FitchRatings

RATING ACTION COMMENTARY

Fitch Upgrades Central FL Expressway Sr Revs to 'AA-' and TIFIA Loan to 'A+', Outlook Stable

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Fitch Ratings - Chicago - 24 Jul 2026: Fitch Ratings has upgraded Central Florida Expressway Authority's (CFX; former Orlando-Orange County Expressway Authority) approximately $2.5 billion senior revenue bonds to 'AA-' from 'A+' and approximately $203 million subordinated federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan to 'A+' from 'A'. The Rating Outlook is Stable.

CFX's sustained traffic and revenue growth underpins the rating upgrade. Fitch's improved rating case financial metrics are consistent with the 'AA' category, despite conservative debt issuance assumptions associated with the capital plan.

The ratings reflect the essentiality of the CFX system to commuters and visitors in the Orlando area, coupled with a demonstrated willingness and ability to implement toll increases even during challenging economic times. The upcoming capital plan, while sizable and requiring additional borrowing, is manageable at the current rating level and will serve to enhance the essentiality of the system.

KEY RATING DRIVERS

Revenue Risk - Volume - High Stronger

Established Road Network in Robust Service Area: CFX's roadway system operates in a strong reference market and serves as a critical component to the Orlando area transportation network, supporting a largely commuter traffic base. Fitch views current toll rates as moderate and considers CFX to have reasonable ratemaking flexibility.

Revenue Risk - Price - Stronger

Proven Ability to Manage Tolls: CFX has demonstrated its ability to successfully implement toll increases through recessions. The existing toll policy increases tolls annually by the greater of CPI or 1.5%. In addition, Fitch notes that CFX has demonstrated prudent toll policies during periods of stress. CFX has unlimited legal rate-making authority and can increase rates as needed.

Infrastructure Dev. & Renewal - Midrange

Large, Debt Funded Capital Plan: CFX's substantially debt-funded capital program is increasing in size, with a significant portion of the plan dedicated to expansion projects. The five-year capital program is substantially debt funded, including remaining proceeds of outstanding debt and planned new issuances over the forecast period, with most capital spending currently expected toward the end of the plan period.

While a majority of the capital plan is for demand-based expansion projects and retains flexibility to be postponed in a weaker financial environment, the overall size of the capital plan limits the assessment at this time. Following completion of the expansion projects, and absent another large capital plan, the assessment could improve to 'Stronger'.

Debt Structure - 1 - Stronger; Debt Structure - 2 - Midrange

Conservative Debt Structure: CFX's senior debt is entirely fixed rate and fully amortizing. The debt service reserve requirements are met with cash and a surety backing. The fixed-rate, fully amortizing TIFIA loan does not feature a springing lien mechanism, ensuring that it remains fully subordinated to senior debt in all circumstances.

PEER ANALYSIS

Comparable peers include other large expressway systems such as Greater Miami Expressway Agency (GMX; A-/Stable) and Illinois State Toll Highway Authority (ISTHA; AA-/Stable). Both GMX and CFX serve large, growing service areas in Florida, and have experienced significant expansion over recent years. Greater rate-making flexibility and higher coverage levels contribute to CFX's higher rating than GMX. Compared with CFX, ISTHA has similar coverages and slightly lower leverage in the Fitch rating case.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

-- A decline in operating performance and/or additional borrowing resulting in rating case DSCRs consistently at or below 1.9x for the senior lien and 1.7x on an all-in basis. This compares with the current rating case 10-year average DSCR of 2.2x for senior and total.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

-- Continued solid traffic and revenue performance resulting in sustained senior rating case DSCR consistently at or above 2.5x. Positive rating action on the subordinated TIFIA loan is contingent on positive rating action on the senior revenue bonds, along with total rating case DSCR consistently at or above 2.0x.

FINANCIAL PROFILE

Financial metrics are very strong for the rating level with DSCR over 2x for senior and subordinate debt in fiscal 2025 (ending June), exceeding Fitch's base case expectations. Net debt/cash flow available for debt service (CFADS) in fiscal 2025 remained consistent mainly due to new issuances offset by the amortization of existing debt. CFX's substantial liquidity of over 1,000 days cash on hand as of fiscal 2025 provides additional cushion to accommodate potential demand volatility.

SECURITY

The senior bonds are secured by a senior lien pledge of, and lien on, CFX system revenues net of operations, maintenance and administrative expenses. The TIFIA loans are secured by a second lien pledge of, and lien on, CFX system revenue net of operations, maintenance and administrative expenses.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

CLIMATE VULNERABILITY SIGNALS

The results of our Climate.VS screener did not indicate an elevated risk for Central Florida Expressway Authority (FL).

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

RATING ACTIONS

ENTITY / DEBT	RATING TYPE	RATING	RATING ACTION	PRIOR
Central Florida Expressway Authority (FL)				
Central Florida Expressway Authority (FL) /Toll Revenues - First Lien/1 LT	LT	AA- Rating Outlook Stable	Upgrade	A+ Rating Outlook Positive
Central Florida Expressway Authority (FL) /Toll Revenues - Second Lien/2 LT	LT	A+ Rating Outlook Stable	Upgrade	A Rating Outlook Positive

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

Transportation Infrastructure Rating Criteria (pub. 07 Jan 2025) (including rating assumption sensitivity)

Infrastructure & Project Finance Rating Criteria (pub. 14 Nov 2025) (including rating assumption sensitivity)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

GIG AST Model, v1.4.2 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

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Central Florida Expressway Authority (FL)	EU Endorsed, UK Endorsed

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