VOLUNTARY STATEMENT REGARDING IMPACTS OF COVID-19

Relating to:

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Senior Airport Revenue Bonds, Series 2013A
Senior Airport Revenue Bonds, Series 2013B
(collectively, the "***Senior Bonds***")

Subordinate Airport Revenue Bonds, Series 2017A
Subordinate Airport Revenue Bonds, Series 2017B
Subordinate Airport Revenue and Revenue Refunding Bonds, Series 2019A (Governmental/Non-AMT)
Subordinate Airport Revenue Bonds, Series 2019B (Private Activity/AMT)
Subordinate Airport Revenue Refunding Bonds, Series 2020A (Governmental/Non-AMT)
Subordinate Airport Revenue Refunding Bonds, Series 2020B (Private Activity/Non-AMT)
Subordinate Airport Revenue Refunding Bonds, Series 2020C (Private Activity/AMT)
(collectively, the "***Subordinate Bonds***")
Base CUSIP: 79739G

and

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Senior Special Facilities Revenue Bonds (Consolidated Rental Car Facility Project), Series 2014A (Tax-Exempt Non-AMT)
Senior Special Facilities Revenue Bonds (Consolidated Rental Car Facility Project), Series 2014B (Federally Taxable)
(collectively, the "***CONRAC Bonds***")
Base CUSIP: 79742G

Dated: July 22, 2020

*The San Diego County Regional Airport Authority (the "**Authority**") is providing this Voluntary Statement Regarding Impacts of COVID-19 (this "**Statement**") to describe some of the impacts that the COVID-19 pandemic has had, and will continue to have, on passenger traffic at San Diego International Airport (the "**Airport**") and the Authority's finances, and to describe some of the actions that the Authority has taken, and is taking, in response to the pandemic. The filing of this Statement is made voluntarily by the Authority, without an intention to provide any update to this Statement or its subject matter or to file similar voluntary statements in the future. Any obligation to do so is expressly disclaimed.*

Background

The worldwide outbreak of novel coronavirus SARA-CoV-2 ("***COVID-19***") has caused significant disruptions to domestic and international air travel, including both passenger and cargo operations, as well as the conduct of day-to-day business in the United States and internationally. The World Health Organization has characterized COVID-19 as a pandemic. The U.S. government and governments of other countries have closed borders to non-essential travel and issued other travel restrictions and warnings. The President of the United States issued the Coronavirus Guidelines for America, calling upon Americans to take actions to slow the spread of COVID-19 in the United States, including, among other things, avoiding discretionary travel. Various state and local governments and agencies and others have also imposed restrictions on travel, and have restricted public gatherings and large group events, ordered residents to stay at home, promoted or required working from home, and ordered closure of schools, restaurants, bars, and other public venues.

The Airport is subject to certain state and local public health orders directed to limit the spread of COVID-19. The Governor of the State of California (the "***Governor***") has issued numerous executive orders to, among other things (a) declare a public health state of emergency; (b) issue a statewide shelter in place to stop the spread of COVID-19, and (c) mandate that all individuals wear a face covering when they are in high risk situations. Likewise, the Health Officer of the County of San Diego has declared a public health emergency and issued county-wide health orders that mandate, among other things, (i) a shelter in place; (ii) face coverings for all individuals in high risk situations; (iii) social distancing and sanitation protocols for reopened businesses; (iv) temperature screenings for employees of reopened businesses; (v) telecommuting for workforces, when practicable; and (vi) a 14-day self-quarantine for individuals who have arrived from an international country, been diagnosed with COVID-19, or been in close contact with an individual who has been diagnosed with COVID-19.

