MPF® Habitat for Humanity® Program

Overview

Through the MPF® Habitat for Humanity® Program, approved FHLBank Chicago members can deliver affordable, below-market rate loans (approximately 250 basis points below market) to homebuyers working with Habitat for Humanity affiliates in Illinois and Wisconsin while still receiving premium pricing of 101 through an FHLBank Chicago contribution.

Key Program Elements

- Discounted mortgage rate of approximately 250 basis points (bps) below prevailing market rate and an effective price of 101, in 2026 or until subsidy funds remain available.
- Member limit of $2,000,000 in unpaid principal balance (UPB).
- Expanded underwriting eligibility for Habitat borrowers.
- Habitat affiliates must be located within Illinois or Wisconsin.

Program Benefits

- Support affordable housing needs while strengthening Habitat relationships across Illinois and Wisconsin.
- Access standardized secondary financing option for Habitat partnerships.
- Earn potential Community Reinvestment Act (CRA) credit.*
- Deliver Habitat loans using existing MPF delivery commitment and funding process.
- Pair with other Community Investment offerings to maximize your benefit such as Downpayment Plus® (DPP®) and Community Advance.

Get Started

- Start the process by contacting your Sales Director via phone or email. FHLBank Chicago will review the request within three business days.
- Once approved**, you will receive a master commitment (MC) amendment outlining program parameters.
- You will execute the MC amendment and return to FHLBank Chicago. Once processed, you can begin executing commitments and funding Habitat for Humanity loans.

Learn More

For more information on the program, please contact your FHLBank Chicago Sales Director, or contact MPF Sales at MPFSales@fhlbc.com

** Please consult your institution's CRA compliance specialist to determine CRA eligibility.*

*** Your institution must be approved to participate in the MPF Program.*

FHLBank Chicago

mpfsales@fhlbc.com | fhlbc.com

Program Parameters

Rate Discount	• Note Rate[1] – Approximately 250 bps below prevailing market rate • Price of 101 (after FHLBank Chicago contribution)
Eligible Products	• MPF Traditional Conventional products (MPF Original, MPF 125, MPF 35) • NOT offered in MPF Xtra®, MPF Traditional Government, or MPF Government MBS
Rate Discount Term	• Delivery commitments executed in 2026 or until subsidy funds are exhausted
Product Underwriting Flexibility	• Minimum qualifying FICO score of 580 • Mortgage insurance not required for loan-to-value ratios up to 90% • Habitat for Humanity second lien loans that meet the requirements of the MPF Traditional Selling Guide (Section 4.4) may allow a maximum total loan-to-value (TLTV) of 105%. • Boarder income eligible with six months of history
Limits[2]	• $3M in interest rate subsidy, totaling $25-30 million in funded unpaid principal balance (UPB) • Member funded UPB capped at $2M

Member Advantage

	MPF HABITAT FOR HUMANITY PROGRAM	CORRESPONDENT
Market Mortgage Rate	6.500%	6.500%
Habitat Mortgage Rate	4.000%	6.500%
Base Price (30yr $200k[3])	101.00	101.93
Loan Level Price Adjustments	0.00	2.625
Credit Loss Exposure	(~-2 bps)	0.00
Credit Enhancement Obligation[4]	10.0%	0.0%
CE Income Value[5]	0.70	0.00
Dividend Income Value[6]	0.70	0.00
Total Execution	102.380	99.305
Total Gain on Sale	$4,760	-$1,390

Borrower doesn't receive a discounted mortgage rate

A difference of $6,150!

[1] Product Note Rate will be updated based on market rate movement of 100 bps of price or more.
[2] Allocations may be reassessed based on product usage.
[3] The funding transaction will include the base amount and the MPF Habitat for Humanity subsidized funding adjustment. In this example for a $200,000 loan, the base amount would be $174,000 (market price of 88.00) and the funding adjustment would be $26,000 (combined, equals 101.00).
[4] A handful of high CE loans in an average to large sized MC is expected to have minimal impact on overall CE requirement. e.g., if $1M Habitat loans with CE of 10% go into a $50MM MC and the non-Habitat loans have an average CE of 3%, overall CE for the MC increases by 5% from 3.00% to 3.14% of the funded amount.
[5] Credit Loss Exposure and CE Income assumes member funds under the MPF Original product and the Habitat loan has a duration of 7 years.
[6] Based on B1 Dividend rate of 9.25%. Any future dividend payments remain subject to determination and declaration by our Board of Directors. Assumes fixed dividend payouts over the term of the loan (7 Years).

Credit loss exposure varies based on the applicable MPF Program product, First Loss Account, and loan credit quality.