



To: Real Estate Department Partners

Notice: **RED-26-32**

From: Real Estate Department

Date: July 20, 2026

Re: **Policy Update for Noncompetitive Bond Round**

As stated in Part 1.2 of the 2026-2027 Qualified Allocation Plan, "IHCD may, in its sole discretion, amend this QAP for any reason, including ... to reflect changes in market conditions."

On February 13, 2026, IHCD opened the 2027A-B Noncompetitive Bond round through RED Notice 26-11 (LINK). Between carryforward volume from the Indiana Finance Authority and unused bonds from previous rounds, IHCD has set aside a significant quantity of bond volume for noncompetitive applications. To most efficiently allocate the available bond volume, IHCD will follow an amended Threshold Deficiency correction process, with changes to the existing policy in QAP Part 5.8 noted in bold:

1. IHCD will send a letter to the Applicant identifying all threshold deficiencies and clarifications.
2. The Applicant will be allowed 14 calendar days (the "Correction Period") to provide additional information to IHCD per the instructions provided in the correction letter. If threshold deficiencies were identified, the Applicant must submit a \$500 resubmission fee by the end of the Correction Period, even if the Applicant is contesting the threshold deficiency. Additional threshold documentation submitted during the Correction Period will not be considered during scoring.
3. IHCD may overturn its assessment of a threshold deficiency if it is determined that the necessary documents were in fact included in the initial application submission or if the Applicant's response proves there was no deficiency. If all threshold deficiencies are overturned, IHCD will refund the \$500 resubmission fee.
4. IHCD will determine if the additional documentation submitted during the Correction Period is sufficient to resolve any threshold deficiencies.
 - a. **If all threshold deficiencies are resolved within the 14-day correction period, the application will pass threshold – regardless of the total number of deficiencies.**
 - b. **If the application has five or more threshold deficiencies, and any remain unresolved at the end of the 14-day correction period, the application will fail threshold and be removed from consideration.**



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This updated policy is applicable only to the 2027A-B Noncompetitive Bond Round. All other funding rounds will follow the process currently outlined in QAP Part 5.8.

Applications in the 2027A-B round will be accepted through July 31, 2026, at 5:00 PM Eastern Time, as long as bond volume remains available.

This application round will utilize the Online Tax Credit Application. For account setup instructions and other information, please see [RED Notice 25-23](#).

Please visit the [Indiana Low-Income Housing Tax Credit webpage](#) for the most recent estimate of available bond volume.

Questions about this notice may be directed to Alan Rakowski at arakowski@ihcda.in.gov or (317) 233-1220.