

At a glance - Mortgage and Loan Repayment Tables

Expert knowledge means success



Contents

1. Introduction
1. Interest Rate Tables
2. Special Schemes
4. Useful Addresses
4. Further Information

At a glance – Mortgage and Loan Repayment Tables

Note: This publication has not been updated since it was last published. Some of the hyperlinks may have changed and may need updating. In addition, some of the information in this publication may be out of date.



Introduction

People who are buying their homes or business owners buying their offices or factory premises, need to know how a change in mortgage or loan rate will affect them.

Interest Rate Tables

The table below provides monthly/annual repayments based on interest rates from 1% to 14% and over a loan term of 10 to 30 years. If you'd like to consider different options on mortgages, ask for our publication about 'Different Types of Mortgages' - it's freely available upon request. Please read the Note on the next page which explains how interest has been calculated.

Monthly repayments per £1,000 of Loan

Interest Rate	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%
Interest Only	£0.83	£1.04	£1.25	£1.46	£1.67	£1.88	£2.08	£2.29	£2.50	£2.71
Capital & Interest:										
10 years	£8.76	£8.87	£8.98	£9.09	£9.20	£9.31	£9.43	£9.54	£9.66	£9.77
15 years	£5.98	£6.10	£6.21	£6.32	£6.44	£6.55	£6.67	£6.79	£6.91	£7.03
20 years	£4.60	£4.71	£4.83	£4.94	£5.06	£5.18	£5.30	£5.42	£5.55	£5.67
25 years	£3.77	£3.88	£4.00	£4.12	£4.24	£4.36	£4.49	£4.61	£4.74	£4.87
30 years	£3.22	£3.33	£3.45	£3.57	£3.70	£3.82	£3.95	£4.08	£4.22	£4.35

Interest Rate	3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%
Interest Only	£2.92	£3.12	£3.34	£3.54	£3.76	£3.96	£4.17	£4.37	£4.58	£4.79
Capital & Interest:										
10 years	£9.89	£10.01	£10.12	£10.24	£10.36	£10.48	£10.61	£10.73	£10.85	£10.98
15 years	£7.15	£7.27	£7.40	£7.52	£7.65	£7.78	£7.91	£8.04	£8.17	£8.30
20 years	£5.80	£5.93	£6.06	£6.19	£6.33	£6.46	£6.60	£6.74	£6.88	£7.02
25 years	£5.01	£5.14	£5.28	£5.42	£5.56	£5.70	£5.85	£5.99	£6.14	£6.29
30 years	£4.49	£4.63	£4.77	£4.92	£5.07	£5.22	£5.37	£5.52	£5.68	£5.84

Interest Rate	6.00%	6.25%	6.50%	6.75%	7.00%	7.25%	7.50%	7.75%	8.00%	8.25%
Interest Only	£5.00	£5.21	£5.42	£5.62	£5.83	£6.04	£6.25	£6.46	£6.67	£6.87
Capital & Interest:										
10 years	£11.10	£11.23	£11.35	£11.48	£11.61	£11.74	£11.87	£12.00	£12.13	£12.27
15 years	£8.44	£8.57	£8.71	£8.85	£8.99	£9.13	£9.27	£9.41	£9.56	£9.70
20 years	£7.16	£7.31	£7.46	£7.60	£7.75	£7.90	£8.06	£8.21	£8.36	£8.52
25 years	£6.44	£6.60	£6.75	£6.91	£7.07	£7.23	£7.39	£7.55	£7.72	£7.88
30 years	£6.00	£6.16	£6.32	£6.49	£6.65	£6.82	£6.99	£7.16	£7.34	£7.51

Interest Rate	8.50%	8.75%	9.00%	9.25%	9.50%	9.75%	10.00%	10.25%	10.50%	10.75%
Interest Only	£7.08	£7.29	£7.50	£7.71	£7.92	£8.12	£8.33	£8.54	£8.75	£8.96
Capital & Interest:										
10 years	£12.40	£12.53	£12.67	£12.80	£12.94	£13.08	£13.22	£13.35	£13.49	£13.63
15 years	£9.85	£9.99	£10.14	£10.29	£10.44	£10.59	£10.75	£10.90	£11.05	£11.21
20 years	£8.68	£8.84	£9.00	£9.16	£9.32	£9.49	£9.65	£9.82	£9.98	£10.15
25 years	£8.05	£8.22	£8.39	£8.56	£8.74	£8.91	£9.09	£9.26	£9.44	£9.62
30 years	£7.69	£7.87	£8.05	£8.23	£8.41	£8.59	£8.78	£8.96	£9.15	£9.33

