

The complaint

Mr C has complained about a bridging loan he holds with Charter Court Financial Services Limited trading as Precise Mortgages. He's complained about how long it took to remove his previous lender's charge and register Precise's charge with the Land Registry, which meant he wasn't able to remortgage to a new lender on or before the term end date.

What happened

In January 2024 Mr C applied, through a mortgage broker, for a bridging loan with Precise.

The application was a remortgage of an investment property Mr C already owned, with the purpose of the lending noted to be to renovate the property (new kitchen, bathroom, ensuite and decoration) and to clear two charges currently held on the property to reduce Mr C's outgoings whilst the property was untenanted. The application said Mr C also wanted to split the title to remove part of the garden for a future development. The exit strategy was that once the renovations had been completed Mr C would remortgage onto a standard buy to let mortgage, and at that time the rental income would be increased to £1,400 a month.

Mr C had the choice of either joint representation (where Precise's conveyancer acts for both) or separate representation (where Precise's conveyancer acts for it, and Mr C has his own conveyancer). Mr C opted for separate representation and provided the details of who he was going to use. Mr C – or his broker acting on his behalf - also selected which conveyancer (from a list of seven) he wanted to act for Precise. Through the remainder of this decision I will refer to the two separate firms as "Precise's conveyancer" (or "its conveyancer") and "Mr C's conveyancer" (or "his conveyancer").

Precise issued the mortgage offer on 16 January 2024 and the bridging loan completed on 26 February 2024. It had a 12-month term, so needed to be repaid by 26 February 2025.

Mr C's previous lender (who I will refer to as lender W) has said it submitted the forms to remove its charge to the Land Registry on 2 March, with the Land Registry confirming receipt on 11 April.

Precise's conveyancer submitted its application to the Land Registry on 12 March. Its application was to transfer part of the title to a limited company and register Precise's charge.

In November 2024 Mr C instructed a new solicitor to act on his behalf for the refinancing of the bridging loan. On 6 November that solicitor wrote to Mr C to say his remortgage had been placed on hold because the solicitor was unable to obtain official copies of the register for the property from the Land Registry due to a pending application on the title. The solicitor said that once the pending application had been completed the remortgage transaction could proceed. Mr C contacted Precise's solicitor to request the Land Registry application be expedited.

The Land Registry sent a requisition to Precise's conveyancer on 20 November 2024 which raised six queries; three of which related to the application made by Precise's conveyancer

and the other three related to the charges that were being removed from the property (which were the responsibility of the previous lenders and/or Mr C's conveyancer).

On 28 November 2024 Precise's conveyancer responded to the Land Registry with answers to two of its three items and said the others would be replied to in due course. The same day Precise's conveyancer sent an email to Mr C's conveyancer with the three items that Mr C's conveyancer needed to deal with, one of which was that the paperwork hadn't been submitted for the discharge of a charge held by lender W.

The Land Registry sent a follow up requisition on 28 November 2024 which acknowledged Precise's conveyancer's response and asked for the photograph of the director of the limited company to be certified on the back as part of the certification of their identity.

Lender W has told us that it received a call from Mr C's conveyancer on 2 December 2024, and it said it had sent the forms to the Land Registry but hadn't heard anything since. Lender W said it provided a copy of the forms to Mr C's conveyancer. The same day Mr C's conveyancer emailed Precise's conveyancer replying to the questions it had been asked on 28 November. In that email Mr C's conveyancer said it would chase lender W, and that it had acted on behalf of both lender W and the other charge holder in repaying the debts.

On 12 December the Land Registry sent a chase saying that two points were still outstanding. Those were confirmation of the address for service for the limited company that part of the land was being transferred to, and evidence of the discharge of one of lender W's charges.

Precise's conveyancer replied to the Land Registry the same day, providing the address for service for the limited company and said the other point was awaited. It chased the lender W issue up with Mr C's conveyancer.

