Pennsylvania Industrial Development Authority

SUMMARY: The Pennsylvania Industrial Development Authority (PIDA) provides low-interest loans through Certified Economic Development Organizations (CEDOs) for eligible businesses. PIDA funding may be used in conjunction with other private financing and/or public financing. *PIDA loan application requests must be submitted through a CEDO.*

CEDO: Franklin County Area Development Corporation (FCADC) is the CEDO serving Franklin County, PA.

ELIGIBLE BUSINESSES: Applicants must be business enterprises whose project is currently located or will be located within the Commonwealth of Pennsylvania. Eligible businesses include:

- Agricultural Processor
- Industrial Enterprise
- Research & Development Enterprise
- Defense Conversion Enterprise
- Computer Related Service Enterprise
- Child Day-Care Enterprise
- Service Enterprise
- Agricultural Producer
- Manufacturing Enterprise
- Hospitality Enterprise
- Recycling Enterprise
- Construction Enterprise
- Mining Enterprise
- Developer

ELIGIBLE COSTS: Eligible project costs include land, building, and/or machinery & equipment.

FUNDING: The PIDA program finances a portion of total eligible projects costs.

- **REAL ESTATE LOANS** are eligible for up to $2 Million or 50% of the total project cost, whichever is less.
- **MACHINERY & EQUIPMENT LOANS** are eligible for up to $400,000 or 50% of the total project cost, whichever is less.

TERMS: Terms can be up to 15 years for land, building construction, acquisition, and/or renovations; and up to 10 years for machinery and equipment.

INTEREST RATES: Interest rates are set by DCED and are in effect for the loan applications received through 12/31/26.

JOB REQs: At least one full-time job must be created or retained for every $75,000 borrowed. Production Ag is not subject to job requirements.

For more detailed information, please contact:

Franklin County Area Development Corporation (FCADC)
Rhonda Wojciechowski, Loan Administrator / Executive Assistant
1900 Wayne Road | Chambersburg, PA 17202
717.263.8282, Ext. 104 | rhonda@fcadc.com

Pennsylvania Industrial Development Authority (PIDA)
Interest Rates
September 1, 2026 – December 31, 2026

Below are the updated **2026 fourth quarter** interest rate options for qualifying PIDA loan applications. These rates are in effect for loan applications received through December 31, 2026.

PIDA-SBF Real Estate loan (Up to $1,000,000) financing for eligible land and building costs as well as machinery & equipment, the fixed interest rate is set at **5.00%** for the term of the loan.

Traditional PIDA Real Estate loan financing for eligible land and building costs, borrowers will have the following interest rate options:

Term loans with a regular amortization:

1. **Fixed interest rate for the full term** of the loan (up to a 15-yr. period), set at the current 10-year treasury yield + 100 basis points. Based on the current 10-year treasury yield, the fixed rate option is **6.25%** for the life of the loan.

2. **Fixed interest rate for a seven (7) year period** set at the 10-year treasury yield. After seven years, the rate will reset to the then-current 10-year treasury yield. Please note, the reset rate is limited to a 200-basis point increase/decrease. The reset rate is then fixed for the duration of the loan. Based on the current 10-year treasury yield, the rate for the initial (7) year period is **5.25%**.

10-year term loans with a 20-year amortization period:

1. **Fixed interest rate for the full term** of the loan (10-yr. period). This option is calculated using the 10-year treasury yield +100 basis points. Based on the current 10-year treasury yield, the fixed rate option is **6.25%** for the life of the loan.

2. **Fixed interest rate for a five (5) year period** set at the 10-year treasury yield. After five years, the rate will reset to the then-current 10-year treasury yield. Please note, the reset rate is limited to a 200-basis point increase/decrease. The reset rate is then fixed for the duration of the loan. Based on the current 10-year treasury yield, the rate for the initial (5) year period is **5.25%.**

PIDA-MELF Equipment loans – **6.25%** fixed rate for the full term of the loan – 10-year max.

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