

Bond Case Briefs

Municipal Finance Law Since 1971

Fitch Focuses on Rental Car Facilities in Revised Airport Criteria.

Fitch Ratings-New York-27 November 2017: Fitch Ratings is enhancing its rating criteria for airports by adding key risk factors associated with airport stand-alone car financed projects, as per the rating agency's new criteria report.

Link to Fitch Ratings' Report: [Airports Rating Criteria](#)

Consolidated car rental projects, or CONRACs, are typically financed and secured by the levy of a surcharge on car rental contracts called Customer Facility Charges (CFCs).

"More airports are finding the need to do standalone financing in order to develop efficient car rental facilities," said Senior Director Seth Lehman. "CONRACs are helping to consolidate and make airport operations more seamless in the grander plan of streamlining airport services overall."

A burgeoning subset of the airport finance market, Fitch currently rates eight CONRACs including the first projects in Hawaii and San Antonio, Texas.

Fitch's key financial performance metrics for CONRACs will be based on volatility of cash flow derived from the combined assessments for both Revenue Risk - Volume and Revenue Risk - Price. Volume and price revenue risk remain the key factors Fitch will use in its analysis of airports going forward, along with criteria mainstays like infrastructure development/renewal, debt structure and the financial profile of an airport.

The full criteria report is available at www.fitchratings.com.

Contact:

Seth Lehman
Senior Director
+1-212-908-0755
Fitch Ratings, Inc.
33 Whitehall St.
New York, NY 10004

Media Relations: Sandro Scenga, New York, Tel: +1 212-908-0278, Email: sandro.scenga@fitchratings.com.

Additional information is available on www.fitchratings.com