The Governor has detailed a four-stage plan to gradually reopen the economy and has issued industry guidance with mandatory and suggested measures for businesses to implement. On June 12, 2020, the State of California (the "***State***") entered stage 3 of reopening, which permits certain high-risk businesses and venues to reopen subject to social distancing guidelines. However, on July 6, 2020, in response to a consistent rise in COVID-19 positive cases and a reported case rate of 129.3 cases per 100,000 people, the County of San Diego was placed on the State's "watch list" for at least three weeks. While on the watch list, the following indoor businesses must close unless they can modify their operations to outdoors or for pick-up only: dine-in restaurants, wineries and tasting rooms, movie theaters, family entertainment centers, zoos and museums, and card rooms. The County of San Diego has the discretion to limit the reopening of businesses to a degree more strict than that of the State. At this time, certain concessions in the terminals at the Airport remain open and, subject to the State restrictions on indoor businesses, are providing travelers with options for retail and food and beverage services.

Since April 16, 2020, the board of directors of the Authority (the "***Board***") has continued to declare the existence of a state of local emergency as a result of the COVID-19 pandemic. This emergency declaration empowers the President/CEO of the Authority to, among other things, (a) promulgate written orders and regulations necessary to maintain operations and ensure compliance with applicable federal, state and local guidelines; (b) obtain vital supplies and equipment, such as personal protective equipment, needed for the protection of life and property; (c) waive any policy to the extent such waiver is prudent in responding to COVID-19; and (d) represent the Authority in all dealing with public and private agencies on matters pertaining to the local emergency.

The COVID-19 pandemic and the related restrictions have had an adverse effect on both international and domestic travel and travel-related industries, including airlines, concessionaires and rental car companies serving the Airport. Passenger airlines have experienced a significant downturn in demand, causing the cancellation of numerous flights and a dramatic reduction in network capacity. Currently, this reduction in demand and capacity is expected to continue in the near term, although with modest incremental improvement. Retail, food and other service concessionaires located in terminal facilities at the Airport have reported significant declines in sales and the majority of the locations are temporarily closed as the result of reduced passenger levels. In addition, the reduction in air travel has had an adverse effect on parking, ground transportation companies and rental car activity and, consequently, the revenues of the Authority.

Enplanements

During the first eight months of Fiscal Year 2020 (July 1, 2019 through February 29, 2020), enplanements at the Airport increased by 4.7% as compared to the first eight months of Fiscal Year 2019 (July 1, 2018 through February 28, 2019). Beginning in March 2020, as a result of the impact of the COVID-19 pandemic, enplanements at the Airport decreased significantly compared to the same period in Fiscal Year 2019. The following table shows monthly enplanements at the Airport for Fiscal Years 2019 and 2020.

San Diego County Regional Airport Authority
Enplanements
Fiscal Years 2019 and 2020

Month	Fiscal Year 2019	Fiscal Year 2020	Percent Change
July	1,165,546	1,210,061	3.8%
August	1,139,314	1,174,905	3.1
September	963,790	1,034,475	7.3
October	1,025,924	1,070,451	4.3
November	1,005,813	1,003,157	-0.3
December	984,141	1,060,131	7.7
January	895,859	953,280	6.4
February	847,912	899,877	6.1
March	1,056,861	486,659	-54.0
April	1,052,524	36,839	-96.5
May	1,070,628	95,386	-91.1
June	1,147,974	210,238*	-81.7*
Total	12,356,286	9,235,459*	-25.3*

* June estimated.
Source: San Diego County Regional Airport Authority.

Financial Condition and Liquidity

General. The Authority is experiencing and expects to continue to experience a significant decrease in airline and non-airline revenues as a result of the COVID-19 pandemic. The Authority's revenues depend on aviation activity and passenger traffic at the Airport, and the financial health of the airlines, concessionaires and rental car companies serving the Airport and the airline and travel industries as a whole.