Interest Rate	11.00%	11.25%	11.50%	11.75%	12.00%	12.25%	12.50%	12.75%	13.00%	13.25%
Interest Only	£9.17	£9.37	£9.58	£9.79	£10.00	£10.21	£10.42	£10.63	£10.83	£11.04
Capital & Interest:										
10 years	£13.78	£13.92	£14.06	£14.20	£14.35	£14.49	£14.64	£14.78	£14.93	£15.08
15 years	£11.37	£11.52	£11.68	£11.84	£12.00	£12.16	£12.33	£12.49	£12.65	£12.82
20 years	£10.32	£10.49	£10.66	£10.84	£11.01	£11.19	£11.36	£11.54	£11.72	£11.89
25 years	£9.80	£9.98	£10.16	£10.35	£10.53	£10.72	£10.90	£11.09	£11.28	£11.47
30 years	£9.52	£9.71	£9.90	£10.09	£10.29	£10.48	£10.67	£10.87	£11.06	£11.26

Interest Rate	13.50%	13.75%	14.00%
Interest Only	£11.25	£11.46	£11.67
Capital & Interest:			
10 years	£15.23	£15.38	£15.53
15 years	£12.98	£13.15	£13.32
20 years	£12.07	£12.25	£12.44
25 years	£11.66	£11.85	£12.04
30 years	£11.45	£11.65	£11.85

Note: In these Tables, interest is calculated on the basis that:

- Repayments are made monthly in arrears
- Interest is applied on the balance at the end of the previous month after deducting capital repaid.

Some lenders apply interest on the amount loaned or the balance at the end of the previous year after deducting capital repaid.

Impact of the Credit Crunch on the specialist mortgage sector

A report by Mintel in September 2008 found that the specialist mortgage sector had been in turmoil over the previous 12 months.

Having previously experienced a period of significant growth, development and innovation, the impact of the global credit crunch has resulted in a funding crisis that has severely damaged the industry. The effective closure of securitisation markets has forced several lenders to withdraw from the market entirely, while those continuing to operate in the sector have a significantly restricted capacity to lend. The lack of funding in the mortgage market is also contributing to a decline in both consumer confidence and house prices, which is in turn reducing the overall appetite for mortgage borrowing.

Despite the challenging conditions created by the credit crunch, many of the factors that have driven the development of an expanding specialist mortgage market in recent years continue to persist.

Source: Mintel

Special Schemes

Several lenders have special schemes aimed at particular professions for both home purchases and business practices.

Check with us for the latest options.

Key Worker Mortgages

Salary multiples used to calculate mortgage lending have risen over the last twenty years, but house prices have risen disproportionately. According to the latest figures from Nationwide Building Society, the average house price for a first-time buyer in London is currently more than double the potential buyer's maximum borrowing.

In March 2004, the Government launched a scheme called Key Worker Living designed for people working in health, education and other key services.

If you are eligible, the Key Worker Living Programme means that you can get help with home ownership if you:

- are a first time buyer;
- are a homeowner and need to buy a larger property to meet your household needs (eg family sized homes);
- need to take part in shared ownership schemes;
- need to rent at affordable prices.

The scheme is only open to the following keyworkers:

- Clinical NHS staff (with the exception of doctors and dentists);
- Teachers and nursery nurses in schools and further education/sixth form colleges;
- Police officers, Community Support Officers and some civilian staff;
- Prison officers and some other Prison staff ;
- Probation Service staff;

- Social workers, nursery nurses, educational psychologists, and therapists (eg. occupational therapists) employed by local authorities, CAF/CASS, or the NHS;
- Local Authority Planners;
- Fire-fighters and other uniformed staff below principal level in Fire and Rescue Services;
- Connexions Personal Advisors employed by a local authority or a Connexions Partnership;
- Ministry of Defence (certain personnel);
- Qualified Environmental Health Officers/Practitioners who work in a local authority, government agency, NHS or other public sector agencies;
- Highway Agency Traffic Officer staff in safety critical roles within the Traffic Officer Service.

in the following areas:

- London;
- Berkshire, Buckinghamshire and Oxfordshire;
- Hampshire;
- Surrey;
- Hertfordshire;
- Kent, Sussex and Essex;
- Bedfordshire and Cambridgeshire;
- Norfolk and Suffolk.

