

The complaint

This complaint's about a buy-to-let (BTL) mortgage that Mr B used to hold with Bank of Ireland (UK) Plc (BOI). Mr B complains that the mortgaged property was over-valued when he took the mortgage out in 2004.

What happened

The broad circumstances of this complaint are known to both parties. I'm also aware that the Investigator issued a detailed response to the complaint, a copy of which has been sent to both parties, and so I don't need to repeat all the details here. Our decisions are published, and it's important that I don't include any information that might result in Mr B being identified.

Instead, I'll give a brief summary of the key events in my own words, rounding figures where necessary, and then focus on giving the reasons for my decision. If I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint.

The mortgage started in 2004; Mr B had already acquired the property the previous year, having paid £25,000 for it. He applied to borrow £42,000 plus fees from a lender that subsequently became part of BOI. For simplicity's sake, I'll refer to the lender as BOI throughout.

The property was valued at £54,000 and the mortgage went ahead. Mr B has told us that during 2011 and 2012, he tried to sell the mortgaged property for prices ranging between £49,000 and £55,000, but was informed by the selling agent that the property wasn't worth that much. He told us he tried selling it again 2016 for £45,000.

In 2024, the mortgaged property was sold leaving a shortfall debt of over £30,000, which Mr B is paying back under an arrangement. Mr B complained that the valuation in 2004 was negligent and that the property was over-valued at the time. The case is with me now because our Investigator doesn't recommend the complaint be upheld.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Although the property has been sold, Mr B still owes BOI money because there was a shortfall, so the relationship between them still exists and is ongoing. As such, and while the valuation was carried out in 2004, I can consider whether it resulted in a relationship that's currently unfair or not. On balance, however, and having considered all of the available evidence from the time, I'm not persuaded that the valuation in 2004 created an unfair relationship.

Lenders aren't experts in property; that's why they seek the professional opinion of someone who is. Typically that means commissioning a valuation from a member of the

Royal Institution of Chartered Surveyors. BOI did that in Mr B's case. BOI was reasonably entitled to rely on the opinion of the suitably-qualified professional who conducted the valuation.

The purpose of the valuation was solely to advise BOI whether the property was good security for the lending Mr B wanted to take. It wasn't to advise Mr B about what the property was worth or the wisdom of taking out a loan secured on it. That was a decision for him, as someone running a property rental business, to make. The valuation found that the property was good security and so BOI accepted Mr B's application. I'm satisfied it was reasonable for it to have made that decision based on the opinion of its own expert.

I haven't considered whether the valuation was carried out negligently; I have no remit to do that. But I'm satisfied there was nothing that ought to have led BOI to question whether it could reasonably rely on it at the time when deciding whether to lend.

Putting all of the above together, I can't find that the valuation in 2004 led to a relationship which is currently unfair between Mr B and BOI.

My final decision

My final decision is that I do not uphold this complaint or make any order or award against Bank of Ireland (UK) Plc.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 2 February 2026.

Jeff Parrington
Ombudsman