Authority Responses. In March 2020, the Authority took the following actions, among others, in accordance with its Financial Resilience Plan: (i) the Authority instituted a hiring freeze on all Authority positions; the CEO's approval is required for all new hires; (ii) Capital Program – the Authority has delayed or reduced in scope or is phasing in at a slower spend rate certain projects not included in the Airport

Development Plan (the "***ADP***") and non-mission critical project spending (such projects have an estimated cost of approximately $220 million and include, among several other projects, the replacement of the baggage handling system, the replacement and refurbishment of passenger boarding bridges, and certain utility projects on the northside of the Airport) (see "Capital Program" below); and (iii) the Authority delayed or reduced non-essential expenditures (i.e., travel, training, shuttle services, consulting services, certain major maintenance, equipment, supplies, marketing and landscaping). The Authority continues to closely monitor expenses for additional savings and restrict expenses to essential work only.

In addition to the Financial Resilience Plan, with respect to the physical assets of the Authority, the Authority has been taking the following steps: (i) the Authority's custodial provider is providing cleaning services 24-hours a day. They are placing an additional emphasis on public touch points in all areas, including handrails, bathroom stalls, seating, door handles, chairs and tables, touchscreen directories, concessions and credit card machines; and (ii) in the parking lots and rental car shuttles, the Authority is sanitizing seats, rails, and other surfaces several times daily, in addition to performing a deep clean twice weekly.

Temporary Relief Programs Provided to Airlines, Concessionaires and Rental Car Companies. The Authority received numerous requests from the airlines, concessionaires and rental car companies operating at the Airport for rate relief. Some of the temporary relief programs that the Authority approved in May 2020, include the following:

Airlines

- Three months of revenue deferrals and approximately $38 million of CARES Act (as defined below) funding used to offset Airline rates, fees, and charges (such deferrals and offsets will be included in the final Fiscal Year 2020 airline rates and charges settlement in November 2020)

- 16 months of Major Maintenance Fund deposit deferrals, totaling $40 million (such deferrals will be repaid by the airlines over the remaining term (through June 30, 2029) of the Airline Operating and Lease Agreement, beginning in Fiscal Year 2022)

Concessionaries & Passenger Services

- 6 months of waivers totaling approximately $13 million, which includes waivers for:

    - Minimum Annual Guarantees

    - Cost Recovery (Receiving and Distribution, Pest Control, Grease Traps, Hood Cleaning, Common Area Maintenance)

    - Marketing Fee

    - Support Space Fees

Rental Car Companies

- 6 months of waivers totaling approximately $9 million, which includes waivers for:

- ➢ Minimum Annual Guarantees
- ➢ Small Market Operator Tenant Improvements

CARES Act and Other Federal Aid Related to COVID-19. The United States government is taking legislative and regulatory actions and implementing measures to mitigate the broad disruptive effects of the COVID-19 pandemic. The Coronavirus Aid, Relief, and Economic Security Act (the "***CARES Act***"), approved by the United States Congress and signed by the President on March 27, 2020 is one of those legislative actions to address the crisis created by the COVID-19 pandemic and includes among its relief measures direct aid in the form of grants for airports as well as direct aid, loans and loan guarantees for passenger and cargo airlines.

Provisions of the CARES Act, which provide $10 billion of grant assistance to airports, generally include: (a) $3.7 billion to be allocated among all U.S. commercial service airports based on number of enplanements in calendar year 2018, (b) $3.7 billion to be allocated among all U.S. commercial service airports based on formulas that consider Fiscal Year 2018 debt service relative to other airports, and cash-to-debt service ratios, (c) $2 billion to be apportioned in accordance with the Airport Improvement Program ("***AIP***") entitlement formulas, subject to CARES Act formula revisions, (d) $500 million to increase the federal share to 100% for grants awarded in federal fiscal year 2020 under certain grant programs including the AIP, and (e) $100 million reserved for general aviation airports.

The Authority was awarded $91,221,894 in CARES Act grants (the "***CARES Act Funds***"), not including additional amounts (estimated to be at least $3 million) representing the increase in the federal share for federal fiscal year 2020 AIP grants. Additionally, the Authority continues to evaluate and seek other available sources of State and federal aid as they become available. The Authority expects to draw approximately $37 million of the CARES Act grant in Fiscal Year 2020 and expects to draw the remaining approximately $54 million of CARES Act grant in Fiscal Year 2021.

