

Multifamily Housing Notice 22-8

April 21, 2022

To: Developers, Sponsors, and Local Housing Contacts

From: Gregory Hare, Acting Director, Community Development Administration

Re: **2022 Competitive Round Update – Interest Rate**

Due the uncertainty in the current interest rate environment coupled with the extended interval between application and closing, the Department recognizes the challenge in projecting interest rates for first-lien construction or permanent debt sources at the time of closing when submitting their initial application.

For the 2022 Competitive Round, applicants are still required to submit letters of intent, per section 3.6 of the Guide, but applications should assume a 5.5% interest rate for first-lien debt calculations, regardless of any quoted interest rate that may be indicated in the letter of intent.

As a reminder, applicants are now able to request up to \$3 million in Rental Housing Financing Programs Funds for the 2022 Competitive Round.

If you have any questions, please contact me via email at gregory.hare@maryland.gov or call me at 301-429-7775.

###

IMPORTANT NOTICE REGARDING EMAILING OF MULTIFAMILY NOTICES

Multifamily Housing issues periodic notices (such as the one above) to announce new initiatives, provide important news, announce funding round deadlines, significant application changes, bond program amendments, and other key dates and facts on our website and by email only. You can subscribe to receive Multifamily Housing Notices at the following link:

https://public.govdelivery.com/accounts/MDDHCD/subscriber/new?topic_id=DHCDMF

Notices are posted to the DHCD website at the following location:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>