Lender W has told us that it received a call from Mr C's conveyancer on 13 December chasing a response to an email (which it said it hadn't received) querying the dates on the discharge forms. That same day Mr C's conveyancer sent an email to Precise's conveyancer to explain what had gone wrong. They said that lender W had accidentally included on both the interim and final discharge documentation the same date, and they thought that was why the March 2011 charge hadn't yet been discharged. Mr C's conveyancer said they had emailed and called lender W to resolve matters.

Lender W has told us that it received an email from Mr C's conveyancer on 18 December advising one of the forms had an incorrect date on it. Lender W said it replied to confirm it would raise a query with the Land Registry as it hadn't received a requisition from them.

On 20 December Precise's conveyancer let Mr C know that it was chasing his conveyancer as they acted in the redemption of the lender W charge. Mr C's conveyancer also updated him the same day, saying that lender W had included an incorrect date on its discharge document when it submitted the form to the Land Registry. They said they'd asked lender W to change the date and were awaiting its response.

Mr C raised a complaint with Precise on 27 December 2024, saying he was unable to refinance due to the outstanding issues with the title. Precise told him that if he couldn't complete the remortgage in time then he should contact it before the expiry date to request an extension, and that after the expiry date he would have to pay monthly interest. Mr C has said he wasn't happy with that as he shouldn't have to pay an excessive amount of interest which would be financially devastating for him due to the errors of the professionals involved in the transaction.

Mr C has said he raised complaints with both sets of conveyancers on 3 January 2025, and on 6 January his conveyancer responded to say the error was caused by lender W and they were awaiting a response from a senior manager there. He says Precise's conveyancer said he wasn't their client, but they would review his concerns.

That same day Precise's conveyancer chased things up with Mr C's conveyancer, and lender W has told us that it received a call from Mr C's conveyancer asking for amendments to be made to the forms, and at that time it still hadn't heard back from the Land Registry.

On 7 January Mr C's conveyancer emailed Precise's conveyancer to say they had phoned lender W and lender W was awaiting a supervisor to deal with things. Mr C's conveyancer said they had drafted the discharge document themselves and sent it to lender W for it to then submit to the Land Registry.

The following day Mr C's conveyancer said they had received confirmation that lender W had submitted the discharge document by post to the Land Registry.

Precise's conveyancer contacted the Land Registry on 22 January to ask for an update. The Land Registry replied on 29 January to say it was still awaiting evidence of the discharge of lender W's March 2011 charge. And on 10 February Precise's conveyancer told the Land Registry that it had been submitted by lender W and asked that it provide the completed registration documents.

Lender W has told us that it received a call from Mr C's conveyancer on 13 February chasing amendments to the forms and asking it send copies to them.

On 17 February the Land Registry replied to Precise's conveyancer's message and confirmed it had the DS1 form, but it also required a CN1 form from lender W.

Lender W has told us it received an email from Mr C's conveyancer on 18 February stating the Land Registry had requested further information, although lender W has said it had still heard nothing directly from the Land Registry at that time.

Lender W has told us that the new forms were sealed and sent to the Land Registry on 19 February. I understand lender W provided copies to Mr C's conveyancer, which then passed those onto Precise's solicitor. On 24 February Precise's solicitor uploaded to the Land Registry's portal the DS1 and CN1 forms that it had been sent by Mr C's conveyancer.

As the bridging loan wasn't repaid when the term ended on 26 February 2025, Precise charged interest at 0.78% monthly. I understand the payment due was £1,902 a month.

On 27 February the Land Registry contacted Precise's conveyancer to say section 7 of the CN1 form had been left blank. They asked that the section be completed and a full copy of the form be resubmitted. Precise's conveyancer notified Mr C's conveyancer and asked them to deal with the matter. Mr C's conveyancer completed the relevant section and returned the form to Precise's conveyancer, who then uploaded it to the Land Registry's portal.

