

Mortgage Rate Relief User Guide

Federal Home Loan Bank of Des Moines is excited to offer Mortgage Rate Relief through the Mortgage Partnership Finance® program for 2025. This program provides eligible households an interest rate* approximately 1.5% lower than the current market rate.

By participating in this product, your institution is eligible to receive FHLB Des Moines subsidies as part of our mission to help keep homeownership affordable. To qualify, your institution must be an MPF® Participating Financial Institution (PFI) and borrower income for the household must be at or below 80% of the FHFA Area Median Income.

Mortgage Rate Relief grant funds are available exclusively under the MPF Traditional Product. A separate Mortgage Rate Relief Master Commitment is not required.

Our Commitment to Affordable Homeownership

In 2025, FHLB Des Moines has allocated \$22 million in voluntary funding to subsidize the reduced rate for the Mortgage Rate Relief product to help you meet your community homeownership needs. These funds are available on a first-come, first-served basis to active PFIs.

Loan Amount	Member Limit
Up to the FHFA Conforming Loan Limit	Initial \$5 Million UPB – subject to overall funding availability

Application

- Mortgage Rate Relief grant funds are disbursed to FHLB Des Moines PFIs and not to the Borrower(s). Standard borrower initial/closing disclosures (i.e. LE, CD, etc.) are not affected.
- All Buyers are required to sign the Mortgage Rate Relief Income Attestation form prior to or at closing.
- Loans must close in the name of your institution – No Third-Party Originations (TPO). This is a permanent interest rate buydown product. When completing the Loan Data Delivery section within the eMPF website, select “Retail” as the origination source.
- Loan Terms: 30-year fixed, conforming, conventional only.
- Occupancy Type: Owner-occupied, 1-4 family residential properties.

Underwriting

- Purchase only, 1-4 family primary residence.
- AUS or Manual underwriting allowed.
- Income documentation is required for all owner/occupants of the property securing the loan. All occupying owners (on title) must be borrowers on the loan/Note. All borrower income is to be disclosed and documented in accordance with MPF Traditional Guide requirements and Mortgage Rate Relief Income Decision Tree.

Mortgage Rate Relief

FEDERAL HOME LOAN BANK OF DES MOINES

- Mortgage Rate Relief eligible loans must have documented and verified income at or below 80% of FHFA Area Median Income in effect at the time of the Delivery Commitment.
- The Mortgage Rate Relief product can be used in conjunction with Home\$tart®, NAHI, or other eligible grant and downpayment programs.
- Grants used in conjunction with the Mortgage Rate Relief product could have separate income requirements – requirements for all grants and programs need to be satisfied.

Delivery Commitments (DC) & Funding

- Use sub-product code “Fixed 30-yr Permanent Buydown FHLB.”
- The Mortgage Rate Relief program offers one rate (subject to change), one base price (2% agent fee; 102.000 price), and one lock period (60-day + up to a 30-day extension if needed). Extension fees apply.
- Delivery Commitments (DCs) will reflect the market value required to buy down the interest rate (e.g., -6.00 points) along with the 2% agent fee.
- There is no interest rate tolerance.
- Borrowers must be at or below 80% of the FHFA AMI, in effect at the time of the delivery commitment.
- All Mortgage Rate Relief DCs must be funded by 3:30 PM CT on December 31, 2025.
- [Subscribe](#) to the daily rates email to see the Mortgage Rate Relief opening rate and price. The rate and price will also be available at the eMPF website.

Servicing

- Both servicing retained or released are allowed. For servicing retained loans, separate reporting is not required.

Additional user resources available on the website

mpf.fhlbdm.com/products/mpf-traditional/mortgage-rate-relief/

- Income Decision Tree
- Buyer Attestation
- On-Demand Training
- Frequently Asked Questions
- Partnership Marketing Toolkit

Key Terms

Borrower(s) – Any individual on the application who also signs the note and is legally responsible for repayment of the loan. For the Mortgage Rate Relief product, they must be on the title to the property.

Co-Borrower(s) – The Co-Borrower, or joint applicant, is any Borrower other than the primary Borrower who has applied with the Borrower for joint credit. The Co-Borrower may, but is not required to, take title to the Mortgaged Property and will sign the Note and/or Security Instrument as their status requires. –See MPF Selling Guide 3.1.4a.

Owner Occupant(s) – Someone on title, residing in the property. The Mortgage Rate Relief product will require all Owner Occupants to be Borrowers on the Application and Note. All qualifying income must be at or below 80% of the FHFA Area Median Income as of the date of Deliver Commitment.

Buyer(s) – Signs the purchase agreement/offer to buy and would typically be the Borrower.

Owner(s) – Those on the deed of title.

Title Holder(s) – Those on the deed of title.

Mortgagee – Lender.

Mortgagor – One that pledges the subject property as security/collateral for the mortgage loan – the borrower.

Non-Occupant Co-Borrower – The non-occupant Co-Borrower applies with the Borrower for joint credit and may take title to the Mortgaged Property but will not occupy the property. The non-occupant Co-Borrower will be required to sign the Note and/or Security Instrument. Non-Occupant Co-borrower income must be documented and included to determine Mortgage Rate Relief product eligibility.

** The Mortgage Rate Relief interest rate offered by FHLB Des Moines will be approximately 1.5% below prevailing market rates at any given time.*