HOME ENERGY EFFICIENCY LOAN FINANCE CALCULATION FORMULAS

True Annual Interest Rate: **6.70%**

Amortization Period (Loan Term)		Years	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5
		Months	6	12	18	24	30	36	42	48	54	60
Row 1: Monthly Payment Amortization Rate	**6.70%**		0.16984	0.08630	0.05846	0.04455	0.03621	0.03065	0.02669	0.02372	0.02141	0.01957
Row 2: Total First Term (5 Year) Interest Paid			0.01905	0.03557	0.05227	0.06914	0.08619	0.10341	0.12080	0.13838	0.15612	0.17404

FINANCE CALCULATIONS

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

Example — *$ 4,500* x *0.01957* (*5 year amortization (loan term)*) = *$ 88.07*

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

Example — *$ 4,500* x *0.17404* (*5 year amortization (loan term)*) = *$ 783.20*

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 Agreement.

FINANCING AGREEMENT:

1. Manitoba Hydro will advance to the Primary Contractor or Retailer named above the Total Cost to be Financed, in the amount of $ **Total Amount to be loaned** upon receipt of the Completion Certificate signed by the Owner.

2. The Owner will repay said amount to Manitoba Hydro plus financing charges of $ **Calculation (B) Total First Term Interest Paid** by **Amortization period (loan term) of up to 60 months (5 years)** equal consecutive monthly payments of $ **Calcuation (A) Monthly Loan Payment** calculated at the true annual rate of **Current interest rate (6.70%)** annum on the declining monthly balance.

TOTAL AMOUNT TO BE REPAID BY OWNER, INCLUDING FINANCIAL CHARGES: $ **Calculation (B) + amount to be loaned**

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.