

## **Conrac Solutions Closes on Financing for Consolidated Rent-A-Car Facility at Newark Liberty International Airport**

### **\$500m Transaction Represents Innovative New Model of Private Financing for ConRAC Facilities and was Achieved in Partnership with Related Fund Management and Fengate Asset Management**

NEWARK, NJ – May 8, 2019 – Conrac Solutions today announced the innovative, successful private financing of the new Consolidated Rent-A-Car (ConRAC) facility planned for Newark Liberty International Airport (EWR). The recent approval by the Port Authority of New York & New Jersey brings the airport one step closer to realizing a world-class facility that brings all rent-a-car companies at Newark under one roof – at a convenient location – as part of the Terminal One Redevelopment Program.

Financing of the \$500 million project was arranged by Conrac Solutions Capital with equity provided and critical strategic implementation by Related Fund Management and Fengate Asset Management. A consortium of banks led by MUFG and CIBC is providing the debt financing for the project. The deal includes a fixed-price, date-certain and fully-bonded Design Build contract for construction with a joint venture of Austin Commercial, Inc. and VRH Construction Corporation. The project structure includes all design, construction, financing, operations, maintenance and lifecycle management throughout construction and the 35-year lease period. Key advisors to Conrac Solutions on this transaction include Goldman Sachs as financial advisor and Allen & Overy LLP as legal counsel.

The financing structure utilized is both unique and an anticipated model for ConRACs at airports throughout the nation with the financing supplied by equity partners and then repaid solely out of proceeds received from the Customer Facility Charge (“CFC”) applied to rental car transactions.

“Unlike similar projects at other major U.S. airports, that can put airports at risk for availability payments, this financial structure was made possible by CS Capital and its equity partners, Related and Fengate, with sponsorship from the rent-a-car industry, and the foresight of the Port Authority to embrace an innovative approach,” stated Mark Pfeffer, Chairman and CEO of Conrac Solutions.

“The Port Authority has a renewed customer-centric focus that not only improves the travel experience, but provides customers with services and amenities that complement our mission to build world-class facilities,” said Port Authority Chairman Kevin O’Toole. “The ConRAC facility is a perfect complement to the new Terminal One which will serve travelers as a gateway to New Jersey and the region.”

Related Infrastructure, a subsidiary of Related Fund Management, invests in companies that develop, operate and service transportation infrastructure across the country. Andrew Right, Managing Partner of Related Infrastructure said, “Conrac Solutions is a market leader in ConRAC facilities and we are pleased to partner with them and the PANYNJ on a creative private capital solution that will help realize a holistic one-stop solution for rent-a-car operations for the millions of passengers who pass through EWR each year, and is anticipated to become a national model for private-sector investment in these facilities.”

Fengate develops and invests in infrastructure projects across North America that require design, construction, financing, operations, maintenance and lifecycle management throughout a construction and operations period. “We are pleased to be involved in this landmark transaction and applaud the Port Authority of New York & New Jersey for recognizing the merits of partnering with private capital,” said Mac Bell, Director and Head of P3 Investments, Fengate.

Groundbreaking for the project is anticipated in May 2019, with completion of the public parking area in 2021 and the ConRAC in 2023.

Newark Liberty International Airport's new 2.7 million square foot ConRAC will be constructed on a 16.65-acre site, with 2,925 public parking spaces and 3,380 rental car spaces to support 10 rent-a-car brands. It incorporates retail operations with customer wayfinding and traffic circulation, provides vehicle fleet storage and enhanced security, and includes shared components such as 15 car washes and 54 fueling positions along with vacuum systems, waste management and service bays.

The project employs several sustainability initiatives including a solar roof, electric vehicle charging stations, LED efficient lighting, and water reclamation and air quality systems.

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#### **About Conrac Solutions:**

Headquartered in Renton, WA, the Conrac Solutions family of companies are the only entity in the United States to have privately developed, on-airport, consolidated rent-a-car facilities (ConRACs). The company is a developer, financial sponsor, and operator of ConRACs with experience in predevelopment and feasibility, financing strategies, design and construction, activation, operations, asset management and capital project management. Its leadership team has 80 years combined experience delivering privately developed, on-airport, ConRACs. Over the past decade, Conrac Solutions has worked closely with the rent-a-car agencies to find ways to more efficiently and effectively deliver, operate and maintain ConRACs. Completed projects include Ted Stevens Anchorage Intl. Airport, Austin-Bergstrom International Airport, and Bismarck Airport. ConRACs currently under contract for planning/delivery include Bradley International Airport (Hartford, CT) and Newark Liberty International Airport. For more information go to: <https://www.conracolutions.com>

#### **About Related Fund Management:**

Related Fund Management is the investment management arm of global real estate firm Related Companies, and is staffed by a seasoned team of over 40 professionals. Since inception, Related Fund Management has raised over \$5 billion of capital across a variety of different investment vehicles and strategies. The platform is primarily focused on opportunistic real estate investments; the origination and acquisition of debt; multifamily housing opportunities; and investments in infrastructure-related development, management and services. Capitalizing on decades of experience as a developer, investor and operator and our deep expertise in public-private partnerships, Related Infrastructure invests in, and grows, infrastructure-related businesses and initiatives. Targeted investment opportunities include platforms that develop, service and manage transportation-related assets and municipal assets as well as companies providing infrastructure-related businesses, services and technologies. For more information on Related, please visit [www.Related.com](http://www.Related.com).

**About Fengate Asset Management:**

Fengate is a leading alternative investment manager focused on infrastructure, private equity and real estate strategies. With offices in Toronto, Houston, New York, Vancouver and Oakville, Fengate is one of the most active real asset investors in North America and the firm has been investing in infrastructure across North America since 2006. We have worked hard to earn our reputation as a proven investor and trusted partner, and to establish strong market relationships. Learn more at [www.fengate.com](http://www.fengate.com)