



Rating Action: Moody's Ratings upgrades Central Florida Expressway Authority, FL's senior lien revenue bonds to Aa3 from A1 and junior lien revenue bonds to A1 from A2; outlook revised to stable

22 Jul 2025

New York, July 22, 2025 -- Moody's Ratings (Moody's) has upgraded Central Florida Expressway Authority (CFX), FL's senior lien revenue bonds to Aa3 from A1 and junior lien revenue bonds to A1 from A2. At the same time, we revised the outlook to stable from positive. It currently has approximately \$2.7 billion in senior lien debt outstanding and \$202.9 million in junior lien debt outstanding.

The upgrade reflects our view that CFX's importance as a regional transportation network continues to grow and that revenue increases will outweigh the negative impacts from capital needs, resulting in overall strong financial metrics.

RATINGS RATIONALE

The Aa3 senior and A1 junior ratings reflect strong traffic and revenue performance that together with a proactive approach to undertaking capital improvement and expansion projects to serve a rapidly growing service area result in strong financial metrics. Total debt service coverage (DSCR) levels, inclusive of both senior and junior lien debt service, are forecasted to average around 2.2x in the medium term under a reasonably conservative traffic and revenue growth case scenario, which includes the anticipated issuance of roughly \$2.7 billion in additional senior lien parity debt through 2030. Approximately \$2.4 billion of this amount, will be used to fund the authority's \$4.2 billion 5-year work plan. The majority of the work plan (70%) will be for system expansion projects, which are expected to be revenue additive to the system.

While we expect CFX's financial metrics to decline from current robust levels, metrics will remain strong given the continued traffic and revenue growth and the authority's proactive management in the implementation of its large work plan to deal with increasing demand.

RATING OUTLOOK

The stable outlook reflects our expectation that traffic and revenue will continue to grow given the expansion of the service area economy and the implementation of toll rate increases. It also incorporates our expectation that CFX will continue to implement its large work plan to deal with this increased demand in a prudent manner in order to still keep strong metrics.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- Total DSCR levels, inclusive of both senior and junior lien debt service, above 3.0x on a sustained basis
- Adjusted debt to operating revenue ratio below 4.0x, while maintaining at least 730 days cash on hand

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Traffic and revenue growth consistently below projections
- Total DSCR levels, inclusive of both senior and junior lien debt service, below 2.0x on a sustained basis
- Greater capital needs that result in significantly higher than CFX's expected increase in leverage or decline in liquidity

PROFILE

The authority was established in 1963 and operates and maintains an integrated system of seven expressway toll roads spanning 125 miles of roadway in and around the City of Orlando. The CFX system also connects with the two other limited access roadways in the area, the I-4 and Florida's Turnpike.

CFX is an independent special district established by the Florida Legislature. On June 20, 2014, the governor of Florida signed the bill to create CFX, which assumed the governance and control of the former Orlando-Orange County Expressway Authority, including its assets, personnel, contracts, obligations, liabilities, facilities and tangible and intangible property. CFX is responsible for the construction, maintenance and operation of toll roads in Seminole, Lake, Osceola, Orange and Brevard Counties, and may also acquire, construct and equip rapid transit, trams and fixed guideways within the rights-of-way of the expressway system. The CFX board is made up of ten members, consisting of: one member each appointed by the respective chairs of the county commissions of Lake, Orange, Osceola, Seminole and Brevard Counties; three citizens appointed by the Governor; the Mayor of Orange County; and the Mayor of the City of Orlando. The Florida Turnpike Enterprise Executive Director serves as a non-voting advisor.

METHODOLOGY

The principal methodology used in these ratings was Publicly Managed Toll Roads and Parking Facilities published in May 2023 and available at <https://ratings.moody.com/rmc-documents/403120>. Alternatively, please see the Rating Methodologies page on <https://ratings.moody.com> for a copy of this methodology.

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