DAC Bond®

NEW ISSUE **RATINGS**
(Book-Entry Only) **See "MISCELLANEOUS - Ratings" herein**

In the opinion of Co-Bond Counsel, under existing law, (a) interest on the Series 2006B Bonds is excluded from gross income for federal income tax purposes, (b) interest on the Series 2006B Bonds is not a specific "item of tax preference" for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (c) interest on the Series 2006B Bonds is exempt from State of Georgia income taxation, subject to the conditions and limitations described herein. Interest on the Series 2006A Bonds is not excluded from gross income for federal income tax purposes and the Series 2006A Bonds may not be exempt from Georgia income taxation. See ***"LEGAL MATTERS – Tax Consequences of the Series 2006B Bonds"*** *and* ***"– Selected Tax Consequences of the Series 2006A Bonds"*** *herein .for a discussion of exceptions and qualifications to the foregoing.*

$211,880,000
CITY OF COLLEGE PARK (GEORGIA) TAXABLE REVENUE BONDS
(HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT CONSOLIDATED RENTAL CAR FACILITY PROJECT), SERIES 2006A

$21,980,000
CITY OF COLLEGE PARK (GEORGIA) REVENUE BONDS
(HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT AUTOMATED PEOPLE MOVER SYSTEM MAINTENANCE FACILITY PROJECT), SERIES 2006B

Dated: Date of Delivery **Due: January 1, as set forth herein**

The Taxable Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A (the "Series 2006A Bonds") are being issued by the City of College Park (the "Issuer") for the purpose of funding the costs of acquiring, constructing, and installing a Consolidated Rental Agency Complex (the "RAC Complex") as part of a Consolidated Rental Car Facility (the "CONRAC") in order to serve the Hartsfield-Jackson Atlanta International Airport (the "Airport"). The Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Series 2006A/B Bonds") are being issued for the purpose of funding the costs of acquiring, constructing, and installing the maintenance and storage component of the Automated People Mover System (the "APM") which will provide transportation between the RAC Complex and the Airport terminals (the maintenance and storage facility is referred to as the "APM Maintenance Project"). See **"PLAN OF FINANCING"** herein.

Interest on the Series 2006A/B Bonds is payable semiannually on January 1 and July 1 of each year, commencing on January 1, 2007. The Series 2006A/B Bonds will mature on the dates and in the amounts and bear interest at the rates set forth on the inside cover page hereof. All Series 2006A/B Bonds bear interest from their date of delivery which is expected to be on June 21, 2006. See **"INTRODUCTION – Description of the Series 2006A/B Bonds"** herein.

The Series 2006A/B Bonds are subject to optional and mandatory redemption prior to maturity as described herein. See **"THE SERIES 2006A/B BONDS – Redemption"** herein.

The Series 2006A/B Bonds are special limited obligations of the Issuer payable solely from installment payments to be made by the City of Atlanta, Georgia (the "Purchaser") to the Issuer pursuant to the terms of an Installment Purchase Agreement dated as of June 1, 2006 (the "Agreement") between the Issuer and the Purchaser. The Agreement obligates the Purchaser to make installment payments to the Issuer sufficient in time and amount to enable the Issuer to pay the principal of, premium, if any, and interest on the Series 2006A/B Bonds. The Purchaser has adopted an Ordinance imposing a customer facility charge (the "CFC") effective October 1, 2005. Under the terms of the Ordinance (as defined herein), the revenues derived from the CFC (the "CFC Revenues") have been designated by the Purchaser as Released Revenues and have been pledged to secure the payment of amounts due under the Agreement. The obligations of the Purchaser under the Agreement are secured by a senior lien on the CFC Revenues. The pledge of revenues securing the Agreement is subordinate in priority of payment to the pledge of revenues securing certain other outstanding bonds, all as more fully described herein. See **"SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2006A/B BONDS"** herein.

The Series 2006A/B Bonds will be issued as fully registered bonds and initially will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2006A/B Bonds and individual purchases of the Series 2006A/B Bonds will be made in book-entry form only. For so long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2006A/B Bonds, (i) payments of the principal and purchase price of and premium, if any, and interest on the Series 2006A/B Bonds will be made directly to Cede & Co. for payment to its participants for subsequent disbursement to the beneficial owners, and (ii) all notices, including any notice of redemption, shall be mailed only to Cede & Co. See **"THE SERIES 2006A/B BONDS – Book-Entry Only System"** herein.

NEITHER THE AGREEMENT NOR THE SERIES 2006A/B BONDS CONSTITUTES A DEBT, LIABILITY, GENERAL OR MORAL OBLIGATION OF THE ISSUER OR THE PURCHASER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION, OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE ISSUER OR THE PURCHASER. NO GOVERNMENTAL AGENCY, INCLUDING THE ISSUER AND THE PURCHASER, IS OBLIGATED TO LEVY ANY TAX FOR THE PAYMENT OF AMOUNTS DUE UNDER THE AGREEMENT OR THE SERIES 2006A/B BONDS.

Payment of the principal of and interest on the Series 2006A/B Bonds when due will be insured by a financial guaranty insurance policy to be issued by Financial Guaranty Insurance Company simultaneously with the delivery of the Series 2006A/B Bonds.

FGIC

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

The Series 2006A/B Bonds are offered when, as, and if issued by the Issuer and accepted by the Underwriters, subject to prior sale and to withdrawal or modification of the offer without notice, and are subject to the approving opinion of Kilpatrick Stockton LLP and Howell & Associates, LLC, both of Atlanta, Georgia, Co-Bond Counsel. Certain legal matters will be passed on for the Issuer by its counsel, Fincher, Denmark & Williams, LLC, Morrow, Georgia, for the Purchaser by its special co-counsel, Sutherland Asbill & Brennan LLP and Thomas, Kennedy, Sampson & Patterson, both of Atlanta, Georgia, and for the Underwriters by their co-counsel, McGuireWoods LLP and The Neighbors Firm, LLC, both of Atlanta, Georgia. The Series 2006A/B Bonds are expected to be available for delivery in the United States through The Depository Trust Company book-entry system and the Series 2006A Bonds are expected to be available for delivery in Europe through the Euroclear System and Clearstream on or about June 21, 2006.

GOLDMAN, SACHS & CO. **MORGAN KEEGAN & COMPANY, INC.** **DOLEY SECURITIES, LLC**
KNOX WALL DIVISION

JACKSON SECURITIES

Dated June 8, 2006

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, AND YIELDS

$211,880,000 SERIES 2006A BONDS

$2,160,000 6.087% Series 2006A Uninsured Maturity due January 1, 2007 to Yield 6.087% CUSIP 194315AA5

$47,720,000 Series 2006A Serial Bonds

Maturity (Jan. 1)	Principal Amount	Interest Rate	Yield	CUSIP	Maturity (Jan. 1)	Principal Amount	Interest Rate	Yield	CUSIP
2008	$4,220,000	5.497%	5.497%	194315AB3	2013	$5,540,000	5.688%	5.688%	194315AG2
2009	4,455,000	5.557	5.557	194315AC1	2014	5,855,000	5.728	5.728	194315AH0
2010	4,700,000	5.581	5.581	194315AD9	2015	6,190,000	5.758	5.758	194315AJ6
2011	4,965,000	5.631	5.631	194315AE7	2016	6,550,000	5.788	5.788	194315AK3
2012	5,245,000	5.658	5.658	194315AF4					

$40,000,000 5.868% Series 2006A Term Bonds due January 1, 2021 to Yield 5.868% CUSIP 194315AL1
$122,000,000 5.965% Series 2006A Term Bonds due January 1, 2031 to Yield 5.965% CUSIP 194315AM9 ISIN US194315AM96

$21,980,000 SERIES 2006B BONDS

$10,295,000 Series 2006B Serial Bonds

Maturity (Jan. 1)	Principal Amount	Interest Rate	Yield	CUSIP	Maturity (Jan. 1)	Principal Amount	Interest Rate	Yield	CUSIP
2007	$280,000	4.000%	3.630%	194315AN7	2015	$720,000	4.000%	4.100%	194315AW7
2008	545,000	4.000	3.700	194315AP2	2016	750,000	4.000	4.140	194315AX5
2009	565,000	4.250	3.730	194315AQ0	2017	780,000	4.000	4.210	194315AY3
2010	590,000	4.250	3.760	194315AR8	2018	810,000	4.125	4.270	194315AZ0
2011	615,000	4.250	3.800	194315AS6	2019	845,000	4.125	4.330	194315BA4
2012	640,000	4.250	3.870	194315AT4	2020	880,000	4.250	4.390	194315BB2
2013	665,000	4.000	3.940	194315AU1	2021	915,000	4.250	4.430	194315BC0
2014	695,000	4.000	4.030	194315AV9					

$5,210,000 4.375% Series 2006B Term Bonds due January 1, 2026 to Yield 4.600% CUSIP 194315BD8
$6,475,000 4.500% Series 2006B Term Bonds due January 1, 2031 to Yield 4.690% CUSIP 194315BE6

CITY COUNCIL OF
CITY OF COLLEGE PARK

Jack P. Longino
Mayor

Russell L. Slider
Ward 1

Joe Carn
Ward 2

Tracey Wyatt
Ward 3

Charles E. Phillips
Ward 4

PARTICIPANTS IN FINANCING

CITY OF COLLEGE PARK
Issuer

CITY OF ATLANTA
Purchaser

GOLDMAN, SACHS & CO.
Underwriters' Representative

SPECIAL SERVICES

PUBLIC RESOURCES ADVISORY GROUP
Financial Advisor

DOBBS, RAM & COMPANY
Financial Advisor

UNISON-MAXIMUS, INC.
Financial Feasibility Consultant

LEIGH FISHER ASSOCIATES
Airport Consultant

IN CONNECTION WITH THIS OFFERING THE UNDERWRITERS MAY OVERALLOT OR OTHERWISE EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SOME OR ALL OF THE SERIES 2006A/B BONDS OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2006A/B BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY. THE SERIES 2006A/B BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. PURSUANT TO THE PROVISIONS CONTAINED IN RULE 15c2–12 OF THE SECURITIES AND EXCHANGE COMMISSION, THE ISSUER AND THE PURCHASER HAVE DEEMED FINAL THE PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE OFFER AND SALE OF THE SERIES 2006A/B BONDS.

