

Fixed Rate Loans Without the High Cost of Traditional Bond Issues

VML/VACo Finance's Fixed Rate Loan Program helps you take advantage of the increasing competition among banks for municipal debt. To accomplish this, VML/VACo Finance makes its loan directly to the local government and, at closing, assigns its rights under the loan agreement to a bank lender offering the best rates and terms. Borrowers receive a fixed rate loan, enjoy the flexibility of closing on their own schedules, and avoid the high costs of issuance associated with traditional municipal bonds and bond pools.

VML/VACo Finance structures each loan to the specifications of each participant and provides hands-on support beginning with loan origination until the loan is fully repaid. We provide loan structuring, seek out the best interest rates and loan terms, coordinate the work of bond counsel, review loan documents, and provide ongoing support, including assisting you with arbitrage compliance.

Since our first bond issue in 2003, VML/VACo Finance has financed hundreds of millions in capital projects and equipment for Virginia local governments. Our goal is always to provide the lowest cost financing for your local government or authority, along with hands-on assistance to make this the easiest financing you've ever experienced.



VML/VACo Finance's Fixed Rate Loan Program Offers:

- Attractive interest rates established through a competitive process.
- A means to avoid costs of issuance associated with traditional municipal bond issues and bond pools which can easily total tens of thousands of dollars.
- Financing for capital projects of \$1 million and above; equipment leases of \$2 million and above (see Small Equipment Leasing Program for leases under \$2 million).
- Flexibility in scheduling a closing date that best suits *your* schedule.
- Option to repay without penalty after the tenth year, or even sooner.
- Amortization periods up to 20 years.
- Standardized documents – you avoid expensive document preparation costs.
- Arbitrage monitoring reports upon request.
- No federal disclosure requirements.

