

## **The complaint**

Mr M complains that Accord Mortgages Limited didn't instruct a professional valuation of his property when he applied for a new interest rate product for his mortgage. Mr M says the valuation is too low. He couldn't access lower interest rate products and asks for compensation for the additional interest costs and his time, worry and inconvenience.

## **What happened**

Mr M's mortgage product was due to expire on 30 June 2024. He asked for a re-valuation of his property and paid a fee of £70. A valuation of Mr M's property was carried out in May 2024. Accord wrote to Mr M to say the property had been valued at £625,000 which meant his loan to value (LTV) was 76%.

Mr M says the firm instructed by Accord to carry out the valuation made business losses and has a declining risk credit score. He says the valuer was only at the property for five minutes and said he didn't know much about properties in the area and would google it later before sending the valuation report to the lender. Mr M says his property is worth £650,000 and he'd provided evidence of similar properties and values. Mr M questions why he paid a fee if a professional independent survey wasn't carried out.

Mr M says it took a number of requests over several weeks to obtain a copy of the valuation report. He says the report is incomplete. Mr M says the process is unethical and gives Accord an unfair advantage.

Our investigator said Accord hadn't made an error or treated Mr M unfairly. He said Accord was entitled to rely on the expert opinion of the suitably qualified valuer.

Mr M didn't agree. He said the evidence he provided contradicts the investigator's findings. He said the valuer was at the property for less than 10 minutes and can't have been competent as he didn't notice the driveway, garage and landscaped gardens had had a costly makeover.

## **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.

Mr M requested a re-valuation of his property. He'd carried out work at the property and expected the value to have increased to £650,000. This would have allowed him to take out a new mortgage interest rate product in a lower LTV band. Accord charged a fee of £70 for the re-valuation.

The firm instructed by Accord to value Mr M's property is regulated by the Royal Institution of Chartered Surveyors (RICS), and I think it was suitably qualified to value the property. The valuation was carried out by a RICS Associate.

Mr M says the firm's accounts show it made a business loss and his research shows it has a

declining credit risk score. This doesn't change my view that the firm was suitably qualified to value Mr M's property.

Valuations can be carried out in different ways – including desktop valuations, drive by valuations or a visit to the property. It's for the valuer to decide how much time they need to spend at the property, and whether they need to view or take note of the garden or outbuildings.

The valuation was carried out for the purposes of a product transfer. Mr M believed his property had increased in value since the mortgage valuation, which would allow him access to more favourable interest rate products. Accord instructed an independent valuer to value Mr M's property, to see if he did indeed meet criteria for products in a lower LTV band. I think this was fair. I don't think Accord had fairly to accept Mr M's own view about the value of his property.

Mortgage products in higher LTV bands typically have higher interest rates than those for lower LTV bands. That's because a higher LTV suggests higher risk for the lender. The valuation of Mr M's property was carried out on behalf of Accord, to help it assess its lending risk. The valuation was for Accord's own benefit. This was a basic valuation and not a survey. I don't think the fact that the valuer didn't complete all parts of the valuation report form means the valuation was incorrect.

I think Accord responded fairly when Mr M raised concerns about the valuation. Accord said Mr M could appeal the valuation. He'd need to provide evidence of three comparable properties in the area sold within the last six months and what they sold for.

Mr M provided information about two houses, one sold about 12 months previously and one in October 2022. Mr M provided a letter from an estate agent saying they'd anticipate the property selling in the region of £630,000 and £650,000 – this was dated May 2023. Mr M says he'd made improvements to the property since then.

Accord asked the valuer to comment. I've seen the valuer's response to Accord. The valuer commented on the information and comparators he'd used for the valuation and the information provided by Mr M. The valuer didn't agree to change the valuation.

I didn't see anything in the valuation report or in the valuer's response that would suggest to me that it was unreasonable for Accord to rely on the valuer's expert opinion.

Accord says it provided a copy of the valuation report to Mr M as an exception to its usual process. I don't think that was unfair, even if this was only after Mr M had asked for a copy a number of times.

Accord charged a fee for the re-valuation, which was carried out. I don't think Accord had fairly to refund the fee when Mr M disagreed with the re-valuation or the way it was carried out.

I appreciate that Mr M disagrees with the valuation, and I understand his frustration that he wasn't able to access lower interest rate products. But I don't think Accord made an error or treated him unfairly. Accord appointed a suitably qualified valuer and I think it's reasonable for it to rely on their expert opinion as to the value of the property.

### **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 Mr M to accept or reject my decision before 1 April 2025.

Ruth Stevenson  
**Ombudsman**