No dealer, broker, account executive or other person has been authorized by the Issuer, the Purchaser or the Underwriters to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2006A/B Bonds and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2006A/B Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Purchaser, the Airport or the Bond Insurer or in the information or opinions set forth herein, since the date hereof. The information set forth herein has been obtained from the Issuer, the Purchaser, the Airport, the Bond Insurer and other sources which are believed to be reliable. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

**Cautionary Statements Regarding
Forward-Looking Statements in
This Official Statement**

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "expects," "forecasts," "projects," "intends," "anticipates," "estimates," or similar words. Such forward-looking statements include, among others, the information in **"APPENDIX A: REPORT OF THE AIRPORT CONSULTANT"** and **"APPENDIX B: FINANCIAL FEASIBILITY REPORT"** in this Official Statement.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE 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. NEITHER THE ISSUER NOR THE PURCHASER PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN CHANGES TO ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED, OCCUR.

TABLE OF CONTENTS

OFFICIAL STATEMENT

of the

CITY OF COLLEGE PARK

relating to its

$211,880,000 TAXABLE REVENUE BONDS (HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT CONSOLIDATED RENTAL CAR FACILITY PROJECT), SERIES 2006A and

$21,980,000 REVENUE BONDS (HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT AUTOMATED PEOPLE MOVER SYSTEM MAINTENANCE FACILITY PROJECT), SERIES 2006B

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish certain information in connection with the sale by the City of College Park of $211,880,000 in aggregate principal amount of its Taxable Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A (the "Series 2006A Bonds") and $21,980,000 in aggregate principal amount of its Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Series 2006A/B Bonds"). Certain information is also being furnished concerning the City of Atlanta, Georgia (the "Purchaser"), the Purchaser's Hartsfield-Jackson Atlanta International Airport (the "Airport") and the Installment Purchase Agreement dated as of June 1, 2006 (the "Agreement") between the Purchaser and the Issuer. On October 1, 2005, the Purchaser imposed a customer facility charge (the "CFC") at the initial rate of $4.00 per rental car transaction day in accordance with the terms of an ordinance adopted by the Purchaser on September 19, 2005. The Purchaser has designated the revenues from the CFC (the "CFC Revenues") as Released Revenues under its Master Bond Ordinance. Amounts due under the Agreement are payable from and secured by a Senior Lien on the CFC Revenues and therefore the Agreement constitutes a Senior Lien Bond under the Purchaser's Master Bond Ordinance. Definitions of certain terms used in this Official Statement and not otherwise defined herein are set forth in Appendices C and D to this Official Statement under the heading **"DEFINITIONS."**

This Introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices hereto, and the documents, ordinances and other legislation summarized or described herein. Potential investors should fully review the entire Official Statement. The offering of the Series 2006A/B Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices hereto. No person is authorized to detach this Introduction from the Official Statement or to otherwise use it without the entire Official Statement, including the Appendices hereto.

The Issuer

The City of College Park (the "Issuer"), the issuer of the Series 2006A/B Bonds, is a municipal corporation of the State of Georgia created by an Act of the General Assembly of the State of Georgia on December 16, 1895. The Issuer is located in Fulton and Clayton Counties in the northwestern portion of the State of Georgia approximately 9 miles south of the City of Atlanta. For more complete information, see **"THE ISSUER"** herein.

The Purchaser

The Purchaser was originally chartered in 1843 as the "Town of Marthasville," and its name was changed to the "City of Atlanta" on December 29, 1847. The Purchaser is the seat of government for the State of Georgia and Fulton County.

The Airport

General. The Airport is operated as an enterprise of the Purchaser and is the principal air carrier airport in Georgia and the southeastern United States. Since 1999, the Airport has been, and continues to be, recognized by the Airports Council International as the world's busiest airport in terms of volume of passenger traffic. For more complete information, see **"THE AIRPORT"** herein.

Challenges faced by the Airline Industry. The Airport, like all major airports in the United States, has been adversely affected by the terrorist attacks that occurred on September 11, 2001, and their subsequent negative effects on the air transport industry. Additional factors that are expected to affect future commercial aviation activity at the Airport are local, regional, national and international economic and political conditions; the expansion and contraction of airline schedules of service and route networks; the availability and price of aviation fuel; airline economics (including labor relations); airline bankruptcies; and airline industry consolidation and other competitive factors such as airfares. A more detailed discussion of the challenges faced by commercial aviation and other factors affecting future aviation activity and enplaned passenger traffic at the Airport is found throughout this Official Statement. See particularly **"CERTAIN INVESTMENT CONSIDERATIONS AND BONDHOLDERS' RISKS"** herein.

Delta. As of July 2005, Delta Air Lines, Inc. ("Delta"), its wholly-owned subsidiary Comair ("Comair") and Atlantic Southeast Airlines, a division of Sky West, Inc. ("ASA") together accounted for 76.5 percent of all enplaned passengers at the Airport. Comair, ASA, and certain other regional airlines operate at the Airport as "Delta Connection." International traffic consisted largely of routes to and from Europe, Latin America, the Caribbean and Canada. Delta's largest aircraft maintenance base, various computer, cargo, flight kitchen and training facilities and its headquarters offices are located at or near the Airport on land leased under long-term leases. The Airport is by far Delta's most important hub. As of April 2006, 927 scheduled daily departures were operated from Atlanta by Delta and Delta Connection providing 106,615 average daily seats.

Delta has suffered losses totaling in excess of $12 billion since the beginning of its 2001 fiscal year. For the year ended December 31, 2005, Delta reported a net loss of $3.8 billion, compared with a net loss of $5.2 billion for the year ended December 31, 2004; a net loss of $773 million for the year ended December 31, 2003; a net loss of $1.3 billion for the year ended December 31, 2002; and a net loss of $1.2 billion for the year ended December 31, 2001, according to information obtained from Delta's filings with the SEC.

Delta and its subsidiaries filed to reorganize under Chapter 11 on September 14, 2005, in the U.S. Bankruptcy Court for the Southern District of New York (case number 05-17923-PCB). Delta's stock was suspended from trade by the New York Stock Exchange (NYSE) on October 13, 2005 and an application was submitted to the Securities and Exchange Commission (the "SEC") to delist the stock. The SEC approved the delisting effective November 30, 2005.

Additional financial information regarding Delta may be obtained from reports filed by Delta with certain federal agencies and from other publicly available sources. Certain Delta financial information, including its most recent 10-Q report, can be obtained through its filings with the SEC which may be accessed on the SEC Internet site (http:/www.sec.gov). For more complete information see **"CERTAIN INVESTEMENT CONSIDERATIONS AND BONDHOLDERS' RISKS – Airline Industry and Airport Factors – *Delta*"** herein.

Purpose of the Series 2006A/B Bonds

The proceeds of the Series 2006A Bonds will be used to fund the costs of acquiring, constructing, and installing a Consolidated Rental Agency Complex (the "RAC Complex") as part of a Consolidated Rental Car Facility (the "CONRAC") in order to serve the Hartsfield-Jackson Atlanta International Airport (the "Airport") pursuant to the terms of an Installment Purchase Agreement (the "Agreement") dated as of June 1, 2006. The proceeds of the Series 2006B Bonds are being issued by the City of College Park (the "Issuer") for the purpose of funding the costs of acquiring, constructing, and installing the maintenance and storage component of the Automated People Mover System (the "APM"). The APM will provide transportation between the RAC Complex and the terminals of the Airport (the maintenance and storage facility is referred to as the "APM Maintenance Project"). The CONRAC comprises the RAC Complex, the APM and roadway access to the RAC Complex. The proceeds of the Series 2006A/B Bonds will also be applied to the payment of the costs of issuing the Series 2006A/B Bonds and providing a Debt Service Reserve Fund therefor. The Purchaser has agreed to make installment payments to purchase the 2006A/B Project pursuant to the terms of the Agreement. For more complete information, see **"PLAN OF FINANCING"** herein.

Security and Sources of Payment for the Series 2006A/B Bonds

The Series 2006A/B Bonds are all issued under and are equally and ratably secured and entitled to the protection of a Master Bond Resolution adopted by the Issuer on April 3, 2006 (which, as the same may be amended and supplemented from time to time is herein referred to as the "Resolution"). Pursuant to the Resolution, as security for the payment of the principal of, redemption premium, if any, and interest on the Series 2006A/B Bonds, the Issuer collaterally assigned its right, title, and interest in and to the Agreement (except for certain Unassigned Rights) for the benefit of the owners of the Series 2006A/B Bonds and pledged the Pledged Revenues to the payment of the principal of, redemption premium, if any, and interest on the Series 2006A/B Bonds. Pledged Revenues are payments of the Purchase Price to be made under the Agreement. The Resolution provides that the Issuer may issue Additional Bonds (as defined in the Resolution) from time to time under certain terms and conditions contained in the Resolution, and if issued, such Additional Bonds will rank on a parity with the Series 2006A/B Bonds. The Series 2006A/B Bonds and any Additional Bonds are collectively referred to as the "Bonds" in this Official Statement.

The Series 2006A/B Bonds are special limited obligations of the Issuer payable solely from and secured by the Pledged Revenues. Pursuant to the terms of a Ground Lease Agreement dated as of June 1, 2006 (the "Ground Lease"), between the Purchaser, as lessor, and the Issuer, as lessee, the Issuer will lease certain real estate and interests in real estate from the Purchaser and will apply the proceeds of the Series 2006A/B Bonds for the purpose of acquiring, constructing, and installing the RAC Complex and the APM Maintenance Project (collectively the "2006A/B Project"). The Issuer will sell the 2006A/B Project to the Purchaser pursuant to the Agreement, under the terms of which the Purchaser agrees to pay the Purchase Price to the Issuer in installment payments in amounts sufficient to enable the Issuer to pay the principal of, premium, if any, and interest on the Series 2006A/B Bonds when due.

The Purchaser has heretofore issued multiple series of its revenue bonds to finance and refinance costs of the Airport pursuant to an Amended and Restated Master Bond Ordinance adopted on March 20, 2000, as supplemented from time to time (collectively the "Bond Ordinance"). The Agreement will be treated as a Released Revenue Bond (as defined in the Bond Ordinance) issued under the Bond Ordinance, and secured thereunder by a Senior Lien (as defined in the Bond Ordinance) on CFC Revenues. The Purchaser's obligations under the Agreement will be limited obligations payable solely from such CFC Revenues. The Agreement is not secured by the General Revenues, PFC Revenues or any revenues of the Airport other than CFC revenues. Additionally, payments under the Agreement will be subordinate in right of payment to the Purchaser's 1977 Ordinance Bonds (hereinafter described). See **"SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2006A/B BONDS – The Agreement and The Bond Ordinance"** herein.

