Judge Russ Kendig

United States Bankruptcy Court
Northern District of Ohio
Ralph Regula Federal Building and
United States Courthouse
401 McKinley Ave., S.W.
Canton, Ohio 44702
(330) 458-2440

DATE: December 19, 2016

TO: Attorneys practicing in the Canton Divisional Office

FROM: Judge Kendig

RE: Interest rate on secured claims

This court previously adopted the prime-plus interest rate promoted by the plurality in Till v. SCS Credit Corp., 541 U.S. 465 (2004). In re Blanton, 2010 WL 4503188 (Bankr. N.D. Ohio 2010) (unpublished); In re Dimery, 2011 WL 2470057 (Bankr. N.D. Ohio 2011). Under this formula, secured claims are entitled to interest at the national prime interest rate published in the Wall Street Journal plus an additional 2% as a risk factor. For several years, this resulted in a 5.25% interest rate (3.25% prime rate plus 2.00% risk factor). The prime rate currently published in the Wall Street Journal is 3.75%. Consequently, secured claims can be paid at 5.75% effective for cases filed on or after January 1, 2017.

You are always free to request a hearing and contest the rate as too high or too low. This is the rate that I will sign by default.