



CUSTREL/CR0019022/4184758
25 July 2011

Customer Relations

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Mr T Armstrong
Grove Mill Cottage
Hollingbourne
Kent
ME17 1UQ

Dear Mr and Mrs Armstrong

Mortgage Account Number - 50450U-90546

Thank you for your letters, addressed to Mike Smith and Ron Sandler. As NRAM's Chief Executive is Richard Banks, your correspondence has been forwarded to him. Mr Banks has read your letters and has asked me to investigate your comments, respond to you and update him on how your complaint has progressed. I am sorry you have felt it necessary to complain.

In line with NRAM's Internal Complaint Procedure, I have reviewed your complaint. I have looked at all the information we hold, as well as any correspondence you have sent us. This letter is our Final Response to your complaint.

As I understand it, you are unhappy because we have continued to charge interest to your mortgage even though the property has been repossessed by another company. You believe we should have taken possession of the vacant property in 2008, rather than continue to charge interest to a property you believe you have no affiliation with.

As you are already aware, the property was taken into possession by Kingsfords Solicitors after they were granted a possession order through the courts in August of 2008. As the property is in the possession of Kingsfords Solicitors, we do not consider you to be exempt from your contractual agreement to us to repay the loan in full.

I appreciate that you do not reside in the property because of the eviction, however we have not gained a possession order against you, therefore all interest added accrued and payments owed remain outstanding. I confirm we will continue to apply interest until such a time as the property is sold.

To clarify, we cannot legally obtain a possession order for the property due to Kingsfords Solicitors already having a possession order in place. You are still contractually bound to NRAM to repay the loan in full.

Should the property be sold, we will receive funds that will be used to repay as much of your loan as possible. I understand you have a Second Charge on the property with another company, who would also be eligible to claim funds to cover their loan, should there be any additional monies leftover. Our position will remain the same until such a time as the property is sold. I am aware this will come as a disappointment to you and I am also aware that your various issues with NRAM have been ongoing since 2004.

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While we as a company sympathise with the position you find yourself in we are unable to involve ourselves in personal disputes. I am aware that your financial hardship was brought about by your decision to pursue legal action against a family member.

As a company, we must consider this to have been your choice and although the outcome of the case may have not been favourable to you, this does not release you from your liability to your commitment to repay the loan outstanding.

Please note that Mike Smith no longer works for NRAM and Ron Sandler is the executive Chairman of Northern Rock Plc. This is the reason you have never received a direct reply from either party when writing letters to them. I am however aware that you have received correspondence on numerous occasions from Scott Taviner on behalf of both parties, therefore I cannot agree that you have not been contacted by NRAM in relation to your queries.

NRAM has shown extreme forbearance to you in the past and did as much as we possibly could as a company to assist you. Therefore, after reviewing your case I am unable to agree to uphold any aspect of your complaint.

Please note that we have responded to you on many occasions and outlined exactly what is required of you. Therefore, we are no longer prepared to correspond with you further in relation to this matter. All further correspondence received will be filed and noted but no response will be forthcoming.

This decision is final and our review of your complaint has been conducted in line with Financial Services Authority guidelines. If you decide not to resolve matters at this stage, you now have the right to refer your complaint to the Financial Ombudsman Service (FOS). You have 6 months from the date of this letter to do so. Before deciding how to progress matters, you may find it helpful to either contact the FOS telephone helpline on 0845 080 1800 or visit their website at www.financial-ombudsman.org.uk. The enclosed leaflet gives full details of the scheme.

Yours sincerely



Chris Horsborough
Senior Case Handler
On behalf of
The Office of the Chief Executive

Enclosures: "Your Complaint and the Ombudsman"