Simultaneously with the issuance of the Series 2006A/B Bonds, Financial Guaranty Insurance Company (the "Bond Insurer") will issue an insurance policy (the "Bond Insurance Policy") to insure payment of principal of and interest on the Series 2006A/B Bonds, when due. The Bond Insurance Policy will extend for the term of the Series 2006A/B Bonds and cannot be cancelled.

For more complete and detailed information, see **"SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2006A/B BONDS"** and **"BOND INSURANCE"** herein.

Description of the Series 2006A/B Bonds

Redemption. The Series 2006A/B Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity. The Series 2006A Bonds are subject to optional redemption at any time at the prices and on the terms described in this Official Statement, in the event of optional prepayment of the installment payments of Purchase Price payable under the Agreement by the Purchaser. The Series 2006B Bonds maturing on or after January 1, 2017 are subject to optional redemption, not earlier than January 1, 2016, at the prices and on the terms described in this Official Statement, in the event of optional prepayment of the installment payments of Purchase Price payable under the Agreement by the Purchaser. The Series 2006A Bonds maturing on January 1, 2021 and 2031 are subject to mandatory sinking fund redemption by the Issuer on the dates and in the amounts herein described. The Series 2006B Bonds maturing on January 1, 2026 and 2031 are subject to mandatory sinking fund redemption by the Issuer on the dates and in the amounts herein described. For more complete information, see **"THE SERIES 2006A/B BONDS – Redemption"** herein.

Denominations. The Series 2006A/B Bonds are issuable in denominations of $5,000 or any integral multiple thereof.

Book-Entry Bonds. Each of the Series 2006A/B Bonds will be issued as fully registered certificates in the denomination of one certificate per aggregate principal amount of the stated maturity thereof, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New

York, an automated depository for securities and clearing house for securities transactions, which will act as securities depository for the Series 2006A/B Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2006A/B Bonds purchased. Purchases of beneficial interests in the Series 2006A/B Bonds will be made in book-entry only form (without certificates), in authorized denominations, and, under certain circumstances as more fully described in this Official Statement, such beneficial interests are exchangeable for one or more fully registered certificates of like principal amount and maturity in authorized denominations. For more complete information, see **"THE SERIES 2006A/B BONDS – Book-Entry Only System"** herein.

Payments. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2006A/B Bonds, payments of the principal of, premium, if any, and interest on the Series 2006A/B Bonds will be made directly to Cede & Co., which will remit such payments to the DTC participants, which will in turn remit such payments to the beneficial owners of the Series 2006A/B Bonds.

For a more complete description of the Series 2006A/B Bonds, see **"THE SERIES 2006A/B BONDS"** herein.

Tax Matters

In the opinion of Co-Bond Counsel, under existing law, (a) interest on the Series 2006B Bonds is excluded from gross income for federal income tax purposes, (b) interest on the Series 2006B Bonds is not a specific "item of tax preference" for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (c) interest on the Series 2006B Bonds is exempt from State of Georgia income taxation, subject to the conditions and limitations described herein. See Appendix E hereto for the form of the opinion Co-Bond Counsel proposes to deliver in connection with the issuance of the Series 2006B Bonds. Interest on the Series 2006A Bonds will be includable in gross income for federal income tax purposes and, although not free from doubt, may be treated as not exempt from State of Georgia income taxation. Co-Bond Counsel will render no legal opinion regarding the tax consequences of owning the Series 2006A Bonds. For a more complete discussion of such opinion and certain other tax consequences of owning the Series 2006A/B Bonds, including certain exceptions to the exclusion of the interest on the Series 2006A/B Bonds from gross income, see **"LEGAL MATTERS – Tax Consequences of Series 2006B Bonds"** and **"— Selected Tax Consequences of Series 2006A Bonds"** herein.

Bond Registrar and Paying Agent

US Bank National Association, Atlanta, Georgia, will act as bond registrar and as paying agent for the Series 2006A/B Bonds.

Financial Feasibility Report

The Airport has retained Unison-Maximus, Inc. (the "Feasibility Consultant") to prepare a Financial Feasibility Report dated May 24, 2006 (the "Financial Feasibility Report") in connection with the issuance of the Series 2006A/B Bonds, which report is included herein as Appendix B. The Financial Feasibility Report describes the 2006A/B Project, discusses the rental car market, describes the economic base supporting the rental car market at the Airport, uses an econometric model to set forth trends and forecasts in the rental car demand at the Airport, describes various factors which could have an impact on the rental car demand at the Airport and discusses the financial framework for the 2006A/B Bonds, including preliminary projections of annual debt service requirements with respect to the 2006A/B Bonds, CFC Calculations, Administrative Costs calculations, projections of CFC Revenues pursuant to the Bond Ordinance, cash flow projections and rate covenant calculations. Portions of the Financial Feasibility Report rely upon projections contained in the Report of the Airport Consultant as described below.

The Financial Feasibility Report should be read in its entirety for an understanding of the forecast methodology, Transaction Day forecast assumptions and the basis for the financial analysis. As noted in the Financial Feasibility Report, any forecast is subject to uncertainties. Inevitably, some of the assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, the actual results achieved may vary from the forecasts and the variations may be material. See "FINANCIAL FEASIBILITY REPORT," "CERTAIN INVESTMENT CONSIDERATIONS AND BONDHOLDERS' RISKS" and "APPENDIX B: FINANCIAL FEASIBILITY REPORT."

The Financial Feasibility Report has been included herein in reliance upon the knowledge and experience of Unison Maximus, Inc., as Feasibility Consultants.

Report of the Airport Consultant

In preparing the Financial Feasibility Report, the Feasibility Consultant has relied upon certain projections contained in the Report of the Airport Consultant regarding enplaned passengers in its projections of CFC Revenues.

The Airport consultant, Leigh Fisher Associates (the "Airport Consultant"), has prepared its report dated May 24, 2006 (the "Report of the Airport Consultant") which report is included herein as Appendix A. The Report of the Airport Consultant provides information with respect to the Airport, historical and forecast aviation activity, the Capital Improvement Plan (as defined therein) and financial and other factors. The Report of the Airport Consultant also presents forecasts of enplaned passengers for the Airport through 2012.

The Report of the Airport Consultant should be read in its entirety for a discussion of the forecast financial results of the Airport and the assumptions and rationale underlying such forecasts. As noted in the Report of the Airport Consultant, any forecast is subject to uncertainties. Some of the assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances could occur. Therefore, there will be differences between the forecast and actual results, and those differences may be material. See "CERTAIN INVESTMENT CONSIDERATIONS AND BONDHOLDERS' RISKS" herein and "APPENDIX A: REPORT OF THE AIRPORT CONSULTANT."

The Report of the Airport Consultant has been included herein in reliance upon the knowledge and experience of Leigh Fisher Associates as Airport Consultants.

Professionals Involved in the Offering

Certain legal matters pertaining to the Issuer and its authorization and issuance of the Series 2006A/B Bonds are subject to the approving opinion of Kilpatrick Stockton LLP and Howell & Associates, LLC, both of Atlanta, Georgia, Co-Bond Counsel. Copies of such opinion will be available at the time of delivery of the Series 2006A/B Bonds, and a copy of the proposed form of such opinion is attached hereto as Appendix E. Certain legal matters will be passed on for the Issuer by its counsel, Fincher, Denmark & Williams, LLC, Morrow, Georgia, for the Purchaser by its special co-counsel, Sutherland Asbill & Brennan LLP and Thomas, Kennedy, Sampson & Patterson, both of Atlanta, Georgia, and for the Underwriters by their co-counsel, McGuireWoods LLP and The Neighbors Firm, LLC, both of Atlanta, Georgia.

Legal Authority

The Series 2006A/B Bonds are being issued in accordance with the Constitution of the State of Georgia and pursuant to the authority granted by the laws of the State of Georgia and under the provisions of the Resolution. For more complete information, see **"THE SERIES 2006A/B BONDS – Legal Authority"** herein.

Offering and Delivery of the Series 2006A/B Bonds

The Series 2006A/B Bonds are offered when, as, and if issued by the Issuer and accepted by the Underwriters, subject to prior sale and to withdrawal or modification of the offer without notice. The Series 2006A/B Bonds in definitive form are expected to be delivered to The Depository Trust Company in New York, New York on or about June 21, 2006.

Continuing Disclosure

The Issuer has determined that no financial or operating data concerning the Issuer is material to any decision to purchase, hold, or sell the Series 2006A/B Bonds, and the Issuer will not provide any such information. The Purchaser has undertaken all responsibilities for any continuing disclosure to beneficial owners of the Series 2006A/B Bonds as described below, and the Issuer will have no liability to the beneficial owners of the Series 2006A/B Bonds or any other person with respect to such disclosures.

In order to provide continuing disclosure with respect to the Series 2006A/B Bonds in accordance with Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "SEC") and as in effect on the date hereof, the Purchaser has entered into a Continuing Disclosure Agreement ("Disclosure Agreement") for the benefit of the Beneficial Owners of the Series 2006A/B Bonds with Digital Assurance Certification, L.L.C. ("DAC"), under which the Purchaser has designated DAC as disclosure dissemination agent. The Annual Report and notices of material events will be filed by DAC, on behalf of the Purchaser, with each Nationally Recognized Municipal Securities Information Repository. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized herein under the caption **"MISCELLANEOUS – Summary of Continuing Disclosure Agreement"**. These covenants have been made in order to assist the Underwriters of the Series 2006A/B Bonds in complying with the Rule.

