

To: Real Estate Development Partners
From: Real Estate Department
Date: February 24, 2023

Notice: RED-23-11

Re: Development Fund Interest Rate and Maximum Request for 2023

This notice applies to requests made in calendar year 2023 for Development Fund loans as a stand-alone application or as a gap request in conjunction with a tax credit or HOME application.

- Maximum request per application is \$750,000
- Interest rate shall remain fixed at 1.5%. In RED Notice 21-30, IHCDA issued a policy that the interest rate for Development Fund loans would be set at prime rate minus 200 basis points, but no less than 1.00% and no greater than 3.00%. However, in RED Notice 22-24 IHCDA fixed the interest rate at 1.50% through January 2023. This notice extends the fixed 1.50% rate through December 31, 2023. Interest rate shall be re-examined in January 2024.

Questions about Development Fund should be directed to Jerri Bain, Director of Real Estate Lending, via jbain@ihcda.in.gov.

