HOME ENERGY EFFICIENCY LOAN FINANCE CALCULATION FORMULAS

True Annual Interest Rate: **6.70%**
(Initial 5 year term)

Amortization Period (Loan Term)	Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Months	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180
Row 1: Monthly Payment Amortization Rate		0.08630	0.04455	0.03065	0.02372	0.01957	0.01681	0.01485	0.01339	0.01226	0.01136	0.01063	0.01002	0.00951	0.00908	0.00871
Row 2: Total First Term (5 Year) Interest Paid		0.03557	0.06914	0.10341	0.13838	0.17404	0.20348	0.22441	0.24004	0.25212	0.26173	0.26954	0.27599	0.28141	0.28601	0.28996
Row 3: Principle Remaining							0.19480	0.33337	0.43678	0.51677	0.58036	0.63203	0.67476	0.71061	0.74107	0.76721

FINANCE CALCULATIONS

A) Monthly Loan Payment

Amount Loaned ($) x Monthly Payment Rate = Monthly Payment ($)
(corresponding to Amortization Period from **Row 1**)

Example *$ 4,500* x *0.00871* = *$ 39.21*
15 year amortization (loan term)

B) Total First Term Interest Paid

Amount Loaned ($) x First Term Interest Payable Rate = Total Maximum Interest Payable($)
(corresponding to Amortization Period from **Row 2**)

Example *$ 4,500* x *0.28996* = *$ 1,304.82*
15 year amortization (loan term)

C) Principle Remaining (after initial 60 month term)

Amount Loaned ($) x Principle Remaining Rate = Maximum Principle Remaining
(corresponding to Amortization Period from **Row 3**)

Example *$ 4,500* x *0.76721* = *$ 3,452.44*
15 year amortization (loan term)

Example: Completion of Financing Agreement Section (Part 1 of Application Forms)

The example below provides outline of what figures need to be completed on the financing section of Part 1 of the Home Energy Efficiency Loan application forms.

FINANCING AGREEMENT:

1. Manitoba Hydro will advance the Primary Contractor named above the Total Cost to be Financed, in the aggregate amount of $ **Total Amount to be loaned (max $7,500)**

upon receipt of a duly completed Progress Payment Request (if any) signed by the Owner and upon receipt of the Completion Certificate signed by the Owner.

2. The Owner will amortize said amount over a term of **Loan Term** months. For the initial **60** months of this agreement, maximum financing charges of $ **Calculation (B) Total First Term Interest of fixed interest rate period**

will be repaid by equal consecutive payments of $ **Calcuation (A) Monthly Loan Payment**, calculated at the true annual interest rate of **Interest Rate (6.70%)** **%** per annum on the declining monthly balance. The maximum principle

amount remaining at the end of the initial **60** month term will be $ **Calculation (C) Maximum principal remaining following the inital 60 month term**. At the end of the **60** month term, the Owner will be required to pay the

principle amount remaining or refinance that principle over the remaining amortization period at available market interest rates. Manitoba Hydro will communicate available options to the Owner through written correspondence 6 months prior to the completion of the initial **60** month term of the agreement.

SUBJECT TO CHARGES ON OVERDUE PAYMENTS, MAXIMUM TOTAL AMOUNT TO BE REPAID BY OWNER, INCLUDING FINANCING CHARGES DURING THE INITIAL **60** MONTH TERM OF THE AGREEMENT: $ **Calculation (A) X 60 months**

To ensure accuracy, financing terms can be calculated using the online financing calculator at https://www.hydro.mb.ca/account/loans/home-energy-efficiency-loan/#calculator
To request accessible formats visit hydro.mb.ca/accessibility.