In August of 2001, the Purchaser retained DAC to assist with continuing disclosure compliance matters. There have been several instances in the past in which the Purchaser has failed timely to comply in all material respects with undertakings entered into pursuant to the Rule. For details concerning compliance with the Rule see **"MISCELLANEOUS – Summary of Continuing Disclosure Agreement"** herein.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Issuer, the Purchaser, the Airport, the Bond Insurer, the Series 2006A/B Bonds, the 2006A/B Project, the Resolution, the Agreement, the Bond Ordinance, the Bond Insurance Policy, the Disclosure Agreement, and the security and sources of payment for the Series 2006A/B Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions and statutes, the Resolution, the Bond Insurance Policy, the Agreement, the Bond Ordinance, the Disclosure Agreement, and other documents are intended as summaries only and are qualified in their entirety by reference to such laws and documents, and references herein to the Series 2006A/B Bonds are qualified in their entirety to the forms thereof included in the Resolution. A specimen Bond Insurance Policy is included as Appendix F to this Official Statement. Copies of the Resolution, the Agreement and other documents and information are available, upon request and upon payment to the Issuer of a charge for copying, mailing, and handling, from William E. Johnson, III, City Manager, City of College Park, City Hall, 3667 Main Street, College Park, Georgia 30337, telephone (404) 767-1537. Copies of the Bond Ordinance, the Disclosure Agreement, and other documents and information relating to the Purchaser and the Airport are available, upon request and upon payment to the Purchaser of a charge for copying, mailing, and handling, from Chief Financial Officer, Department of Finance, 68 Mitchell Street, S.W., Suite 11000, South Tower, Atlanta, Georgia 30335, telephone (404) 330-6454. During the period of the offering of the Series 2006A/B Bonds, copies of such documents are also available, upon request and upon payment to the Underwriters of a charge for copying, mailing, and handling, from Goldman, Sachs & Co., 85 Broad Street, 24th Floor, New York, New York 10004.

The Series 2006A/B Bonds and the Bond Insurance Policy have not been registered under the Securities Act of 1933, and neither the Resolution nor the Bond Ordinance have been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts.

PLAN OF FINANCING

Estimated Sources and Applications of Funds

The sources and applications of funds in connection with the issuance of the Series 2006A/B Bonds are estimated below.

Estimated Sources of Funds:	Series 2006A Bonds	Series 2006B Bonds
Par Amount of Series 2006A/B Bonds	$211,880,000	$21,980,000
Net Premium (Discount)		(369,154)
Total Sources of Funds	$211,880,000	$21,610,846
Estimated Applications of Funds:		
Project Fund Deposit	$185,369,944	$19,648,253
Debt Service Reserve Requirement	16,754,500	1,477,494
CFC Coverage Fund	4,557,998	
Costs of Issuance*	5,197,558	485,099
Total Applications of Funds	$211,880,000	$21,610,846

* Includes fees and expenses of financial advisors, accountants, counsel, Feasibility Consultant, Airport Consultant, legal counsel, initial paying agent fees, underwriters' discount, bond insurance premium, rating agency fees, printing, costs of validation and other miscellaneous expenses.

The 2006A/B Project

The 2006A/B Project consists of two elements: the RAC Complex and the APM Maintenance Project. Pursuant to the Agreement, the Purchaser will acquire, construct, and install the 2006A/B Project on behalf of the Issuer.

The RAC Complex will accommodate the eight rental car companies currently operating at the Airport (with room for expansion in the future) and will provide for approximately 8,700 ready and return and storage spaces. The RAC Complex includes a Customer Service Center (the "CSC"), two parking garages (the "Parking Garages") and Quick Turnaround Areas (the "QTA"). The CSC is a four-level building of approximately 139,400 square feet including areas for use by rental car companies and an APM station. The QTA is four separate buildings for use by the rental car companies to clean and perform light maintenance and refuel vehicles.

The RAC Complex together with an access roadway (the "Airport Access Roadway"), although funded from different sources, are part of the scope of work under a Construction Manager At Risk Contract (the "CM Contract") that was awarded by the Purchaser to Austin Commercial LP/PRAD Group Joint Venture (the "CM Contractor") on October 10, 2005. The CM Contract is preliminary in the amount of $202,089,205, subject to change upon delivery of a guaranteed maximum price. The CM Contractor will provide Pre-Construction Services, solicit, advertise, bid, negotiate and award and hold all construction and supply contracts, manage and coordinate the installation of the work directly under its contract with that of other Airport projects and the APM, and provide required Purchaser reporting throughout pre-construction, contract formation, award, construction and acceptance phases of the work. Construction on the Airport Access Roadway is expected to begin by October, 2006, and to be completed by June of 2008. Under the terms of the CM Contract the Construction Manager is required to obtain payment and performance bonds for the penal sum equal to the total cumulative value of all component guaranteed maximum price proposals that established the total guaranteed maximum contract value.

The APM Maintenance Project consists of the maintenance and storage facility for the APM. The APM Maintenance Project will cover approximately 1.3 acres near the CSC. The APM is being procured under a Design/Build Operate and Maintain Contract (the "APM Contract") in the amount of $170,501,627 with Archer Western Contractors/Capital Contracting Company JV and Sumitomo/Mitsubishi Heavy Industries of America (collectively, the "APM Contractor"). The APM Contract is a design/build contract that requires the APM Contractor to provide all design, engineering, construction, quality control services, system integration, testing and commissioning necessary to complete the Project including the APM Operating System, Elevated Guideway, and the APM Maintenance Project. The APM Contract was awarded by the Purchaser on October 27, 2005. The Purchaser gave the APM Contractor notice to proceed on November 1, 2005, and expects construction to be completed in April of 2008 and testing by the end of 2008. The APM Contract requires payment and performance bonds for the penal sum equal to the total construction-only contract value to ensure performance and payment of all subcontractors and suppliers involved in the performance of the contract. These bonds are in place for the APM Contract.

The Issuer and the Purchaser have developed a plan to finance the 2006A/B Project, which relies on the proceeds of the Series 2006A/B Bonds, funds contributed by the Purchaser, and investment earnings. The expected categories of expenditures related to the 2006A/B Project are set forth below:

Uses of Funds:

Customer Service Center, Parking Garages and Quick Turn Around	$198,446,780
APM Maintenance Facility	20,888,688
Land Acquisition and Site Development	40,708,844
Total:	$260,044,312

See Part II, Subpart C of **"APPENDIX B: FINANCIAL FEASIBILITY REPORT"** for more information concerning the estimated capital costs and funding sources for the CONRAC and the APM Maintenance Project.

The timely completion of the construction of the 2006A/B Project is dependent upon, among other factors, promptly obtaining approvals and permits from various governmental agencies and the absence of delays due to strikes, shortages of labor and materials, acts of terrorism and adverse weather conditions. The cost of constructing the 2006A/B Project may be affected by factors beyond the control of the Issuer or the Purchaser, including strikes, energy, labor, and material shortages, the terms of the design/build and the construction manager at risk contracts; subcontractor defaults, adverse weather conditions, and other unforeseen contingencies. There can be no assurance that the Purchaser will complete the construction of the 2006A/B Project in accordance with its present construction schedule and construction budget. The Purchaser has no obligation under the Agreement to pay the costs of completing the 2006A/B Project, to complete the 2006A/B Project or, in the event the proceeds of the Series 2006A/B Bonds are not sufficient, to pay such cost overruns. Accordingly, the Purchaser may, but is not required to, advance its own funds to pay the costs of acquiring, constructing, and installing the 2006A/B Project.

For a discussion of restrictions that apply to the use and investment of the proceeds of the Series 2006A/B Bonds, see "**THE RESOLUTION – Funds Created by the Resolution and Flow of Funds –** ***Project Fund***" in Appendix C hereto.

THE SERIES 2006A/B BONDS

Description

The Series 2006A/B Bonds will be dated as of the date of delivery and payment therefor by the initial purchasers and will bear interest from such date at the rates per annum set forth on the cover page of this Official Statement, computed on the basis of a 360-day year consisting of twelve 30-day months, payable on January 1, 2007 and semiannually thereafter on January 1 and July 1 of each year (each an "Interest Payment Date") and will mature on the dates and in the amounts set forth on the cover page of this Official Statement, unless earlier called for redemption.

The Series 2006A/B Bonds are issuable only as fully registered bonds, without coupons, in the denomination of $5,000 or any integral multiple thereof. Purchases of beneficial ownership interests in the Series 2006A/B Bonds will be made in book-entry form, and purchasers will not receive certificates representing interests in the Series 2006A/B Bonds so purchased. If the book-entry system is discontinued, Series 2006A/B Bonds will be delivered as described in the Resolution, and beneficial owners will become the registered owners of the Series 2006A/B Bonds. See "**THE SERIES 2006A/B BONDS – Book-Entry Only System**" herein.

Redemption

Optional Redemption Series 2006A Bonds. Any Series 2006A Bonds will be subject to optional redemption prior to maturity by the Issuer upon the written request of the Purchaser pursuant to the Agreement, from moneys on deposit in the Sinking Fund, in whole on any business day or in part (and if in part in an authorized denomination) on any Interest Payment Date, at the redemption price equal to the greater of:

(1) 100% of the aggregate principal amount of the Series 2006A Bonds to be redeemed; or

(2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted, on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months), at the Treasury Rate (as defined below) plus 12.5 basis points;

plus, in the case of each of clause (1) or (2) immediately above, accrued interest to the redemption date.

Optional Redemption Series 2006B Bonds. The Series 2006B Bonds maturing on and after January 1, 2017, are subject to optional redemption prior to maturity by the Issuer upon the written request of the Purchaser pursuant to the Agreement, from moneys on deposit in the Sinking Fund, in whole on any day or in part (and if in part in an authorized denomination) on any Interest Payment Date, in either case on or after January 1, 2016, at the redemption price of 100% of the principal amount of Series 2006B Bonds called for redemption plus accrued interest to the redemption date.

Partial Redemptions of Series 2006A/B Bonds. In the event of a partial redemption, the Series 2006A/B Bonds to be redeemed may be in any order of maturity selected by the Issuer (at the direction of the Purchaser) and, if less than all the bonds of a single maturity, by lot within any maturity unless the Issuer (at the direction of the Purchaser) selects an alternate method it deems proper (provided that so long as DTC is the holder of the Series 2006A/B Bonds it shall select the particular accounts of Direct Participants from which Series 2006A/B Bonds will be redeemed and to which the redemption price will be credited). In the event of a partial redemption of a single maturity, in accordance with the procedures described above, the Purchaser has directed the Issuer to select the particular Series 2006A/B Bonds to be redeemed *pro rata*.

