

## **The complaint**

Ms H complains that Charter Court Financial Services Limited trading as Precise Mortgages charged extortionate fees when she took out a new interest rate product and misled her when she repaid her buy to let mortgage, resulting in her paying higher costs.

## **What happened**

Ms H intended to redeem her buy to let mortgage and contacted Precise to check the best time to repay the mortgage. Ms H says she wanted to avoid paying interest in advance or the early repayment charge (ERC).

Ms H's mortgage product was due to expire on 28 February 2025. However, this was a Friday which meant Ms H couldn't repay the mortgage until the following Monday. Ms H says Precise charged a month's interest for two days.

Ms H says when she took out a new interest rate product in early 2024 the product fee was over £5,000, which was extortionate. She says she intended to sell the property but couldn't do so due to market conditions. This meant she had to pay the fee to take out the product.

Precise said the redemption statement sent to Ms H's solicitors took the interest instalment into account. It said Ms H agreed to pay the product fee when she took out the interest rate product, which was recommended by her broker.

Our investigator said Precise didn't make an error. Ms H didn't agree and asked that an ombudsman reconsider her complaint.

## **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.

Ms H took out a preferential interest rate product in early 2024. The product was recommended by a broker. Precise sent a mortgage illustration to the broker. This set out the product fee, which was a percentage of the mortgage balance. Precise had previously sent an illustration to Ms H's broker for a fee free product.

Ms H says Precise dragged its heels over the product switch. She says she had no choice but to take out the product and pay the fee as her payments would have trebled and been more than the rent she received. Ms H would have discussed the available products with the broker. Precise is an intermediary only lender and it had no direct contact with Ms H.

Ms H says the product fee was extortionate. But she agreed to pay the fee when she took out the product. Precise doesn't have to waive product fees for existing customers. I can't fairly find that Precise made an error when it applied the fee.

Precise didn't address this part of Ms H's complaint properly in its final response. Precise did address this issue when the complaint came to us. It's unfortunate that it didn't respond to this part of Ms H's complaint in its final response. But I don't think the outcome would have

been any different. I don't think it's fair and reasonable to require Precise to take further steps regarding this part of Ms H's complaint.

Ms H said she didn't intend to take the other part of her complaint – about the interest applied at redemption – further. But she then said she felt she'd been misled by Precise. So I'll explain why I'm not upholding this part of Ms H's complaint.

Ms H's solicitors asked for a redemption statement for redemption on 3 March 2025. Ms H's monthly interest instalment was also due that day. It's usual for lenders to expect mortgage payments to be maintained until the mortgage is actually repaid. Lenders can't assume the mortgage will be repaid simply because they've been asked for a redemption statement or because a borrower says this is their intention.

The redemption statement sent to Ms H's solicitors assumed the interest payment due on 3 March 2025 was made. The redemption statement set out interest adjustments on the basis the mortgage was repaid on 3 March 2025 (the interest instalment paid was deducted from the amount due and the actual interest accrued and unpaid to the date of redemption was added).

I think it was fair for Precise to take the interest payment due on 3 March 2025. I don't think Precise misled Ms H about this. The instalment was set out on the redemption statement. I haven't seen evidence that Precise told Ms H it would waive the payment on the basis she intended to repay the mortgage.

I understand it was frustrating for Ms H that she couldn't repay the mortgage immediately after the product expired. But that was due to 1 March 2025 falling on a Saturday, not because of any error by Precise.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 5 February 2026.

Ruth Stevenson  
**Ombudsman**