On March 13, 2020, the President declared the ongoing COVID-19 pandemic of sufficient severity to warrant an emergency declaration for purposes of obtaining disaster assistance through the Request for Public Assistance program administered by the Federal Emergency Management Agency ("***FEMA***"). The Authority has taken appropriate measures to ensure it will be able to apply for FEMA funding at the appropriate time. It is not known at this time how much, if any, FEMA funding will be received.

Estimated Financial Results for Fiscal Year 2020; Liquidity and Available Funds for Operations and Debt Service.

<u>Estimated Financial Results for Fiscal Year 2020</u>. Although each of the actions listed under the captions "*Authority Responses*" and "*Temporary Relief Programs Provided to Airlines, Concessionaires and Rental Car Companies*" above were appropriate under the circumstances, some of them also are expected to have significant impact on the Authority's financial performance in Fiscal Year 2020. Total operating revenues for Fiscal Year 2020 are estimated to be approximately $265 million, which is approximately $75 million below the Authority's Fiscal Year 2020 budget (the "***Fiscal Year 2020 Budget***"). Airline revenues for Fiscal Year 2020 are estimated to be approximately $136 million, which is approximately $48 million below the Fiscal Year 2020 Budget, and non-airline revenues are estimated to be approximately $129 million, which is approximately $28 million below the Fiscal Year 2020 Budget. Operating expenses for Fiscal Year 2020, after adjusting for costs savings undertaken by the Authority in response to the COVID-19 pandemic, are estimated to be at least $20 million below the Fiscal Year 2020 Budget. Passenger Facility Charge ("***PFC's***) revenue for Fiscal Year 2020 is estimated to be approximately $34 million, which is approximately $16 million below the Fiscal Year 2020 Budget. Notwithstanding, the reduced operating revenues in Fiscal Year 2020, the Authority expects that the combined debt service

coverage on its Senior Bonds and Subordinate Bonds will be approximately 4.21x for Fiscal Year 2020, which includes the use of PFCs and CARES Act moneys to pay a portion of the debt service on the Senior Bonds and the Subordinate Bonds and the use of CARES Act moneys to pay a portion of the operating expenses.

Liquidity and Available Funds for Operations and Debt Service on Senior and Subordinate Bonds. As of May 31, 2020, the Authority had the following unrestricted funds and investments on hand that could be used for all operating expenses of the Authority and to pay debt service on the Senior and Subordinate Bonds.

Unrestricted Cash and Investments

Cash and investments	$105,230,000
Cash designated for capital projects	75,396,000
Operation and Maintenance Reserve Subaccount	43,133,000
Operation and Maintenance Subaccount	14,378,000
Renewal and Replacement Account	5,400,000
Small Business Bond Guarantee	4,000,000
Investments – long-term portion	258,213,000
Total Unrestricted Cash and Investments	$505,750,000
*Discretionary Cash**	$442,839,000

* Excludes Operation and Maintenance Reserve Subaccount, Operation and Maintenance Subaccount, and Renewal and Replacement Account.

In addition to the unrestricted funds and investments, the Authority had the following restricted funds and investments on hand (or held by the bond trustees) as of May 31, 2020:

Restricted Cash and Investments (excluding CFCs)

Passenger Facility Charges	$ 67,141,000
Bond proceeds held by Trustee – Construction	232,059,000
Bond proceeds held by Trustee – Capitalized Interest	16,110,000
Bond proceeds held by Trustee – Costs of Issuance	3,055,000
Debt Service Funds held by Trustee	43,108,000
Debt Service Reserve Funds held by Trustee – Senior Bonds	35,097,000
Debt Service Reserve Funds held by Trustee – Subordinate Bonds	73,672,000
Total Restricted Cash and Investments	$470,242,000

Customer Facility Charge Collections and Other Moneys Available to Pay Debt Service on CONRAC Bonds. The CONRAC Bonds are secured by, among other things, a pledge of the Customer Facility Charges ("***CFCs***") collected by the rental car companies operating at the Airport and submitted to the trustee for the CONRAC Bonds and certain funds and accounts. The following table shows monthly CFC collections for Fiscal Years 2019 and 2020.