Mandatory Redemption of Series 2006A/B Bonds. The Series 2006A Bonds maturing on January 1, 2021and 2026 are subject to mandatory redemption prior to maturity by application of payments from the Sinking Fund, in accordance with the Resolution (the particular bonds, or portions of bonds, to be redeemed to be selected by lot by the Issuer (at the direction of the Purchaser) or in such other manner as the Issuer (at the direction of the Purchaser) may deem proper), at a redemption price equal to the principal amount of the Series 2006A Bonds set forth below plus the interest due thereon on the redemption date, on the dates set forth below. In accordance with the procedures described above, the Purchaser has directed the Issuer to select the particular Series 2006A/B Bonds to be redeemed *pro rata*.:

Series 2006ABonds Maturing January 1 2021

Year	Principal Amount
2017	$7,130,000
2018	7,540,000
2019	7,975,000
2020	8,435,000
2021*	8,920,000

*Final Maturity

Series 2006ABonds Maturing January 1 2031

Year	Principal Amount
2022	$ 9,270,000
2023	9,825,000
2024	10,410,000
2025	11,030,000
2026	11,690,000
2027	12,385,000
2028	13,125,000
2029	13,910,000
2030	14,740,000
2031*	15,615,000

*Final Maturity

The Series 2006B Bonds maturing on January 1, 2026 and 2031 are subject to mandatory redemption prior to maturity by application of payments from the Sinking Fund, in accordance with the Resolution (the particular bonds, or portions of bonds, to be redeemed to be selected by lot by the Issuer (at the direction of the Purchaser) or in such other manner as the Issuer (at the direction of the Purchaser) may deem proper), at a redemption price equal to the principal amount of the Series 2006B Bonds set forth below plus the interest due thereon on the redemption date, on the dates set forth below:

Series 2006B Bonds Maturing January 1 2026

Year	Principal Amount
2022	$ 955,000
2023	995,000
2024	1,040,000
2025	1,085,000
2026*	1,135,000

*Final Maturity

Series 2006B Bonds Maturing January 1 2031

Year	Principal Amount
2027	$1,185,000
2028	1,235,000
2029	1,295,000
2030	1,350,000
2031*	1,410,000

*Final Maturity

Redemption Notices. Unless waived by the owner of Series 2006A/B Bonds to be redeemed, official notice of any redemption of Series 2006A/B Bonds will be given by the Issuer or the Bond Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Series 2006A/B Bond or Series 2006A/B Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

Notice having been given in the manner and under the conditions described above, and monies for payment of the redemption price being held by the Paying Agent as provided in the Resolution, the Series 2006A/B Bonds or portions of Series 2006A/B Bonds called for redemption will, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2006A/B Bonds on such date, and interest on the Series 2006A/B Bonds or portions of Series 2006A/B Bonds called for redemption will cease to accrue, such Series 2006A/B Bonds or portions of Series 2006A/B Bonds will cease to be entitled to any lien, benefit, or security under the Resolution, and the owners of such Series 2006A/B Bonds or portions of Series 2006A/B Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, or its successor, will act as securities depository for the Series 2006A/B Bonds. The Series 2006A/B Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Series 2006A/B Bond will be issued for each maturity, in the aggregate principal amount of such maturity, and will be deposited with DTC.

So long as DTC or its nominee is the registered owner of the Series 2006A/B Bonds, payments of the principal and redemption premium of and interest due on the Series 2006A/B Bonds will be payable directly to DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2006A/B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2006A/B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2006A/B Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2006A/B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2006A/B Bonds, except in the event that use of the book-entry system for the Series 2006A/B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2006A/B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2006A/B Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee, do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2006A/B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2006A/B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the Series 2006A/B Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2006A/B Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Registrar as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2006A/B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, and interest payments on the Series 2006A/B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2006A/B Bonds at any time by giving reasonable notice to the Issuer and the Bond Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2006A/B Bonds are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2006A/B Bonds will be printed and delivered to DTC.

The information concerning DTC and DTC's book-entry system set forth above has been obtained from DTC. Neither the Issuer nor the Purchaser take any responsibility for the accuracy thereof.

SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE SOLE BONDHOLDER, THE ISSUER SHALL TREAT CEDE & CO. AS THE ONLY BONDHOLDER FOR ALL PURPOSES, INCLUDING RECEIPT OF ALL PRINCIPAL AND PREMIUM OF AND INTEREST ON THE SERIES 2006A/B BONDS, RECEIPT OF NOTICES, VOTING, AND REQUESTING OR DIRECTING THE ISSUER TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS. THE ISSUER HAS NO RESPONSIBILITY OR OBLIGATION TO THE DIRECT OR INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT; (B) THE PAYMENT BY ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AND PREMIUM OF AND INTEREST ON THE SERIES 2006A/B BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY DIRECT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (D) OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.

Beneficial Owners of the Series 2006A/B Bonds may experience some delay in their receipt of distributions of principal and interest on the Series 2006A/B Bonds since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of Direct Participants, which will thereafter credit them to the accounts of Beneficial Owners either directly or indirectly through Indirect Participants.

Issuance of the Series 2006A/B Bonds in book-entry form may reduce the liquidity of the Series 2006A/B Bonds in the secondary trading market since investors may be unwilling to purchase Series 2006A/B Bonds for which they cannot obtain physical certificates. In addition, since transactions in the Series 2006A/B Bonds can be effected only through DTC, Direct Participants, Indirect Participants, and certain banks, the ability of a Beneficial Owner to pledge Series 2006A/B Bonds to persons or entities that do not participate in the DTC system, or otherwise to take action in respect of such Series 2006A/B Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will not be recognized by the Bond Registrar as registered owners for purposes of the Resolution, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and the Direct or Indirect Participants.

Global Clearance Procedures for Series 2006A Bonds

Clearstream International and Clearstream. Clearstream International is the product of the merger of Deutsche Börse and Cedel International, the European international clearing depository founded in 1970, and a number of its subsidiaries including Cedelbank. Clearstream International is registered in Luxembourg and has two subsidiaries: Clearstream Banking and Clearstream Services. Clearstream Banking ("Clearstream") contains the core clearing and settlement business and consists of Clearstream Banking Luxembourg, Clearstream Banking Frankfurt and six regional offices in Dubai, Hong Kong, London, New York, São Paulo and Tokyo. Clearstream holds securities for its participating organizations ("Clearstream Participants") and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. As a professional depository, Clearstream is subject to regulation by the Luxembourg Monetary Institute. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant, either directly or indirectly.

Euroclear System. The Euroclear System ("Euroclear") was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. The Euroclear System is owned by Euroclear plc and operated through a license agreement by Euroclear Bank S.A./N.V., a bank incorporated under the laws of the Kingdom of Belgium (the "Euroclear Operator").

The Euroclear Operator holds securities and book-entry interests in securities for participating organizations and facilitates the clearance and settlement of securities transactions between Euroclear Participants, and between Euroclear Participants and Participants of certain other securities intermediaries through electronic book-entry changes in accounts of such Participants or other securities intermediaries.

The Euroclear Operator provides Euroclear Participants, among other things, with safekeeping, administration, clearance and settlement, securities lending and borrowing, and related services.

Non-Participants of Euroclear may hold and transfer book-entry interests in the Series 2006A Bonds through accounts with a direct Participant of Euroclear or any other securities intermediary that holds a book-entry interest in the Series 2006A Bonds through one or more securities intermediaries standing between such other securities intermediary and the Euroclear Operator.

The Euroclear Operator is regulated and examined by the Belgian Banking and Finance Commission and the National Bank of Belgium.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants and has no record of or relationship with Persons holding through Euroclear Participants.

Distribution of the Series 2006A Bonds through Clearstream or Euroclear. Distributions with respect to the Series 2006A Bonds held through Clearstream or Euroclear are to be credited to the cash accounts of Clearstream Participants or Euroclear Participants, as applicable, in accordance with the relevant system's rules and procedures, to the extent received by its Depository (as defined below). Such distributions will be subject to tax reporting in accordance with relevant United States tax laws and regulations. Clearstream or the Euroclear Operator, as the case may be, will take any other action permitted to be taken by an owner of the Series 2006A Bonds under the Resolution on behalf of a Clearstream Participant or Euroclear Participant only in accordance with the relevant rules and procedures and subject to the relevant Depositary's ability to effect such actions on its behalf through DTC. Owners of the Series 2006A Bonds may hold their Series 2006A Bonds through DTC (in the United States) or

Clearstream or Euroclear (in Europe) if they are participants of such systems, or indirectly through organizations which are participants in such systems.

The Series 2006A Bonds will initially be registered in the name of Cede & Co., the nominee of DTC. Clearstream and Euroclear may hold omnibus positions on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositaries which in turn are to hold such positions in customers' securities accounts in the depositaries' names on the books of DTC. Citibank, N.A. acts as depositary for Clearstream and the Euroclear Operator acts as depositary for Euroclear (in such capacities, individually, the "Depositary" and, collectively, the "Depositaries").

Transfers of the Series 2006A Bonds between DTC Participants are to occur in accordance with DTC Rules. Transfers between Clearstream Participants and Euroclear Participants are to occur in accordance with their respective rules and operating procedures. Because of time-zone differences, credits of securities received in Clearstream or Euroclear as a result of a transaction with a Participant may be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such securities settled during such processing would be reported to the relevant Euroclear or Clearstream Participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of securities by or through a Clearstream Participant or Euroclear Participant to a Participant are to be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlements in DTC.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream Participants or Euroclear Participants, on the other, are to be effected in DTC in accordance with DTC Rules on behalf of the relevant European international clearing system by its Depositary; however, such cross-market transactions require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system if the transaction meets its settlement requirements, is to deliver instructions to its Depositary to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream Participants and Euroclear Participants may not deliver instructions to the Depositaries.

Although DTC, Clearstream and Euroclear have agreed to these procedures in order to facilitate transfers of securities among DTC and its Participants, Clearstream and Euroclear, they are under no obligation to perform or continue to perform these procedures and these procedures may be discontinued and may be changed at any time by any of them.

THE ISSUER AND THE PURCHASER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM PARTICIPANTS, EUROCLEAR OR EUROCLEAR PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2006A BONDS (i) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE SERIES 2006A BONDS; (ii) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE SERIES 2006A BONDS OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE SERIES 2006A BONDS , OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS, CLEARSTREAM, CLEARSTREAM PARTICIPANTS, EUROCLEAR OR EUROCLEAR PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

NEITHER THE ISSUER NOR THE PURCHASER WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM PARTICIPANTS, EUROCLEAR, EUROCLEAR PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (i) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM PARTICIPANTS, EUROCLEAR OR EUROCLEAR PARTICIPANTS; (ii) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM PARTICIPANTS, EUROCLEAR OR EUROCLEAR PARTICIPANTS OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON SERIES 2006A BONDS; (iii) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM PARTICIPANTS, EUROCLEAR OR EUROCLEAR PARTICIPANTS OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS UNDER THE TERMS OF THE RESOLUTION; OR (iv) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE SERIES 2006A BONDS.