On 11 March the Land Registry contacted Precise's conveyancer again. They apologised for missing it previously and said a date on the DS1 form didn't match the date in the register. It said the charge was in 2011, but the year had been put on the DS1 form as 2001. It asked the year be amended, with the amendment being initialled by lender W or a conveyancer acting on behalf of lender W, and then it be resubmitted.

Precise's conveyancer responded to the Land Registry on 13 March. They said the date was correct on the form and attached a further copy of it to show that. They asked for it to be actioned as a matter of urgency.

On 19 March all the work was completed by the Land Registry, with the previous charges removed and Precise's added.

In the meantime, Precise responded to Mr C's complaint on 13 February (albeit Mr C said he didn't receive the response) to say that the registration charge had been pending since 12 March 2024 and it appears there was an error with the information about lender W's charge dates. It said it wasn't in control of how long it would take as it was with Mr C's conveyancer to deal with the requisition. It said it hadn't made any errors, and it didn't uphold the complaint.

Mr C referred this complaint to our service on 19 February 2025.

Our Investigator didn't think Precise was at fault for the delays, but she said it should have done more to keep Mr C informed about the progress. She said Precise should pay £450 compensation and remove any arrears fees and arrears reporting to Mr C's credit file for the period from when the loan term ended in February 2025 until the end of June 2025. She said that period would have given Mr C enough time to arrange to refinance the bridging loan as the charge issue was resolved on 19 March 2025.

Precise agreed to settle things in line with our Investigator's findings. Mr C didn't agree and so the matter was passed to me to decide.

What I've decided – and why

Earlier this month I issued a provisional decision, the findings of which said:

“Although I've read and considered the whole file, I'll keep my comments to what I think is relevant. If I don't comment on any specific point it's not because I've not considered it but because I don't think I need to comment on it in order to reach the right outcome. This service is impartial between, and independent from, consumers and businesses. So I've focussed on what I consider to be the relevant evidence necessary for me to reach a fair outcome. I intend no discourtesy in not answering all Mr C's individual questions, but that's not our role as an impartial dispute resolution service.

The extent of our powers, as set by the Financial Services and Markets Act 2000 (“FSMA”), is set out in the dispute resolution section of the regulator's handbook of rules and guidelines. Part XVI of FSMA sets out the details of our scheme, and s.228 deals with how I determine complaints that come under our compulsory jurisdiction. That says a complaint is to be determined by reference to what is, in the opinion of the ombudsman, fair and reasonable in all the circumstances of the case. When considering what's fair and reasonable in all the circumstances, I'm required to take into account relevant law and regulations; regulator's rules, guidance and standards, and codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

It seems Mr C may have misunderstood a condition in his mortgage offer. The condition in question says *“Our solicitors are to ensure that any existing loans secured against the Property are discharged or postponed on or before completion of the Advance and that a first legal charge is secured in our favour.”*

That is an entirely normal condition in mortgage offers, for both standard mortgages and bridging loans. All it means is that the solicitor must ensure that any existing loan secured

against the property is paid off (or postponed, if that was the agreement) when the mortgage completes. That happened here as all the existing debts secured against the property were paid off from the funds Mr C borrowed. The issue was that there was a delay in the administrative function of removing the charges with the Land Registry. The charges can't be removed until the debts are paid off, so it is never the case that an existing charge is removed before the funds are drawn down on the new loan (unless a consumer repays the existing debt using their own savings or other means).

Generally a remortgage transaction (for both standard mortgages and bridging loans) follows the process Mr C's did; the new loan completes, the applicable funds from that are sent to the previous lender(s) to repay that debt(s), the previous lender(s) (or a conveyancer acting on their behalf) notify the Land Registry that their charge(s) can be removed and the conveyancer acting on behalf of the new lender notifies the Land Registry that the new lender's charge should be added. That is entirely normal with mortgage contracts, whether that be a standard mortgage or a bridging loan.

