repayment mortgage to pay off the capital during the term or an interest-only mortgage with a suitable repayment strategy in place to repay the capital at the end of the term.

#### **Key Features and Benefits:**

- Fixed products that offer security in monthly payments for an initial period, regardless of whether market interest rates rise or fall.
- Discounted variable rate products, which offer an interest rate discount relative to The Nottingham Building Society's administered mortgage rate. These offer the flexibility of a variable rate and, in the case of some products, the flexibility of no early repayment charges.

**Commented [AB1]:** Feels too specific / point-in-time for FVAs (e.g. which fixed rate tenors we offer - could change over the course of the year)

- A separate range is available for Foreign Nationals or Returning UK Expats who do not qualify for standard residential products on the basis of their visa status or time in the UK.
- At the end of the product term, the mortgage reverts to the Nottingham Building Society Variable Mortgage Rate (VMR), unless the customer chooses a new alternative mortgage product. Customers may choose a new rate before the expiry date of their current deal without paying an Early Redemption Charge (ERC) and this will take effect once the existing deal reaches expiry. As of June 2025, The Nottingham Building Society offers at least one product to every residential customer at the end of their product term (including customers in arrears and/or negative equity), typically via a range of sales channels.
- Customers may also make over-payments up to an annual allowance of 10% without incurring an ERC (though this over-payment allowance is not applicable for customers redeeming their mortgage in full).
- Some products offer free property valuations, assisted legal fees for remortgages and/or cashback paid upon completion. All standard residential products are portable to a new property, subject to underwrite.

Full eligibility criteria can be accessed on our intermediary website via [Residential lending criteria | Nottingham Building Society](#).

### 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.

| Circumstances   | Distribution Strategy   | Customer Needs & Objectives  |
|---|---|--|
| Borrowers (including prospective borrowers) who want to purchase a new property   | Intermediary distribution through: <ul style="list-style-type: none"> <li>• Networks and their Appointed Representatives.</li> <li>• Mortgage clubs.</li> <li>• Directly authorised mortgage intermediaries.</li> </ul> | <ul style="list-style-type: none"> <li>• Access to a mortgage to enable the purchase of their home</li> </ul>  |
| Borrowers who want to remortgage their existing property from another lender  | All intermediaries must be registered with us.  | <ul style="list-style-type: none"> <li>• Customers looking to remortgage from their existing lender to find a better deal for their individual circumstances</li> </ul>  |
| Existing Nottingham Building Society borrowers who want to transfer to a new mortgage product or raise a further advance against their property | <ul style="list-style-type: none"> <li>• Intermediary distribution as detailed above</li> <li>• Direct through NBS advisors.</li> <li>• We also offer non advised execution only for certain transfers.</li> </ul>      | <ul style="list-style-type: none"> <li>• Continued access to mortgage deals with us to enable the borrower to continue to live in their home</li> <li>• Access to additional funds to improve their home or support their lifestyle</li> </ul> |

The Product is not designed for customers who:

- Are seeking to let their property; or
- Do not meet our lending policies.

### 4. Customers with characteristics of vulnerability

The Products are designed for the Residential owner-occupier market segment, which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

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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.
- Suitable customer service provision and communications.
- 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.

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 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 and approved through our Governance process, allowing for challenge and further investigation of the outcomes before we share the summary of our assessment with you.

Our fair value assessment has considered the following:

| Benefits   | Price   | Costs  | Limitations  |
|--|---|--|--|
| Based on the assessment performed, we have established that the products are compatible with the objectives, interests and characteristics of customers of the intended target market and that the distribution strategy is not detrimentally impacting overall product value. | We assess that the interest rates, fees and charges customers pay are comparable to the market rates and non-financial costs associated with operating the product, in the context of key factors such as our lending criteria. | We assess that the costs, and fees and charges are appropriate for the products, and these represent fair value for our customers. | Other than criteria outside our lending policy, there are no limitations to access these products. |

**Results of our assessment:**  
Our assessment concluded that the Residential Products continue to deliver fair value for customers in the applicable target market.