San Diego County Regional Airport Authority
Customer Facility Charge Collections
Fiscal Years 2019 and 2020

Month	Fiscal Year 2019	Fiscal Year 2020	Percent Change
July	$ 3,927,961	$3,923,708	-0.1%
August	2,789,861	3,896,462	39.7
September	4,744,391	3,732,674	-21.3
October	3,388,670	3,567,843	5.3
November	3,468,318	3,596,124	3.7
December	3,117,430	3,153,840	1.2
January	3,150,168	2,976,020	-5.5
February	2,955,882	3,027,092	2.4
March	3,303,168	2,925,305	-11.4
April	3,862,688	1,619,150	-58.1
May	3,716,545	338,080	-90.9
June	3,252,038	687,236*	-78.9*
Total	$41,677,120	$33,443,564*	-19.8*

* June estimated.
Source: San Diego County Regional Airport Authority

In addition to the CFCs, the CONRAC Bonds are secured by certain funds and accounts held by the trustee for the CONRAC Bonds. The following table sets forth the funds and accounts held by the trustee for the CONRAC Bonds that secure the repayment of the CONRAC Bonds and the balances in each fund and account as of May 31, 2020.

CFC Debt Service Fund held by Trustee	$12,243,000
CFC Debt Service Reserve Fund held by Trustee	22,725,000
Rolling Coverage Fund held by Trustee	7,111,000
Renewal and Replacement Reserve Fund held by Trustee	7,288,000
CFC Stabilization Account	46,848,000
Total	$96,215,000

Fiscal Year 2021 Budget

On June 4, 2020, the Board adopted the Authority's Fiscal Year 2021 budget (the "***Fiscal Year 2021 Budget***"). In the process of developing the Fiscal Year 2021 Budget, the Authority engaged in numerous industry discussions regarding the impacts the COVID-19 pandemic will have on the aviation industry, including the Airport. The revenues and expenses included in the Fiscal Year 2021 Budget assume that enplanements at the Airport will be approximately 6.3 million in Fiscal Year 2021 (a 30.1% reduction of the estimated Fiscal Year 2020 enplanements and a 48.8% reduction of the enplanements for the Fiscal Year ended June 30, 2019). Following are some of the key components of the Fiscal Year 2021 Budget:

- Operating and non-operating revenues are budgeted to be $376.0 million (a decrease of $100.8 million or 21.1% compared to the Fiscal Year 2020 Budget)

- Airline revenues are budgeted to be $144.3 million (a decrease of $39.7 million or 21.6% compared to the Fiscal Year 2020 Budget). The majority of the decrease is attributable to the deferral of the airlines' $30 million contribution to the Major Maintenance Fund, as well as, reductions in operating expenses, debt service and amortization of cash funded projects.

- Non-airline revenues are budgeted to be $101.8 million (a decrease of $54.8 million or 35.0% compared to the Fiscal Year 2020 Budget). The decrease consists of a reduction of $13.0 million in rental car license fees, $9.0 million in terminal concessions revenue reflecting the decrease in enplanements and the waivers granted to the concessionaires and the rental car companies through September 2020, $20.6 million in parking revenues, $10.7 million in ground transportation revenues, and $3.0 million in inflight and ground handling license fees. The decrease is partially offset by a $1.0 million increase in budgeted ground rent.

