HOME ENERGY EFFICIENCY LOAN FINANCE CALCULATION FORMULAS

True Annual Interest Rate: 6.20%

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	6.20%		0.16961	0.08608	0.05825	0.04433	0.03599	0.03044	0.02647	0.02350	0.02119	0.01935
Row 2: Total First Term (5 Year) Interest Paid			0.01766	0.03297	0.04842	0.06402	0.07978	0.09569	0.11174	0.12795	0.14431	0.16082

FINANCE CALCULATIONS

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

Example $\quad$ $ 4,500 $\quad$ x $\quad$ 0.01935 $\quad$ = $\quad$ $ 87.08
5 year amortization (loan term)

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

Example $\quad$ $ 4,500 $\quad$ x $\quad$ 0.16082 $\quad$ = $\quad$ $ 723.69
5 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 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**] 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 (6.20%)**] r 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.