Investing in the Municipal “Sweet Spot” with Intermediate Funds
Municipals remain an attractive investment as investors seek to address their concerns about higher tax rates, low yields and macroeconomic uncertainties.

Why Intermediate Municipal Funds?
- Shorter maturities make them less sensitive to movements in interest rates than long-term funds. It’s important to note that their shorter maturities may lead to lower yields compared to longer term bonds.
- Well positioned for price appreciation on the steepest portion of the municipal yield curve.
- Offer a significant percentage of the long bond’s yield with less volatility.

Invesco Offers Two Intermediate Municipal Funds
This comparison chart is designed to help select the fund that is most appropriate for you.

<table>
<thead>
<tr>
<th>Invesco Tax-Free Intermediate Fund</th>
<th>Invesco Intermediate Term Municipal Income Fund</th>
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</thead>
<tbody>
<tr>
<td>AMT</td>
<td>AMT</td>
</tr>
<tr>
<td>X</td>
<td>✔ Historically exposure to Alternative Minimum Tax (AMT) has ranged from 8% to 12%.</td>
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<tr>
<td>Leverage</td>
<td>Leverage</td>
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<tr>
<td>X</td>
<td>✔ Minimal use of leverage (typically less than 2%)</td>
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<tr>
<td>Investment Grade</td>
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<tr>
<td>✔ Typical exposure is 90% to bonds rated single-A and above, 10% exposure to bonds rated triple-B. Does not hold any securities rated below triple-B</td>
<td>✔ Typical exposure is 70% to bonds rated single-A and above, 20% exposure to bonds rated triple-B and 10% exposure to nonrated credits¹</td>
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<tr>
<td>Average Maturity Target</td>
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</tr>
<tr>
<td>6 to 7 years</td>
<td>7.5 to 8.5 years</td>
</tr>
<tr>
<td>Share Class Symbols</td>
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</tr>
<tr>
<td>A: ATFAX</td>
<td>A: VKLMX</td>
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<tr>
<td>A2: AITFX</td>
<td>B: VKLBX</td>
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<tr>
<td>R5: ATFIX</td>
<td>C: VKLCX</td>
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<tr>
<td>Y: ATFYX</td>
<td>Y: VKLIX</td>
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</tbody>
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Concerned that rates will rise soon?
What you should know:
- Historically in rising rate environments lower-quality credits have tended to fare better than their high-quality counterparts.
- Unlike higher-quality bonds, lower-quality bonds tend to be more sensitive to credit risk and less sensitive to interest rate risk.
- Since credit risk is the primary driver of returns in lower-quality bonds, they have tended to benefit from an improving economy.
- As a result, an environment of growth and rising interest rates may lead to outperformance of noninvestment-grade credits relative to Treasuries and other investment-grade sectors of the market.

Past performance cannot guarantee future results.
¹ All nonrated credits are internally rated by the team's research analysts. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice.
Fund objectives

- **Invesco Tax-Free Intermediate Fund** seeks federal tax-exempt current income.
- **Invesco Intermediate Term Municipal Income Fund** seeks a high level of current income exempt from federal income tax, consistent with preservation of capital.


**Call risk.** If interest rates fall, it is possible that issuers of callable securities will call or prepay their securities before maturity, causing the Fund to reinvest proceeds in securities bearing lower interest rates and reducing the Fund's income and distributions.

**Credit risk.** An issuer may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

**High-yield bond risk.** Junk bonds involve a greater risk of default or price changes due to changes in the credit quality of the issuer. The values of junk bonds fluctuate more than those of high-quality bonds in response to company, political, regulatory or economic developments. Values of junk bonds can decline significantly over short periods of time.

**Income risk.** The income you receive from an underlying fund is based primarily on prevailing interest rates, which can vary widely over the short- and long-term. If interest rates drop, your income from an underlying fund may drop as well.

**Intermediate dollar-weighted average life risk.** Market prices of municipal securities with intermediate lives generally fluctuate more in response to changes in interest rates than those with shorter lives but generally fluctuate less than market prices of municipal securities with longer lives.

**Interest rate risk.** Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

**Liquidity risk.** The Fund may hold illiquid securities that it may be unable to sell at the preferred time or price and could lose its entire investment in such securities.

**Management risk.** The investment techniques and risk analysis used by the portfolio managers may not produce the desired results.

**Municipal issuer focus risk.** The Fund may invest in municipal securities issued by entities having similar characteristics, which may make the Fund more susceptible to fluctuation.

**Municipal securities risk.** Municipal securities are subject to the risk that legislative or economic conditions could affect an issuer's ability to make payments of principal and/or interest.

**Reinvestment risk.** Reinvestment risk is the risk that a bond's cash flows (coupon income and principal repayment) will be reinvested at an interest rate below that on the original bond.

**Synthetic securities risk.** Fluctuations in the values of synthetic securities may not correlate perfectly with the instruments they are designed to replicate. Synthetic securities may be subject to interest rate changes, market price fluctuations, counterparty risk and liquidity risk.

About risk: Invesco Intermediate Term Municipal Income Fund

**AMT risk.** All or a portion of the Fund's otherwise tax-exempt income may be subject to the federal alternative minimum tax.

**Medium- and lower-grade municipal securities risk.** Securities which are in the medium- and lower-grade categories generally offer higher yields than are offered by higher-grade securities of similar maturity, but they also generally involve more volatility and greater risks, such as greater credit, market, liquidity, management, and regulatory risks.

**Zero coupon or pay-in-kind securities risk.** The value, interest rates, and liquidity of non-cash paying instruments, such as zero coupon and pay-in-kind securities, are subject to greater fluctuation than other types of securities.

Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their advisors for a prospectus/summary prospectus or visit invesco.com/fundprospectus.

Client portfolio managers (CPMs) are integrated with Invesco's investment teams and involved in the ongoing research matters of their respective team's portfolios. The primary responsibilities of the CPM are to represent the portfolios in the marketplace and to manage the business responsibilities of the investment team. The CPM does not manage fund assets.