

Statement from IBB Leadership Regarding the Government Shutdown:

The Indiana Bond Bank knows that many of our Interim Loan Program borrowers and prospective borrowers rely on USDA-RD for long-term financing. Thus, we understand that the government shutdown has put many of you in a challenging situation. The Indiana Bond Bank wants to assure you that we are monitoring closely any, and all updates regarding how this shutdown will affect Indiana Bond Bank programs and will continue to seek out solutions to minimize the impact of any delays experienced during this time.

Frequently Asked Questions/Challenges

I really need to close in January but the deadline to submit documents has already passed: We understand that there may be some prospective borrowers who need to close in January due to bid expiration. In light of the shutdown, IBB is adjusting all January dates by 2 weeks in hopes that federal government will be reopened by January 18th to allow for submittal of Notice to Participate. This would allow closing on January 30th. IBB will monitor shutdown and may announce further adjustments, including possibly eliminating January closings if required by the shutdown. For borrowers with bid expiration issues, IBB would encourage borrower to work with bidder to extend deadlines in light of the shutdown.

Why Can't I Close an ILP Loan during the shutdown?: Closing on an interim borrowing under ILP requires a Letter of Commitment from USDA-RD indicating that the long-term borrowing is obligated. It is IBB's understanding that the RD staff associated with these long-term borrowing programs are furloughed as a result of the continuing federal government shutdown. A QE is free to attempt to find a non-furloughed RD specialist who can take the requisite steps to approve a draw.

How can I draw on my existing ILP loan during construction?: Draws require a review & signature by a USDA-RD representative. As a construction lender, this is necessary to ensure that draws are tied to proper expenses and to monitor construction progress. It is IBB's understanding that the RD staff responsible for this oversight are furloughed as a result of the continuing federal government shutdown. As a result, a draw cannot be made. A QE is free to attempt to find a non-furloughed RD specialist who can take the requisite steps to approve a draw. For borrowers with invoices due, IBB would encourage the borrower to work with vendors to extend payment terms in light of the shutdown.

My BAN or long-term funding is not from the federal government. Can I still get a construction loan? Yes.

Who do I contact about the status of my participation/application/project in the ILP?: Please contact bondbank@inbondbank.com at IBB with other questions regarding your loan during the shutdown.