



FOR IMMEDIATE RELEASE

December 3, 2009

CONTACT INFORMATION:

Ron Greiner
(800) 883-1199
ron@govcap.com

Government Capital Announces Funding of 0.91% QSCB for Groesbeck ISD

Stimulus program allows school districts to benefit from below-market interest rates

Southlake, Texas. (December 3, 2009) Government Capital Corporation, a leading provider of financing for Texas school districts and the administrator of the Texas Education and Facilities Fund, announced today the successful funding of a \$5,574,000 low interest QSCB for Groesbeck ISD through its sister company Government Capital Securities Corporation. Qualified School Construction Bonds (QSCBs) are tax credit financings which were authorized under Title I of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA) and authorize the issuance of QSCBs by public school districts to be used for the construction, rehabilitation, or repair of a public school facility.

The District will be implementing various facility improvements and construction projects including energy efficiency measures at the high school which will lower energy costs and reduce the District's exposure to volatile energy prices. "The facility renovations will improve the learning environment for our students and teachers while helping us to achieve our energy management goals," stated Dr. Harold Ramm, Superintendent. "We really benefited from Government Capital's expertise and knowledge of QSCBs and their recommendations saved us thousands of dollars compared to other QSCB options we had seen."

Powell & Leon, LLP, a law firm in Austin, Texas, is general counsel for Groesbeck ISD and represented the District in the transaction.

Government Capital Corporation provides assistance to school districts across Texas in the QSCB application process and recommends financing structures designed to maximize the cost advantages offered by QSCBs.

"As Financial Advisor to the District we are proud to have been a part of the successful funding of the District's QSCB," stated Ron Greiner, Government Capital Securities Corporation Vice President. "I want to congratulate Dr. Ramm, his staff and the school board for their work to make this a successful offering."

About Government Capital Corporation

Government Capital Corporation is a leading Public Finance firm providing professional financing services to school districts and local governmental entities. Since its founding in 1992, the company has successfully completed thousands of project financings in Texas and across the country. For more information, visit <http://www.govcap.com/IM/index.html>.

About Groesbeck ISD

Groesbeck Independent School District serves approximately 1,600 students and is a strong, vibrant district located in central Texas in between Houston, Austin and Dallas/Ft. Worth. For more information, please visit <http://www.groesbeck.k12.tx.us/>.