- Non-operating revenues are budgeted to be $129.9 million (a net decrease of $6.4 million compared to the Fiscal Year 2020 Budget). Non-operating revenues consist of an increase of $54.3 million from CARES Act grant revenue, which is offset by decreases of $25.5 million in PFCs, $20.8 million in CFCs, $10.3 million in interest income and $4.7 million of Build America Bonds ("***BAB***") interest rebates (the BAB Bonds were refunded during Fiscal Year 2020).

- Operating expenses are budgeted to be $160.5 million (a decrease of $23.3 million or 12.7% compared to the Fiscal Year 2020 Budget. The decreased operating expenses as compared to the Fiscal Year 2020 Budget include the following costs reductions:

  - $13.1 million reduction for parking, shuttle and Rental Car Center operations

  - Beginning in April 2020, the employee, valet, and Harbor Drive remote lots were all closed, with employees now utilizing close-in parking lots, and are expected to remain closed during Fiscal Year 2021

  - $7.4 million reduction to Authority contractual services, advertising, business development and sponsorships

  - $1.3 million reduction in maintenance and tenant improvements by deferring non-critical projects

  - 80% reduction on all Authority travel and training

  - Continued hiring freeze (any new hires must be approved by the Authority's President/CEO)

<u>Capital Program</u>

In light of the COVID-19 pandemic, the Authority has evaluated its entire Capital Program, including the ADP. Certain capital projects not included in the ADP totaling approximately $220 million have been delayed or reduced in scope or will be phased in at a slower spend rate.

During Fiscal Year 2020, the Board approved, and the airlines supported a $3 billion budget for the ADP. Work on the ADP continues in a deliberative way. In January 2020, the Board awarded the design contract for the ADP airfield improvements. Additionally, the recommended design/build team for the terminal and roadway improvements included in the ADP (including the proposed parking structure) has been identified by Authority staff and will be presented for approval and award of a contract to the Board in September 2020. The selection process for the design/build team for the replacement of the Administration Building is underway.

Key milestone dates for the ADP over the next 18 months are as follows:

- September 2020 – Award the terminal and roadways design/build contract for program validation and negotiation of the maximum contract price
- November 2020 – Award the design/build contract for the replacement Administration Building
- May 2021 – Amend the terminal and roadways design/build contract for the Maximum Contract Price
- May 2021 – Start construction on the replacement Administration Building
- September 2021 – Award airfield construction contract and begin construction of the airfield improvements
- December 2021 – Begin construction on the new terminal, roadways and parking structure

The spending over the next 12 months for the activities noted above with respect to the ADP is expected to be $125,000,000. Each of the noted milestones represents the next decision point for the ADP work to proceed or be delayed.

Other Information

On May 22, 2020, the Hertz Corporation and its affiliated U.S. entities (including Thrifty Car Rental and Doller Rent-A-Car) (collectively "Hertz") filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). Hertz continues to operate at the Airport during the bankruptcy proceedings. Hertz has not yet assumed or rejected its agreements with the Authority. The Authority has adopted a temporary rent forbearance and abatement amendment effective April 1, 2020 applicable to Hertz that grants a rent abatement for a six month period from April 1, 2020 through September 30, 2020. The rents abated and waived during such period include Minimum Annual Guarantee less percentage fees and certain reimbursable operation and maintenance costs. Additional information regarding the bankruptcy proceedings related to Hertz can be found at the Bankruptcy Court's website at: https://www.deb.uscourts.gov/case-info. *The Authority undertakes no responsibility for and makes no representations as to the accuracy or completeness of the content of information regarding the bankruptcy proceedings of Hertz available on the Bankruptcy Court's website or links to other Internet sites accessed through the Bankruptcy Court's website.*

