



Port of Houston Authority of Harris County Texas Debt Information As of December 31, 2019

Port of Houston Authority of Harris County, Texas (“Port Houston” or the “Authority”) is pleased to provide the following information as part of its commitment to financial transparency.

Not for Investment Purposes

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Investors in Port Houston securities should rely on their own evaluation of Port Houston and its debt securities, including the merits and risks involved.

Ad Valorem Tax Bonds

At December 31, 2019, the Authority had total debt outstanding of \$623.2 million (net of premiums/discounts), consisting of Unlimited Tax Port Improvement Bonds and Unlimited Tax Refunding Bonds (collectively, the “Ad Valorem Tax Bonds”).

Debt service on the Ad Valorem Tax Bonds is funded entirely from ad valorem taxes approved by Harris County voters at duly held bond elections, plus any interest earnings on such debt service tax funds. Property taxes are levied annually by the Harris County Commissioners Court on behalf of Port Houston and collected by the Harris County Tax Assessor-Collector. Port Houston has no obligation to use any of its operating revenues or general funds to repay any of the Ad Valorem Tax Bonds.

The proceeds of Ad Valorem Tax Bonds have been used solely to fund the Authority’s infrastructure investments and capital projects, as well as to refund prior bond issuances. During 2019, the Authority issued no new tax-supported debt, and made total debt service payments of \$50.3 million on the Ad Valorem Tax Bonds.

Credit Ratings

A summary of Port Houston’s credit ratings relating to its Ad Valorem Tax Bonds is provided in the table below:

<u>Moody's</u>	<u>S & P</u>	<u>Fitch</u>
Aaa	AAA	AA

Copies of the credit reports are available on the Authority’s website (<http://porthouston.com>).

Note Purchase Program

On December 4, 2018, Port Houston executed a new five-year, \$100 million note purchase program (the “Senior Lien Variable Rate Revolving Note Program”) with Regions Commercial Equipment Finance, LLC (as taxable note lender) and Regions Capital Advantage, Inc. (as tax-exempt note lender) to provide additional liquidity for business opportunities, emergencies that may arise, or other unforeseen events. Drawings are secured from Port Houston’s net revenues, and not from ad valorem taxes. No borrowings under the Senior Lien Variable Rate Revolving Note Program have occurred to date.

For More Information

Contact the Authority’s Treasury Department at 713-670-2405 or Treasury@porthouston.com. General questions may also be directed to Questions@porthouston.com.

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