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To: Real Estate Department Partners

**Notice: RED-22-24**

From: Real Estate Department

Date: May 4, 2022

**Re: Changes to Development Fund Interest Rate**

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Per [RED Notice 21-30](#), the interest rate for Development Fund loans is set at prime rate minus 200 basis points, but no less than 1.00% and no greater than 3.00%.

Due to the recent increase in prime rate to 3.50%, the current interest rate for Development Fund loans is now 1.50%. This rate is effective for any Development Fund request dated after the date of this notice.

Due to changing market conditions, IHCDA will fix the interest rate for Development Fund loans at 1.50% for the remainder of 2022. IHCDA will reexamine the Development Fund interest rate in January 2023 based on the prime rate at that time.

Should you have any questions regarding these changes, please contact Jerri Bain at 317-233-6667 or [jbain@ihcda.in.gov](mailto:jbain@ihcda.in.gov).



**ADDRESS** 30 South Meridian Street, Suite 1000, Indianapolis, IN 46204  
**PHONE** 317 232 7777 **TOLL FREE** 800 872 0371 **WEB** [www.ihcda.IN.gov](http://www.ihcda.IN.gov)

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