



Mortgages

Product Sales Data (PSD) Glossary

Advised/non advised sales	<p>An advised sale occurs when an advisor of a regulated firm gives a personal recommendation to the customer after assessing the customer’s needs and circumstances. This is specific and individual advice to the customer and is not generic.</p> <p>A non-advised sale occurs when no personal recommendation is made to the customer. The customer may receive generic information on the product to enable them to make an informed decision about whether it meets their own needs and circumstances. Non-advised sales include ‘execution only’ and ‘direct offer transactions’.</p>
Capped and collared	<p>A variable interest rate that is guaranteed not to exceed a stated maximum rate (the capped rate) for a specific period of time. Also includes products where the interest rate is subject to a minimum rate (the collared rate).</p>
Discounted rate	<p>Where a discount is applied to the lender’s standard variable rate, usually for a limited period.</p>
Fixed-rate	<p>Where the interest rate is fixed for a stated period.</p>
Home reversion plan	<p>An equity release arrangement where the occupier of a property sells the property (or a part interest in it) to the reversion provider and receives a lump sum and/or an income in return. The occupier retains the right to live in the property under a lease of life or until a specified event occurs.</p>
Lifetime mortgage	<p>A regulated mortgage contract, which is targeted at older customers and is repaid by selling the property when the customer dies, goes into long-term care or otherwise vacates the property.</p>

Impaired credit mortgage	<p>Mortgage lending to a borrower who does not have a standard credit history, i.e. a recent history of either:</p> <ul style="list-style-type: none"> a. Arrears on a mortgage or other loan (secured or unsecured). This applies if the borrower within the last two years, has had a sum equivalent to three months' payments overdue on a mortgage or other loan (whether secured or unsecured); or b. Individual Voluntary Arrangement (IVA). This applies where the borrower(s) has been subject to an IVA at any time within the last three years; or c. Bankruptcy. This applies where the borrower(s) has been subject to a bankruptcy order at any time within the last three years; or d. County Court Judgement (CCJ). This applies where the borrower(s) has been subject to a CCJ greater than £500 within the last three years.
Standard variable rate	<p>The rate that is the lender's underlying variable interest rate. This rate is a basic variable rate charged to borrowers with no discounts or other special deals. It is also the rate used by the lender as a reference rate when defining a discounted variable rate product (e.g., discounted product ABC is 0.50% below the lender's standard variable or basic rate). This is the rate that mortgage deals will often revert to after a special rate period.</p>
Total gross income	<p>This is the total of the gross annual incomes (before tax or other deductions) of each of the individual borrowers whose incomes were taken into account when the lender made the lending assessment/ decision. For these purposes, each borrower's gross income is the sum of that person's main income and any other reckonable income (e.g., overtime and/or income from other sources, to the extent that the lender takes such additional income into account in whole or in part).</p>
Tracker	<p>Where the interest rate is guaranteed to move in line with either the Bank of England Base Rate (BBR) or another index such as London InterBank Offered Rate (LIBOR). The rate can track above, below, or at the same level as the index rate.</p>