The information in this section concerning Clearstream and Euroclear has been obtained from sources that the Issuer and the Purchaser believe to be reliable, but the Issuer and the Purchaser take no responsibility for the accuracy thereof.

Legal Authority

The Series 2006A/B Bonds. The Series 2006A/B Bonds are being issued pursuant to Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, known as the "Revenue Bond Law," as amended (the "Revenue Bond Law") and the Resolution adopted pursuant to the Revenue Bond Law. The Issuer is authorized pursuant to the Revenue Bond Law (i) to acquire and to construct any "undertaking," which includes airports, terminals, and other facilities, partially within and partially outside the corporate limits of the Issuer and to acquire lands, easements, and rights in lands in connection therewith; (ii) to issue revenue bonds to finance, in whole or in part, the cost of the acquisition and construction of any undertaking and to pledge to the punctual payment of such bonds and interest thereon all or any part of the revenues of the undertaking; and (iii) to make all contracts, execute other instruments, and do all things necessary or convenient in the exercise of the powers granted in the Revenue Bond Law, or in the performance of its covenants or duties, or in order to secure the payment of its bonds. Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia of 1983 authorizes the Issuer to contract for any period not exceeding fifty years with any municipality for joint services, for the provision of services, or for the joint or separate use of facilities or equipment, if such contract deals with activities, services, or facilities that the contracting parties are authorized by law to undertake or provide and, in connection with any such contract, to convey any existing facilities or equipment to any public corporation or public authority.

The Agreement—Issuer. The execution, delivery, and performance of the Agreement by the Issuer was authorized and approved pursuant to the Resolution.

The Agreement—Purchaser. The Agreement is being executed by the Purchaser pursuant to (i) a Restated and Amended Master Bond Ordinance No. 99-O-1986 that was adopted by the City Council of the City of Atlanta (the "City Council") on March 20, 2000 (the "Master Bond Ordinance" and as supplemented and amended from time to time, including by the Tenth Supplemental Bond Ordinance No. 06-O-0551 (the "Bond Ordinance") as adopted by the City Council on April 17, 2006**,** (ii) the Eleventh Supplemental Bond Ordinance No. 06-O-0552 adopted by the City Council on April 17, 2006, (the "Eleventh Supplemental Bond Ordinance"), (iii) an ordinance adopted by the City Council on December 6, 2004 (Ordinance No. 04-O-2116) (the "CFC Ordinance"), pursuant to which the Aviation General Manager was required to designate a consolidated rental car facility at the Airport, to be designed and operated as a single, consolidated location for all off-Airport and on-Airport rental car company operations and an ordinance adopted by the City Council on September 19, 2005 (Ordinance No. 05-O-1510) (the "Supplemental CFC Ordinance"), pursuant to which it initially established the CFC at $4.00 per rental car transaction day and obligated each rental car company to charge and collect a CFC and to remit all CFCs collected to the Purchaser on a monthly basis, (iv) the Constitution and laws of the State of Georgia, including the Revenue Bond Law, and (v) the Charter of the Purchaser. The obligations under the Agreement are payable from and secured by a Senior Lien on CFC Revenues, subject to the rights of the holders of the 1977 Ordinance Bonds.

Investments

For a description of how the proceeds of the Series 2006A/B Bonds are to be invested pending their use, the provisions governing those investments, the conditions that must be satisfied before the proceeds of the Series 2006A/B Bonds may be applied to their intended use, and other provisions governing the investment of the proceeds of the Series 2006A/B Bonds and the amounts held to pay debt service on the Series 2006A/B Bonds, see **"THE RESOLUTION – Funds Created by the Resolution and Flow of Funds"** and **"— Investments"** in Appendix C hereto.

Principal and Interest Requirements

Set forth below are the principal and interest payment requirements with respect to the Series 2006A/B Bonds and the related payments of the Purchase Price under the Agreement. For purposes of calculating the principal payable in any year, the relevant maturity or mandatory redemption amount is used.

	2006A/B Bonds		
Period Ending January 1	Principal	Interest	Total Debt Service Requirements
2007	$ 2,440,000	$ 7,074,271	$ 9,514,271
2008	4,765,000	13,261,204	18,026,204
2009	5,020,000	13,007,430	18,027,430
2010	5,290,000	12,735,853	18,025,853
2011	5,580,000	12,448,471	18,028,471
2012	5,885,000	12,142,755	18,027,755
2013	6,205,000	11,818,793	18,023,793
2014	6,550,000	11,477,077	18,027,077
2015	6,910,000	11,113,903	18,023,903
2016	7,300,000	10,728,683	18,028,683
2017	7,910,000	10,319,569	18,229,569
2018	8,350,000	9,869,980	18,219,980
2019	8,820,000	9,394,121	18,214,121
2020	9,315,000	8,891,291	18,206,291
2021	9,835,000	8,358,926	18,193,926
2022	10,225,000	7,796,613	18,021,613
2023	10,820,000	7,201,876	18,021,876
2024	11,450,000	6,572,283	18,022,283
2025	12,115,000	5,905,827	18,020,827
2026	12,825,000	5,200,418	18,025,418
2027	13,570,000	4,453,454	18,023,454
2028	14,360,000	3,661,364	18,021,364
2029	15,205,000	2,822,882	18,027,882
2030	16,090,000	1,934,876	18,024,876
2031	17,025,000	994,885	18,019,885
Totals	$233,860,000	$209,186,805	$443,046,805

The Agreement requires the Purchaser to make installment payments for the purchase of the Purchase Price to the Issuer on each June 30 and December 31 in an amount equal to the principal of and interest on the Series 2006A/B Bonds coming due on the following July 1 or January 1. The Resolution requires that the Issuer deposit the payments in the Sinking Fund and directs U.S. Bank National Association as sinking fund custodian (the "Sinking Fund Custodian") to withdraw sufficient funds from the Sinking Fund to pay principal of and interest and premium and to make such funds available to the Paying Agent to pay the principal, interest and premium, in any, on the Series 2006A/B Bonds on each Bond Payment Date. See Part VI of **"APPENDIX B: FINANCIAL FEASIBILITY REPORT"** for information concerning the projected CFC Revenues and coverage requirements.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2006A/B BONDS

Introduction

The Series 2006A/B Bonds are issued as revenue bonds of the Issuer and, as such, are entitled to the benefit of the provisions of the Resolution. Pursuant to the Resolution, solely those revenues derived by the Issuer under the Agreement (the "Pledged Revenues") are pledged to or can be expected to be available for the payment of the Series 2006A/B Bonds. No revenues derived from the operation of a system or enterprise of the Issuer are being pledged under the Resolution or otherwise as security for the Series 2006A/B Bonds.

The Agreement will be treated as a Released Revenue Bond issued under the Bond Ordinance, and secured by a Senior Lien on CFC Revenues, and the Purchaser's obligations under the Agreement will be limited obligations payable solely from such CFC Revenues. The Bond Ordinance permits the securing of obligations issued in accordance with its terms, such as the Agreement, from the revenues received by the Purchaser in the course of operating the Airport. The Bond Ordinance permits several categories of liens and provides that Revenues (as defined in the Bond Ordinance) of the Airport may be classified and separated into several discretely identifiable categories, with those categories pledged at senior and subordinate lien levels and permits obligations to be secured at one lien level from certain categories of Revenues and at another from others. The discussion below includes a description of the security provided for the Series 2006A/B Bonds as revenue bonds of the Issuer secured solely by payments under the Agreement followed by a discussion of the security provided for the Agreement under the Purchaser's Bond Ordinance. In practical effect, the Resolution serves merely as a conduit for payments under the Agreement, and the security for the Series 2006A/B Bonds is provided by the Bond Ordinance on the same basis as that for similar obligations issued directly thereunder.

Resolution

To secure its obligations under the Series 2006A/B Bonds, the Issuer has adopted the Resolution, pursuant to which the Issuer has collaterally assigned and pledged for the benefit of the owners of the Series 2006A/B Bonds all of the Issuer's right, title, interest, and remedies in and to the Agreement, including all payments to be received thereunder and security provided therefor. The Resolution provides that the lien of this pledge is valid and binding against the Issuer and against all parties having claims of any kind against the Issuer, whether such claims arise in contract, tort, or otherwise and irrespective of whether such parties have notice of the lien created by the Resolution. The Issuer has covenanted in the Resolution not to create or permit to be created any lien, security interest, or charge upon the Pledged Revenues or the Agreement, other than the pledge and assignment created by the Resolution. See **"THE RESOLUTION – Liens"** in Appendix C hereto.

The Issuer has not granted any lien on or security interest in the 2006A/B Project or any other assets of the Issuer or the revenues therefrom other than the Pledged Revenues to secure the Series 2006A/B Bonds.

The Resolution permits the issuance of Additional Bonds, which, if issued, would be equally and ratably secured on a parity basis with the Series 2006A/B Bonds. See **"THE RESOLUTION – Additional Bonds"** in Appendix C hereto.

The Issuer may issue other bonds for the purpose of financing other projects, which are not and will not be secured by the Resolution or the Agreement. Such bonds, except any Additional Bonds, will be secured by sources of payment and instruments separate and apart from the Resolution and the Agreement.

Limited Obligations

The Series 2006A/B Bonds are special limited obligations of the Issuer payable solely from installment payments of purchase price to be made by the Purchaser to the Issuer pursuant to the Agreement. The Series 2006A/B Bonds are not payable from and are not secured by a charge, lien, or encumbrance upon any funds or assets of the Issuer other than the Pledged Revenues and the funds created and held under the Resolution.

The Series 2006A/B Bonds do not constitute direct obligations of the Purchaser and are not secured by the general faith and credit or the taxing power of the Issuer, the Purchaser, the State of Georgia, or any other political subdivision thereof, and the Series 2006A/B Bonds will not be or be deemed to constitute a debt of the State of Georgia, the Issuer, or the Purchaser or any other political subdivision of the State of Georgia within the meaning of any pertinent constitutional or statutory limitation on indebtedness. The Issuer has no legal right to receive appropriations from the State of Georgia or the Purchaser. No owner of any Series 2006A/B Bonds shall, by virtue of being such an owner and without regard to any rights such owner may have under other instruments and agreements, including the Agreement, ever have the right to compel the exercise of the taxing power of the Issuer, the State of Georgia or any political subdivision thereof, including the Purchaser, to pay the Series 2006A/B Bonds or the interest thereon, or to enforce the payment thereof against any property of the Issuer (other than property assigned and pledged under the Resolution), the State of Georgia, or any political subdivision thereof, including the Purchaser.