Mr C told us that the Land Registry informed him that Precise's conveyancer submitted its application on 12 March 2024 as an expedited application. It's not clear why the Land Registry didn't notify Precise's conveyancer of the issues before November 2024 (and only after it had been chased up) but I don't need to know that as this complaint doesn't turn on that. The complaint also doesn't turn on whether or not Precise's conveyancer did submit it as an expedited application in March 2024. That's because once the Land Registry notified Precise's conveyancer of the six points there was still three months until the bridging loan term expired, so there was plenty of time for matters to be resolved and for Mr C to complete on a remortgage to repay the debt.

That said, I should pick up on one point Mr C made which is that he feels *"If the Land Registry were genuinely responsible for a 12-month processing delay on all bridging finance transactions, there would be industry-wide disruption, a flood of complaints, and likely regulatory or media coverage. None of this occurred in 2024. The absence of such evidence strongly reinforces that the delays in my case were isolated to procedural mishandling, not systemic failure."* But Mr C's conveyancer explained this to him in an email they sent him on 6 November 2024 *"The application is still pending as the transfer of part undertaken on the land at the time takes time to complete, they usually take around 2 years to be registered."* So it's not the case that all bridging loan transactions took 12 months to be processed by the Land Registry, but Mr C's application included a separate request to remove part of the land from the title with it being transferred to a limited company. Those transactions had substantial delays at the Land Registry at the time in question as Mr C's conveyancer explained.

Whilst the Land Registry raised six issues on its requisition only three of them related to the work done by Precise's conveyancer. And all three of those issues were easily resolved, with Precise's conveyancer providing the last of those on 12 December 2024. Had those been the only issues then the existing charges would have been removed and Precise's charge added within days of then, leaving two months for Mr C to complete on his remortgage.

Unfortunately, those weren't the only issues, and it was the remainder of the issues that meant the Land Registry information wasn't updated until 19 March 2025. But those other issues weren't the responsibility of either Precise or its conveyancer; they were the responsibility of lender W and/or Mr C's conveyancer. Whilst Precise's conveyancer was acting as the go-between (as only one conveyancer can be the point of contact with the Land Registry) nothing that happened after 12 December 2024 was due to any errors or omissions by Precise or its conveyancer.

It is a borrower's responsibility to ensure that the property title is in a fit state for a lender's security to be attached to it. As such, it is the borrower's responsibility (not the new lender's responsibility) to make the arrangements for the removal of any existing lender's charge. In reality that is done by the existing lender (here that was lender W) or a conveyancer acting on behalf of either that existing lender or the borrower. In this case, Mr C appointed his conveyancer to act on his behalf and it was a matter between him and his conveyancer what level of work they were responsible for in relation to the removal of lender W's charge. That isn't something Precise or its conveyancer would get involved in. Precise is responsible for any delays caused by its conveyancer in relation to the things it was doing for Precise, but it is not responsible for any delays caused when lender W and/or Mr C's conveyancer was sorting out the removal of lender W's charge.

It seems from his submissions that Mr C believes the errors were on the part of Precise and/or its conveyancer but that's not the case. As I've said, some of the information requested by the Land Registry was the responsibility of Precise's conveyancer and the rest was the responsibility of Mr C's conveyancer and/or lender W. From the moment the requisition was made, the responsibilities were split out as they should be. The parts that caused the delay were the parts Mr C's conveyancer and/or lender W were responsible for; all Precise's conveyancer was doing at that stage was passing information back and forth between the Land Registry and Mr C's conveyancer. It wasn't responsible for doing the work and Precise's conveyancer had nothing to do with lender W. This can be seen from the email trails between Mr C's conveyancer and Precise's conveyancer.

Mr C has said that his conveyancer assisted Precise's conveyancer in drafting the CN1 form. He said his conveyancer left the solicitors details section blank and from his submissions it seems he feels it was Precise's solicitor's fault that the form was rejected for that reason.

