



# Community Development Advance



## What is a Community Development Advance?

Community Development Advances allow members to borrow at discounted rates in support of economic development lending in their communities.

## How can you participate?

- The application process is open year-round
- A member must complete the Community Development Advance application and provide supporting documentation to demonstrate the project's eligibility
- Allow 24 to 48 hours processing time for application approval

## What are the benefits?

- Lower cost of funds
- Attract and retain lending business
- Potential Community Reinvestment Act credit
- Support for economic development and community revitalization efforts

## Learn More:

For more information on the Community Development Advance, please contact the Member Transaction Desk at [mtd@fhlbc.com](mailto:mtd@fhlbc.com) or 855.345.2244, option 1.

## Key Program Elements:

- **Eligible Projects:** Loans supporting economic development such as commercial, agricultural, infrastructure, industrial, and manufacturing. Must meet one of the three beneficiary types:
  - **Geographic beneficiary:** The project is located in a census tract with median income (AMI) at or below 100% of the AMI in urban areas or 115% of the AMI in rural areas
  - **Activity beneficiary:** The project qualifies as a small business by either annual receipts or number of employees, based on the United States Small Business Administration (SBA) regulations
  - **Individual beneficiary:** At least 51% of full-time employee salaries or income of households served by the project are at or below 100% of the AMI in urban areas or 115% of the AMI in rural areas
- The amount and term of the advance cannot exceed those of the underlying loan(s)
- A member's underlying loan(s) must be less than 90 days old when drawing the Community Advance
- Same advance types, collateral requirements, and prepayment fees as standard advances
- Member limits apply



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