The Water Infrastructure Finance and Innovation Act (WIFIA) program accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for nationally and regionally significant projects. Borrowers benefit from receiving low, fixed interest rate loans with flexible financial terms.

**WIFIA Loans Offer a Low, Fixed Interest Rate**

**A Single Fixed Rate is Established at Closing.** A borrower may receive multiple disbursements over several years at the same fixed interest rate.

**Rate is Equal to the U.S. Treasury Rate of a Similar Maturity.** The WIFIA program sets its interest rate based on the U.S. Treasury rate on the date of loan closing. The rate is calculated using the weighted average (WAL) life of the loan rather than the loan maturity date. The WAL is generally shorter than the loan’s actual length, resulting in a lower interest rate.

**Rate is Not Impacted by Borrower’s Credit or Loan Structure.** All borrowers benefit from the AAA Treasury rate, regardless of whether they are rated AA or BBB. The WIFIA program does not charge a higher rate for flexible financial terms.

**WIFIA Loans Provide Flexible Financial Terms**

**Customized Repayment Schedules.** Borrowers can customize their repayments to match their anticipated revenues and expenses for the life of the loan. This flexibility provides borrowers with the time they may need to phase-in rate increases to generate revenue to repay the loan.

**Long Repayment Period.** WIFIA loans may have a length of up to 35 years after substantial completion, allowing payment amounts to be smaller throughout the life of the loan.

**Deferred Payments.** Payments may be deferred up to 5 years after the project’s substantial completion.

**Subordination.** Under certain circumstances, WIFIA may take a subordinate position in payment priority, increasing coverage ratios for senior bond holders.

**WIFIA Loans Can Be Combined with Various Funding Sources.** WIFIA loans can be combined with private equity, revenue bonds, corporate debt, grants, and State Revolving Fund (SRF) loans.

*Example of a customized debt repayment structure for a $100 million project*

**WIFIA loan’s flexible repayment schedule allows for rate increases to be phased in over a longer period of time.**