But whilst Precise's conveyancer was the firm corresponding with the Land Registry, that didn't make it their responsibility to draft the form or to add information to it that was missing. The CN1 form was needed as part of the process to remove lender W's charge, so it was always lender W and/or Mr C's conveyancer's responsibility to fully complete the form and submit it to Precise's conveyancer just for onward transmission to the Land Registry. If Mr C's conveyancer didn't know all the information it needed – such as what contact details for Precise's conveyancer should be recorded in section 7 – then Mr C's conveyancer needed to ask for that when it was completing the form, so it could then send the fully completed form to Precise's conveyancer for onward submission. The form shouldn't have been part completed with the expectation that Precise's conveyancer would fill in the rest. The Land Registry is clear that a conveyancer should only amend a form if they are authorised by the party to do so, and Precise's conveyancer wouldn't have had that authority here as it wasn't acting for lender W.

It wasn't Precise's conveyancer's responsibility to check the work of Mr C's conveyancer and/or lender W. Each has their own responsibility and the parts that caused the delay which led to lender W's charge not being removed and Precise's charge not being registered weren't the responsibility of Precise or its conveyancer. The information provided by the parties indicates that Precise's conveyancer acted promptly each time information was submitted to it by either the Land Registry or Mr C's conveyancer. Precise's conveyancer had notified Mr C's conveyancer of the issues they were responsible for on 28 November. And Precise's conveyancer provided the last of the information it was responsible for answering to the Land Registry on 12 December. Anything that happened after that simply wasn't the responsibility of Precise or its conveyancer.

Precise's conveyancer's role was to get Precise's charge registered. It was up to Mr C (and his conveyancer acting on his behalf) to present clean title to Precise's conveyancer so they could do that. Unfortunately, there wasn't clean title as there were issues removing lender W's charges, and that was what delayed Precise's charge being registered.

Mr C has said he wanted his bridging loan to be extended without penalty, and that he shouldn't be unfairly penalised with excessive charges or adverse credit reporting.

Matters were resolved on 19 March 2025, just three weeks after the loan term ended. And in those three weeks Precise didn't take any action or put any punitive measures in place. All it did was continue to charge the interest at the same rate as before – 0.78% monthly – with the only difference being that it needed Mr C to make the interest payments each month rather than rolling them into the mortgage debt.

Precise said, in a call with Mr C on 27 December 2024, that if Mr C paid the interest of £1,902 a month then it would extend the term for three months to allow him time to complete a remortgage, and if he did so it would waive its £40 a month case management fee for that period. That's not unreasonable as when it made its lending decision in January/February 2024 Precise had already lowered the maximum amount it was willing to lend to Mr C, so it wouldn't be reasonable to then expect Precise to increase that level of indebtedness beyond the amount it was willing to lend for something that wasn't its fault. I acknowledge it wasn't Mr C's fault either, but that doesn't mean I can hold Precise liable and tell it that it shouldn't have asked Mr C to pay the monthly interest in line with the contract he'd entered into. The first monthly interest payment of £1,902 fell due on 26 March.

The terms of the bridging loan said:

“If you do not fully repay the Amount Owed by the end of the Mortgage Term the General Mortgage Conditions will apply and we may immediately commence court proceedings for possession of the Property [...] and for recovery of the Amount Owed.”

So under the terms of the contract, Precise didn't need to offer Mr C more time to repay the debt, and in doing so it was making a concession to try to help him.

If Mr C had successfully remortgaged onto a standard buy to let (“BTL”) basis as he intended he would have needed to start making monthly mortgage payments from March 2025 to that new lender. The payments would have been lower with a standard BTL mortgage, but rather than having that conversation with Precise and paying as much as he could, Mr C instead paid nothing to Precise. Mr C has told us “The property has at all times been tenanted” so it seems the property was generating an income by then, so that rental income should have been paid to Precise to cover as much of the monthly interest as possible. Had Mr C done so it is possible his remortgage offer (that would have given him a net advance of £244,980) would have been enough to cover the redemption figure required by Precise if matters had been progressed promptly to completion with that new mortgage once the Land Registry issue was resolved.