Enforceability of Remedies

The realization of value from the pledge of the Pledged Revenues and the obligations of the Purchaser under the Agreement upon any default will depend upon the exercise of various remedies specified by the Resolution and the Agreement. These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights and remedies with respect to the Series 2006A/B Bonds may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, reorganization, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. A court may decide not to order the specific performance of the covenants contained in the Resolution or the Agreement.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no authority or municipality created under the Constitution or laws of the State of Georgia shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive, mayor, city council, or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any authority or municipality created under the Constitution or laws of the State of Georgia of any petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

The Agreement and the Bond Ordinance

Pledge Under Bond Ordinance. Pursuant to the Agreement, the Purchaser will agree to pay to the Issuer installment payments of the Purchase Price for the 2006A/B Project in such amounts and at such times as will be sufficient to enable the Issuer to pay the principal of, premium, if any, and interest on the Series 2006A/B Bonds, as and when the same become due and payable. Under the Eleventh Supplemental Bond Ordinance, the obligation of the Purchaser to make the installment payments of the Purchase Price required by the Agreement constitutes a Released Revenue Bond issued under the Bond Ordinance, and is secured thereunder by a Senior Lien on CFC Revenues. The Purchaser's obligations under the Agreement will be limited obligations payable solely from such CFC Revenues. The Agreement will be secured on a parity basis with other Released Revenue Bonds that may be issued under the Bond Ordinance that are secured by a Senior Lien on CFC Revenues (collectively, the Agreement and such other Released Revenue Bonds are referred to as the "Released CFC Bonds"). The Agreement will be subordinate in lien and right of payment to the 1977 Ordinance Bonds (as defined in the Bond Ordinance) that are secured by the Bond Ordinance. The terms and provisions of the Bond Ordinance are summarized in Appendix D hereto, which includes descriptions of the provisions relating to reserve requirements, the issuance of additional bonds, the categories of liens on revenues and the covenants of the Purchaser concerning the Airport including the Rate Covenant (defined below). For more complete and detailed information concerning the CFC Revenues pledged to pay amounts due under the Agreement and, therefore, to repay the Series 2006A/B Bonds, see **"INFORMATION CONCERNING CFC REVENUES"** herein.

Rate Covenant, CFC Coverage Fund and CFC Coverage Revenues. The Eleventh Supplemental Bond Ordinance provides a rate covenant (the "Rate Covenant") with respect to the Released CFC Bonds in lieu of the general rate covenant under the Bond Ordinance. In conjunction with the Rate Covenant, the Eleventh Supplemental Bond Ordinance creates a CFC Coverage Fund and a CFC Coverage Fund Requirement (as such terms are defined in the Eleventh Supplemental Bond Ordinance). The CFC Coverage Fund is held by the U.S. Bank National Association, Atlanta, Georgia, as custodian for the Purchaser. The CFC Coverage Fund Requirement is set at 25% of the Maximum Annual Debt Service Requirement on all Released CFC Bonds. Upon the issuance of the Series 2006A/B Bonds the CFC Coverage Fund Requirement of $4,557,998, will be met by deposit from the proceeds of the Series 2006A Bonds. The Eleventh Supplemental Bond Ordinance also establishes CFC Coverage Revenues which are defined as the sum of (1) CFC Revenues, plus (2) investment earnings on amounts deposited in the various accounts established under the Eleventh Supplemental Bond Ordinance relating to CFC Revenues, plus (3) the amount on deposit in the CFC Coverage Fund on the date of calculation of CFC Coverage Revenues. The Rate Covenant requires the Purchaser to establish the CFC charges initially and to review and adjust them annually, if necessary, to rates estimated to generate CFC Coverage Revenues in each Fiscal Year equal to at least:

(i) 125% of the Debt Service Requirement on all Released CFC Bonds then Outstanding for such Fiscal Year; and

(ii) the amounts necessary to restore any deficiencies in the CFC Bond Subaccount of the Debt Service Reserve Account and in the CFC Administrative Costs Fund (as such term is defined in the Eleventh Supplemental Bond Ordinance).

If the CFC Coverage Revenues are less than 140% of the Maximum Annual Debt Service Requirement of all Released CFC Bonds that were Outstanding as of the end of such Fiscal Year, then a Rate Consultant's Report Period begins which period will end with the Fiscal Year after the CFC Coverage Revenues for two consecutive audited Fiscal Years equal at least 140% of the Maximum Annual Debt Service Requirement of all Released CFC Bonds that are Outstanding as of the end of such Fiscal Year. During the Rate Consultant's Report Period, the City is required to cause the Rate Consultant to prepare and present the Rate Consultant's Report, which must make a recommendation as to the amount of the CFC for the ensuing Fiscal Year. In making such recommendation the Rate Consultant is directed to consider, among other factors: (i) the historical and forecasted origination and destination traffic at the Airport; (ii) the historical and forecasted rental car transaction days at the Airport; (iii) the Debt Service

Requirement on all Released CFC Bonds then Outstanding for the Fiscal Year; (iv) the budgeted CFC Administrative Costs and the actual CFC Administrative Costs; (v) the amounts required to be deposited to the CFC Bond Subaccount of the Debt Service Reserve Account and the CFC Coverage Fund and any existing or projected deficiencies therein; (vi) information provided by the rental car companies; and (vii) such other factors deemed relevant by the Rate Consultant and the City. If during the first six months of such ensuing Fiscal Year the monthly collections of CFC Revenues are less than 80% of the forecasted monthly collections for the corresponding period as shown in the Rate Consultant's Report filed with the City, the City is required to promptly direct the Rate Consultant to review the rental car transaction days and CFC collection history and to issue a new Rate Consultant's Report recommending appropriate action with respect to the CFC rate (which may include recommending the use of amounts in the CFC Surplus Fund), which recommendation is required be implemented as promptly as practicable.

In the event the Rate Covenant is not satisfied in any Fiscal Year, it shall not constitute an Event of Default under the Eleventh Supplemental Bond Ordinance so long as no payment default has occurred with respect to the Released CFC Bonds and the Purchaser promptly engages a Rate Consultant to recommend a rate for the CFC that will enable the Rate Covenant to be satisfied, and the City promptly causes the CFC to be imposed at the recommended rate. See **"APPENDIX D — DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND THE CFC ORDINANCE — THE BOND ORDINANCE"** and **"— THE CFC ORDINANCE."**

Debt Service Reserve Account. The Resolution creates the Released CFC Bond Subaccount in the Debt Service Reserve Account created by the Bond Ordinance. The Debt Service Reserve Requirement for the Agreement and any other Released CFC Bonds is the aggregate sum of, for each series of Released CFC Bonds so secured, the lesser of (a) 125 percent of the average annual Debt Service Requirement, (b) the Maximum Annual Debt Service Requirement, and (c) 10 percent of the original issue price, provided the specific amount mandated by such Debt Service Reserve Requirement may be reduced by the Purchaser without the consent of the holders of any Released CFC Bonds upon receipt of evidence such reduction will not adversely affect any rating on the Bonds so secured and upon receipt of written consent by the bond insurers insuring such Bonds. See **"THE BOND ORDINANCE – FUNDS CREATED AND FLOW OF FUNDS – *Debt Service Reserve Account*"** in Appendix D hereto.

Prior Pledge of 1977 Pledged Revenues. The 1977 Ordinance Bonds are secured under the Master Bond Ordinance by a pledge of "1977 Pledged Revenues," which term is defined broadly to include all revenues generated by the Airport less the reasonable and necessary costs of operating, maintaining and repairing the Airport, including salaries, wages, the cost of materials and supplies, rental of leased property, if any, insurance and other charges as may be properly made for the purpose of operating, maintaining and repairing the Airport in accordance with sound business practice, but excluding depreciation. The CFC Revenues are part of the 1977 Pledged Revenues and, accordingly, the payments under the Agreement are subordinate in right of payment from the CFC Revenues to the holders of the 1977 Ordinance Bonds.

The Bond Ordinance provides that no further obligations will be issued on a parity with the 1977 Ordinance Bonds senior in priority of payment to the Senior Lien General Revenue Bonds and other obligations secured on a parity therewith or to the payment of the any other Senior Lien Bonds including the Released CFC Bonds and other obligations secured on a parity therewith.

Limited Obligations. The Agreement does not constitute a debt of the Purchaser within the meaning of any constitutional or statutory limitation or provision or a pledge of the faith and credit of the Purchaser. Amounts payable under the Agreement shall not be payable from or a charge upon any funds other than the revenues and amounts pledged to the payment thereof, nor shall the Purchaser be subject to any liability thereon. Neither the Issuer nor any other person or entity shall ever have the right to compel any exercise of the taxing power of the Purchaser to pay amounts due under the Agreement, or to enforce payment of amounts due under the Agreement against any property of the Purchaser other than from the CFC revenues; nor shall amounts due under the Agreement constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the Purchaser, except for the CFC Revenues and any other funds pledged to secure the amounts due under the Agreement.

For more complete and detailed information concerning the CFC Revenues pledged to pay amounts due under the Agreement and, therefore, to repay the Series 2006A/B Bonds, see **"INFORMATION CONCERNING CFC REVENUES"** herein.

Remedies. The Eleventh Supplemental Bond Ordinance constitutes a contract between the Purchaser and the Issuer. If the Purchaser were to default on the payment of amounts due under the Agreement, the realization of value from the pledge of the CFC Revenues to secure the payment of amounts due under the Agreement would depend upon the exercise of various remedies specified by the Bond Ordinance and Georgia law. These remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Agreement may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. See **"THE BOND ORDINANCE – EVENTS OF DEFAULT AND REMEDIES"** in Appendix D hereto.

Validation. The obligations of the Purchaser under the Agreement will, before the Series 2006A/B Bonds are issued and delivered, be determined by the Superior Court of Fulton County, Georgia to be legal, valid, binding, and enforceable limited obligations of the Purchaser. See **"LEGAL MATTERS – Validation Proceedings"** herein.

