

Base Rate Mortgage Ready Reckoner

Ahead of Thursday's MPC decision, [TotallyMoney](#), the credit app which helps everyone move their finances forward, and [Moneycomms.co.uk](#) calculate the impact of the Bank of England's base rate rises on tracker and variable rate mortgages.

1. Potential impact of base rate increase on mortgage borrowers

This table highlights the impact of this week's hike on variable rate mortgage customers with properties valued at £150k, £250k and £400k.

With 2.2 million on Standard Variable Rates, 1 in 4 mortgage customers currently have no protection against interest rate increases.

Rate hike	Mortgage £150k Extra cost per month	Mortgage £250k Extra cost per month	Mortgage £400k Extra cost per month
0.25%	£18	£30	£48
0.50%	£37	£62	£99
0.75%	£56	£93	£153
1.00%	£75	£125	£201

2. Potential cumulative impact of current series of base rate increases since 16 Dec 2021

Even before the September MPC decision we have seen a cumulative base rate increase of 1.65%* — the table below shows the potential cumulative impact of these increases including a further hike of 0.25%, 0.50%, 0.75% or 1.00% today.

Rate hike 22nd September	Mortgage £150k extra cost per month compared with Nov 2021	Mortgage £250k extra cost per month compared with Nov 2021	Mortgage £400k extra cost per month compared with Nov 2021
No hike means 1.65% to date	£127	£212	£338
0.25% means 1.90% to date	£147	£246	£393
0.50% means 2.15% to date	£168	£280	£449
0.75% means 2.40% to date	£189	£315	£505
1.00% means 2.65% to date	£211	£351	£561

Six consecutive rate hikes to date 16/12/21 (0.15%), 03/02/22 (0.25%), 17/03/22 (0.25%), 05/05/22 (0.25%), 16/06/22 (0.25%) and 04.08.22 (0.50%)

- Assuming capital and interest repayment mortgage with a term of 25 years

- Variable rate mortgages would typically see impact within 1 month, those on fixed rates will be impacted (exact amount not known) when their deal comes up for renewal.
- The rate the customer is currently being charged doesn't matter in these calculations — these are the increases on any mortgage with a 25-year term

3. Impact to date on borrower in an Average Priced UK Property (Nov 2021 i.e. before series of rate rises began)

November 2021 Average UK Property Price (HM Land Registry) £270,708.

Calculations based on a 75% LTV Mortgage i.e., £203,031

Date of rate rise	Amount	Increase in monthly payment	Cumulative increase in monthly payment
16/12/2021	0.15%	£14	£14
03/02/2022	0.25%	£26	£40
17/03/2022	0.25%	£26	£66
05/05/2022	0.25%	£26	£92
16/06/2022	0.25%	£26	£118
04/08/2022	0.50%	£52	£196
22/09/2022	0.25% ???	£26	£222
22/09/2022	0.50% ???	£52	£248
22/09/2022	0.75% ???	£78	£274
15/09/2022	1.00% ???	£104	£300

The rate the customer is currently being charged doesn't matter in these calculations — these are the increases on any mortgage with a 25-year term

About TotallyMoney

With a focus on the one in three UK adults [financially under-served](#) by the financial services industry, [TotallyMoney](#) is the credit app on a mission to help everyone move their finances forward.

TotallyMoney believes people's financial data should work for them, and not against them and with more than four million customers, they provide the UK's only free, live credit score and report.

Its service helps customers understand their financial position and provides personalised recommendations so they can start creating financial momentum. TotallyMoney also works closely with leading lenders, to ensure eligible customers are matched with the right products, underpinned by its robust data, product and tech capabilities.

TotallyMoney is regulated by the Financial Conduct Authority (FCA).