Our Investigator felt Precise should have done more to keep Mr C informed about the progress of the charge removal, and that by not doing so Mr C was caught by surprise at the end of the term. But I don't agree. Precise didn't know there was an issue until November 2024, so it found out at the same time as Mr C. Precise and/or its conveyancer doesn't have an ongoing responsibility to monitor the Land Registry's workloads and it was just waiting to hear that things had been actioned (or that more work was needed as was the case here).

Matters were secure once the Land Registry received the applications, so there was no risk to Precise's security that meant its conveyancer needed to follow things up. And the responsibility to refinance by the end of the term was Mr C's, so it was also his responsibility to ensure he could give clean title to any future lender. Mr C correctly did that in November 2024 when he was alerted to the issue by his new conveyancer that was acting in the remortgage, and that is exactly how I would expect this to work. Mr C was aware of the issue in November 2024, and as I've said the delays that meant matters weren't resolved before the end of the loan term weren't the fault of Precise or its conveyancer.

Precise has a responsibility to report accurate information to the credit reference agencies, as it has done. There are no grounds for me to order Precise to amend Mr C's credit file information as it is a true reflection of the conduct of his account. If Mr C wants to add an explanation to his credit file, he can contact the credit reference agencies directly and ask to add a notice of correction, that way other lenders can read his explanation for the situation when they are deciding whether to lend. But I can't order Precise to remove the markers as they're an accurate representation of what happened.

In summary, I'm satisfied:

- Precise and/or its conveyancer wasn't at fault for the delay in its charge being registered at the Land Registry. It also had no ongoing responsibility to monitor things or chase it up as Precise's charge was secure once the application was made to the Land Registry.
- Under the terms of the contract, Precise was entitled to immediately commence court proceedings when the loan term ended, but instead it offered Mr C a three-month concession to try to give him time to resolve matters.
- Precise was also entitled to say that Mr C would need to make monthly payments until the loan was repaid as interest still fell due each month, and it wasn't willing to extend the interest roll up period.

Whilst I've a great deal of sympathy for the position Mr C found himself in, I'm not persuaded this was due to any acts or omissions by Precise. For that reason, I make no order or award."

Precise said it had nothing further to add following my provisional decision, and Mr C didn't accept my provisional findings.

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

Having done so I won't be going into much detail as what has been argued in response I'd already taken into consideration when reaching those provisional findings.

Mr C has said that *"My complaint has consistently centred on the March 2024 Land Registry submission and the handling of that application. The defective submission in March 2024 created a pending application that remained unresolved for an extended period."* I can only refer Mr C back to the explanations I gave in my provisional decision. The "defective submission", to use Mr C's terminology, was made by lender W. Precise and/or its conveyancer had no responsibility for that. Even if Precise's conveyancer had submitted the "defective submission" to the Land Registry then they still wouldn't be at fault because, as I explained in my provisional decision, Precise's conveyancer had no responsibility to check the work of the other parties involved (that is, lender W and Mr C's conveyancer). As I set out in my provisional decision, there were two applications made to the Land Registry in March 2024; the application from Precise's conveyancer to register its charge and deal with the splitting of the title, and an application to remove lender W's charge. The issues that were outstanding after 12 December 2024 related to lender W's application.

And I don't agree that the fact resolution took from November 2024 to March 2025 demonstrates that the matter wasn't realistically capable of resolution within the remaining bridging loan term. I set out the timeline previously, so I won't repeat that here, other than to say, if the timeline is reviewed it is clear there were errors, omissions and/or delays in that period (that weren't the responsibility of Precise and/or its conveyancer). I've no reason to believe that if all the points had been dealt with promptly following the 20 November 2024 requisition from the Land Registry then Mr C wouldn't have been able to complete his new lending before the bridging loan term expired.

I've read everything Mr C has said in response to my provisional decision and considered the entire file afresh. I understand how strongly Mr C feels about it, and I've a great deal of sympathy for his situation but having considered everything very carefully I see no reason to depart from my provisional findings.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 20 March 2026.

Julia Meadows
Ombudsman