

The complaint

Mr W, as executor of the estate of his late sister Mrs W, complains that Just Retirement Limited trading as Just hasn't acted fairly in connection with a lifetime mortgage Mrs W took out. In particular, he's unhappy with the amount of interest charged to the loan, which is now more than Mrs W borrowed.

What happened

Mrs W took out a lifetime mortgage with Just in 2008. She borrowed £100,000 plus a cash reserve facility of £200,000.

Sadly Mrs W passed away in 2022. Mr W applied for letters of administration, which were granted in April 2024. He put the property on the market in May 2024. He also asked Just to freeze interest that was still being added to the balance until the property was sold, but Just refused.

Mr W complained. He said the interest charged was excessive and unfair. He said that Just wouldn't agree to freeze interest or come to a negotiated settlement or compromise in any way. He said that it was making constant demands that he sell the property or repay the balance, and threatening to repossess the property and force a sale.

Just responded to Mr W's complaint on 14 August 2024. It said that the interest rate was fixed when the loan was taken out, and interest is chargeable until the loan is repaid. It said it couldn't waive or reduce interest before the balance was repaid.

Mr W brought his complaint to us in March 2025. An ombudsman colleague issued a decision that we were able to consider the complaint as Just had not sent Mr W a valid final response to his complaint.

The investigator did not think the complaint should be upheld.

Mr W did not accept what the investigation said. He responded to say this was a unique case and not as straightforward as it seemed. He said he had been resident at the property for a long time and had a "constructive equitable interest" of one third of the property's value on sale that pre-dated the agreement with Just, but only formalised when Mrs W passed away. He believes that Just has no rightful charge or claim on this or part of the estate and all interest accrued. Mr W said the agreement should not encroach on his part of the valuation.

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.

I note the points Mr W has made in response to the investigator's view. But I'm afraid he is not eligible under our rules to bring a complaint about Just. That is because this complaint does not arise out of a direct relationship that he had with Just as a customer.

The eligible complainant in this case was Mrs W as the customer of just. Mr W is authorised by law to bring a complaint on behalf of her estate as the executor of the estate. So we can look at whether Mrs W and her estate have been treated fairly and reasonably – but we can't

consider any impact on Mr W in his own right. I think the points Mr W has made in response to the investigator's view are really his complaint. He should get legal advice about whether he had a claim against Just and/or the estate. But I do not have the power to make any award to him personally if he has lost out.

I am satisfied that the terms and conditions of the lifetime mortgage allowed Just to apply interest until the property is sold. The interest rates applied are not out of line with what I would expect to see for lifetime mortgages taken out during the period in question. And the agreement was clear that interest would compound.

I understand why Mr W is unhappy that the interest is now more than the amount initially borrowed. But that does not go against the terms of the lifetime mortgage. The agreement said that there was a no negative equity guarantee – so the amount due would never exceed the value of the property. But there was nothing to prevent the amount of interest exceeding the amount borrowed.

In all the circumstances, I don't consider Just has applied interest unfairly or that it was unfair for it to apply the terms of the agreement Mrs W accepted. It was not unreasonable for Just to look for the mortgage to be repaid. And repossession was an option open to Just if the mortgage was not repaid as agreed. So I do not consider it was unreasonable for it to set out that as a possibility.

My final decision

My final decision is that I do not uphold this complaint.

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

Ken Rose
Ombudsman