

complaint

Mr L complains about the way in which Specialist Mortgage Services Limited has dealt with the recovery of an outstanding debt.

background

Mr L sold his property, mortgaged to 'lender 1', in 2009 for less than the mortgage balance. He thought that lender 1 had written off the residual debt. This was not the case and instead it later sold the now unsecured debt to 'lender 2'. Specialist Mortgage Services has been acting for lender 2 and writing to Mr L for his payment proposals.

The adjudicator could not see that Specialist Mortgage Servicing had been acting unreasonably. It considered it was collecting a legitimate debt and had not received any payment proposals from Mr L or information about his income and assets.

Mr L did not agree and said, in summary, that there had been no explanation of what the debt related to and he had been asked for detailed personal financial information. He said it did not investigate what happened when he sent it evidence that he did not owe any money to lender 1 and instead continued to write to him.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr L made a separate complaint to this service about whether he owed a residual sum to lender 1. Unfortunately my final decision is that I did not uphold that complaint. As a result Specialist Mortgage Services has been acting to recover a legitimate debt.

Mr L only received correspondence a number of years after his property sale and was concerned. I can see though that it had replied to a letter from him in September 2014 to explain that it did not accept that there had been no residual debt from lender 1. I am afraid that it is entitled to contact him and ask him about his payment proposals. I would expect it to deal with him positively and sympathetically when it considers his financial circumstances and ability to make repayments.

my final decision

In light of the above, my decision is that I do not uphold this complaint,

Under the rules of the Financial Ombudsman Service, I am required to ask Mr L to accept or reject my decision before 6 July 2015.

Michael Crewe
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