On May 27, 2020, Advantage Holdco, the parent company of Advantage Rent A Car and EZ Rent a Car (collectively "Advantage") filed for Chapter 11 bankruptcy protection in the Bankruptcy Court. Advantage has informed the Authority that it does not intend to continue to operate at the Airport and, effective June 30, 2020, it rejected the Rental Car Lease Agreements it entered into with the Authority. Additional information regarding the bankruptcy proceedings related to Advantage can be found at the Bankruptcy Court's website at: https://www.deb.uscourts.gov/case-info. *The Authority undertakes no responsibility for and makes no representations as to the accuracy or completeness of the content of information regarding the bankruptcy proceedings of Advantage available on the Bankruptcy Court's website or links to other Internet sites accessed through the Bankruptcy Court's website.*

Important Notes Regarding this Statement

Notwithstanding anything in this Statement to the contrary, the Authority cannot predict (i) the duration or extent of the COVID-19 pandemic; (ii) the duration or expansion of travel restrictions and warnings; (iii) whether additional countries or destinations will be added to the travel restrictions or warnings; (iv) what long- and short-term effect the COVID-19 pandemic-related travel restrictions or warnings may have on demand for air travel, including to and from the Airport, and on the Authority's costs or revenues; (v) to what extent the COVID-19 pandemic will disrupt the local or global economy, manufacturing or supply chain, or and the extent to, which any such disruption will adversely impact construction or other operations at the Airport; (vi) the extent to which the COVID-19 pandemic, may result in changes in demand for travel, or may have an impact on the airlines serving the Airport's concessionaires or the airline and travel industry, generally; (vii) whether or to what extent the Authority may provide any further deferrals, forbearances, adjustment or other changes to the Authority's arrangements with its counterparties and whether its counterparties will fully perform their obligations under the temporary relief programs described herein; or (viii) whether any of the foregoing may have a material adverse effect on the finances and operations of the Authority.

This Statement is provided as of the date above. If you are viewing this Statement after the date above there may have been events that occurred subsequent to such date that would have a material adverse effect on the information contained in this Statement, and the Authority does not undertake any obligation to update this Statement. The information provided in this Statement is subject to change without notice. All numbers contained in this Statement are approximate.

Any investment decisions regarding the Authority's securities should only be made after a careful review of an Official Statement or Offering Memorandum of the Authority, as applicable, related to such securities. In no event will the Authority be liable for any use by any party of, for any decision made or action taken by any party in reliance upon, or for any inaccuracies or errors in, or omissions from, the information contained in this Statement and such information may not be relied upon by any party in evaluating the merits of participating in any transaction. Past performance is not indicative of future returns, which will vary. Transactions involving the Authority's securities may not be suitable for all investors. Each investor should consult with his, her or its own advisors as to the suitability of securities or other financial instruments for the investor's particular circumstances.

Certain statements included in this Statement constitute "forward-looking statements." The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that any future results discussed in this Statement will be achieved, and actual results may differ materially from the expectations and forecasts described in this Statement. All projections, forecasts, assumptions, expressions of opinion, estimates and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Statement. The Authority does not plan to issue any updates or revisions to those forward-looking statements if or when the expectations, or events, conditions or circumstances on which such statements are based occur. Information contained in this Statement which involves estimates, forecasts, or other matters of opinion, whether or not expressly so described in this Statement, are intended solely as such and are not to be construed as representations of fact. Further, expressions of opinion contained in this Statement are subject to change without notice and the delivery of this Statement will not, under any circumstances, create any implication that there has been no change in the affairs of the Authority.

By providing the information in this Statement, the Authority does not imply or represent (a) that all information provided in this Statement is material to investors' decisions regarding investment in the Authority's securities, (b) the completeness or accuracy of any financial, operational or other information not included in this presentation, (c) regarding any other financial, operating or other information about the Authority, or its outstanding securities, (d) that no changes, circumstances or events have occurred since the date of this Statement or (e) that no other circumstances or events have occurred or that no other information exists concerning the Authority, its outstanding securities or any contemplated transactions which may have a bearing on the Authority 's financial condition, the security for the Authority securities, or an investor's decision to buy, sell, or hold any of the Authority's securities.