The programme offers three different kinds of help:

- **Open Market Home Buy**
An 'equity loan' to help buy a home on the open market. This can be up to 50% of the total property value. An equity loan is a loan where the lender shares in any rise (and sometimes any fall) in the value of the property over the course of the loan. For more information visit: www.direct.gov.uk/en/HomeAndCommunity/BuyingAndSellingYourHome/HomeBuyingSchemes/DG_066591
- **New Build HomeBuy**
If you are eligible you can buy at least 25 per cent of the cost of your home and pay a reduced rent on the remaining share. For more information visit: www.direct.gov.uk/en/HomeAndCommunity/BuyingAndSellingYourHome/HomeBuyingSchemes/DG_066514
- **Intermediate renting**
Rent is set at a level between that charged by social and private landlords and the accommodation is provided by a landlord registered with the Housing Corporation (Registered Social Landlord).

Shared ownership schemes

Shared ownership schemes are available from housing associations for borrowers that are not key workers but earn below a specified salary. These schemes allow borrowers to share the cost of a property with the housing association until they are in a position to purchase the property outright. The borrower can initially purchase anything between 25 and 75 per cent of the property's value. The borrower can then buy further stakes from the housing association at the current market value. The borrower must pay a minimal rent to the housing association on the percentage of the house they do not own. Further information can be found at www.housingcorp.gov.uk.

The Teachers' Building Society operates a shared ownership scheme mortgage that offers teachers an initial 90% mortgage. More information can be found at www.teachersbs.co.uk/mortgages/index.asp.

Professional Mortgages

Professional mortgages are aimed at first-time buyers who are potential high-earners: desirable customers for lenders. Scottish Widows Bank will lend up to 85% loan to value to qualified and practising doctors, dentists, accountants, optometrist, barristers, solicitors and vets.

Graduate Mortgages

In the past some mortgage lenders, including HSBC and Scottish Widows, offered specialist mortgages to help graduates onto the housing ladder that offered high salary multiples and 100% loan to value. However, following the collapse of the economy and problems in the finance sector, these mortgages appear to have been withdrawn across the board.

Mortgage rescue scheme extended across England

On 16 January 2009, the Government announced a mortgage rescue scheme to help vulnerable families at risk of repossession to stay in their homes is being rolled out across England. The £200 million scheme is one of a range of measures the Government is putting in place to help ensure repossession is always a last resort.

The scheme is targeted at the most vulnerable households, those on incomes of less than £60,000 a year who would be entitled to be re-housed under homelessness legislation. These would be people who are elderly, disabled or those with children.

Households will be able to apply to their local authority for two options to help them remain in their homes, depending on their circumstances. They will either be able to sell a share of their home to a housing association, enabling their monthly mortgage payments to be significantly reduced, or they can sell the entire home to a housing association and remain in the property as tenants paying a subsidised rent.

The scheme, which is expected to help up to 6,000 households avoid repossession over the next two years, is being expanded to all local authority areas in England, following its early introduction by 80 councils in December 2008.

The previous week, changes came into effect on Income Support for Mortgage Interest cutting from 39 to 13 weeks - the time before homeowners who lose their jobs receive financial help with the interest payments on their mortgage. The Homeowner Mortgage Support Scheme, which will allow households who suffer an income shock to defer part of their payments for up to two years, is also being urgently developed with lenders.

Useful Addresses

Direct Gov
www.directgov.uk

The Housing Finance Corporation
<http://www.thfcorp.com/>
+44 (0)20 7337 9920

Metropolitan Home Ownership
www.mho.co.uk
+44 (0) 208 920 4444

Teachers' Building Society
www.teachersbs.co.uk
+44 (0) 800 378 669

Moneynet
www.moneynet.co.uk

The Moneynet website hosts a number of useful calculators, including calculators to help you determine how much you can borrow (based on your disposable income), the cost of conveyancing, standard mortgage rates and remortgaging rates from different lenders. It also includes up-to-date details of mortgage products from over 100 lenders.

Further Information

This guide is for general interest - it is always essential to take advice on specific issues. We believe that the facts are correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.

Important Notice

© Copyright 2019, Martin Pollins,
All Rights Reserved

This publication is published by **Bizezia Limited**. It is protected by copyright law and reproduction in whole or in part without the publisher's written permission is strictly prohibited. The publisher may be contacted at info@bizezia.com

Some images in this publication are taken from Creative Commons – such images may be subject to copyright. **Creative Commons** is a non-profit organisation that enables the sharing and use of creativity and knowledge through free legal tools.

Articles and information contained herein are published without responsibility by us, the publisher or any contributing author for any loss howsoever occurring as a consequence of any action which you take, or action which you choose not to take, as a result of this publication or any view expressed herein. Whilst it is believed that the information contained in this publication is correct at the time of publication, it is not a substitute for obtaining specific professional advice and no representation or warranty, expressed or implied, is made as to its accuracy or completeness.

The information is relevant within the United Kingdom. These disclaimers and exclusions are governed by and construed in accordance with English Law.

Publication issued or updated on:
1 February 2012

Ref: 170