INFORMATION CONCERNING CFC REVENUES

The CFC is a charge on each Airport car rental transaction applied to each car rental transaction day of each customer's car rental contract and is to be added to the amount collected from the customer by every rental car company operating at the Airport (the "Operators"). The CFC was authorized by the CFC Ordinance and the present charge of $4.00 per rental car transaction day was set by the Supplemental CFC Ordinance. The amounts collected are to be held by the Operators in trust until remitted to the Purchaser.

The Airport currently has twelve Operators that serve the rental car market at the Airport. Eight of the Operators have facilities on Airport Property (the "On-Airport Operators"): Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, and Thrifty. Four Operators serve the market from facilities near the Airport (the "Off-Airport Operators"): Airport Rent a Car of Atlanta, Atlanta Rent A Car, EZ Rent a Car and Payless Car Rental. Pursuant to the CFC Ordinance, both On-Airport Operators and Off-Airport Operators are required to charge, collect and remit the CFC to the Purchaser. The Purchaser is negotiating a Consolidated Rental Car Facility Agreement (the "Facility Agreement") with the Operators that will operate in the RAC Complex, which will govern the Operators' lease and use of the RAC Complex. Additional rents and charges are expected to be paid to the Purchaser pursuant to the Facility Agreements. However, the imposition, collection and remittance of the CFC is not contingent upon the execution by the Operators of a Facility Agreement. As described in the Financial Feasibility Report, as of now none of the Operators have signed a Facility Agreement. The Airport reports that an oral agreement has been reached with Hertz, but that agreement is pending execution of a final document. See **"APPENDIX B: FINANCIAL FEASIBILITY REPORT"** for a description of the terms of the agreements between the Airport and the Operators and for a discussion of each of the Operators as well as a discussion generally of the rental car industry and market, both nationally and at the Airport.

FINANCIAL FEASIBILITY REPORT

The Feasibility Consultant prepared the Financial Feasibility Report dated May 24, 2006, included herein as Appendix B. The Financial Feasibility Report describes the 2006A/B Project, discusses the rental car market, describes the economic base supporting the rental car market at the Airport, uses an econometric model to set forth trends and forecasts in the rental car demand at the Airport, describes various factors which could have an impact on the rental car demand at the Airport and discusses the financial framework for the Series 2006A/B Bonds, including preliminary projections of annual debt service requirements with respect to the 2006A/B Bonds, CFC calculations, Administrative Costs calculations, projections of revenues pursuant to the Ordinance, cash flow projections and Rate Covenant calculations. The Financial Feasibility Report should be read in its entirety for an understanding of the econometric model, Transaction Day forecast assumptions and the basis for the financial analysis. The projections of CFC Revenues and Transaction Days contained in the Financial Feasibility Report are based in part upon projection of enplaned passengers provided in the Report of the Airport Consultant.

The Financial Feasibility Report has been included herein in reliance upon the knowledge and experience of the Feasibility Consultant.

The Feasibility Consultant has made financial forecasts of the CFC Revenues available for debt service through 2012 based upon assumptions and estimates concerning future events and circumstances which the Purchaser and management of the Airport believe to be reasonable. Sources of Revenues and forecast debt service coverage ratios are contained in the Financial Feasibility Report contained in Appendix B hereto.

As noted in the Financial Feasibility Report and the Report of the Airport Consultant, any forecast is subject to uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. See *"CERTAIN INVESTMENT CONSIDERATIONS AND BONDHOLDERS' RISKS."*

BOND INSURANCE

The Issuer has applied to the Bond Insurer for the issuance, simultaneously with the issuance of the Series 2006A/B Bonds, of the Bond Insurance Policy.

The Bond Insurer has supplied the following information for inclusion in this Official Statement. No representation is made by the Issuer or the Underwriters as to the accuracy or completeness of this information.

Payments Under the Municipal Bond Insurance Policy

Concurrently with the issuance of the Series 2006 A/B Bonds, Financial Guaranty Insurance Company (the "Bond Insurer") will issue its Municipal Bond New Issue Insurance Policy for the Series 2006 A/B Bonds (the "Municipal Bond Insurance Policy"). The Municipal Bond Insurance Policy unconditionally guarantees the payment of that portion of the principal or accreted value (if applicable) of and interest on the Series 2006 A/B Bonds which has become due for payment, but shall be unpaid by reason of nonpayment by the Issuer. The Bond Insurer will make such payments to U.S. Bank Trust National Association, or its successor as its agent (the "Fiscal Agent"), on the later of the date on which such principal, accreted value or interest (as applicable) is due or on the business day next following the day on which the Bond Insurer shall have received notice (in accordance with the terms of the Municipal Bond Insurance Policy) from an owner of Series 2006 A/B Bonds or the trustee or paying agent (if any) of the nonpayment of such amount by the Issuer. The Fiscal Agent will disburse such amount due on any Series 2006 A/B Bond to its owner upon receipt by the Fiscal Agent of evidence satisfactory to the Fiscal Agent of the owner's right to receive payment of the principal, accreted value or interest (as applicable) due for payment and evidence, including any appropriate instruments of assignment, that all of such owner's rights to payment of such principal, accreted value or interest (as applicable) shall be vested in the Bond Insurer. The term "nonpayment" in respect of a Series 2006 A/B Bond includes any payment of principal, accreted value or interest (as applicable) made to an owner of a Series 2006 A/B Bond which has been recovered from such owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction.

Once issued, the Municipal Bond Insurance Policy is non-cancellable by the Bond Insurer. The Municipal Bond Insurance Policy covers failure to pay principal (or accreted value, if applicable) of the Series 2006 A/B Bonds on their stated maturity dates and their mandatory sinking fund redemption dates, and not on any other date on which the Series 2006 A/B Bonds may have been otherwise called for redemption, accelerated or advanced in maturity. The Policy also covers the failure to pay interest on the stated date for its payment. In the event that payment of the Series 2006 A/B Bonds is accelerated, the Bond Insurer will only be obligated to pay principal (or accreted value, if applicable) and interest in the originally scheduled amounts on the originally scheduled payment dates. Upon such payment, the Bond Insurer will become the owner of the Series 2006 A/B Bond, appurtenant coupon or right to payment of principal or interest on such Series 2006 A/B Bond and will be fully subrogated to all of the Bondholder's rights thereunder.

The Municipal Bond Insurance Policy does not insure any risk other than Nonpayment by the Issuer, as defined in the Municipal Bond Insurance Policy. Specifically, the Municipal Bond Insurance Policy does not cover: (i) payment on acceleration, as a result of a call for redemption (other than mandatory sinking fund redemption) or as a result of any other advancement of maturity; (ii) payment of any redemption, prepayment or acceleration premium; or (iii) nonpayment of principal (or accreted value, if applicable) or interest caused by the insolvency or negligence or any other act or omission of the trustee or paying agent, if any.

As a condition of its commitment to insure the Series 2006 A/B Bonds, the Bond Insurer may be granted certain rights under the documents relating to the issuance of the Series 2006 A/B Bonds. The specific rights, if any, granted to the Bond Insurer in connection with its insurance of the Series 2006 A/B Bonds may be set forth in the description of the principal legal documents appearing elsewhere in this Official Statement, and reference should be made thereto.

The Municipal Bond Insurance Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Law.

Financial Guaranty Insurance Company

The Bond Insurer is a New York stock insurance corporation that writes financial guaranty insurance in respect of public finance and structured finance obligations and other financial obligations, including credit default swaps. The Bond Insurer is licensed to engage in the financial guaranty insurance business in all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands and the United Kingdom.

The Bond Insurer is a direct, wholly owned subsidiary of FGIC Corporation, a Delaware corporation. At March 31, 2006, the principal owners of FGIC Corporation and the approximate percentage of its outstanding common stock owned by each were as follows: The PMI Group, Inc. – 42%; affiliates of the Blackstone Group L.P. – 23%; and affiliates of the Cypress Group L.L.C. – 23%. Neither FGIC Corporation nor any of its stockholders or affiliates is obligated to pay any debts of the Bond Insurer or any claims under any insurance policy, including the Municipal Bond Insurance Policy, issued by the Bond Insurer.

The Bond Insurer is subject to the insurance laws and regulations of the State of New York, where the Bond Insurer is domiciled, including New York's comprehensive financial guaranty insurance law. That law, among other things, limits the business of each financial guaranty insurer to financial guaranty insurance (and related lines); requires that each financial guaranty insurer maintain a minimum surplus to policyholders; establishes limits on the aggregate net amount of exposure that may be retained in respect of a particular issuer or revenue source (known as single risk limits) and on the aggregate net amount of exposure that may be retained in respect of particular types of risk as compared to the policyholders' surplus (known as aggregate risk limits); and establishes contingency, loss and unearned premium reserve requirements. In addition, the Bond Insurer is also subject to the applicable insurance laws and regulations of all other jurisdictions in which it is licensed to transact insurance business. The insurance laws and regulations, as well as the level of supervisory authority that may be exercised by the various insurance regulators, vary by jurisdiction.

At March 31, 2006, the Bond Insurer had net admitted assets of approximately $3.603 billion, total liabilities of approximately $2.454 billion, and total capital and policyholders' surplus of approximately $1.149 billion, determined in accordance with statutory accounting practices ("SAP") prescribed or permitted by insurance regulatory authorities.

The unaudited consolidated financial statements of Financial Guaranty and subsidiaries, on the basis of U.S. generally accepted accounting principles ("GAAP"), as of March 31, 2006 and the audited consolidated financial statements of the Bond Insurer and subsidiaries, on the basis of GAAP, as of December 31, 2005, and 2004, which have been filed with the Nationally Recognized Municipal Securities Information Repositories ("NRMSIRs"), are hereby included by specific reference in this Official Statement. Any statement contained herein under the heading "BOND INSURANCE," or in any documents included by specific reference herein, shall be modified or superseded to the extent required by any statement in any document subsequently filed by the Bond Insurer with such NRMSIRs, and shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement. All financial statements of the Bond Insurer (if any) included in documents filed by the Bond Insurer with the NRMSIRs subsequent to the date of this Official Statement and prior to the termination of the offering of the Series 2006 A/B Bonds shall be deemed to be included by specific reference into this Official Statement and to be a part hereof from the respective dates of filing of such documents.

The New York State Insurance Department recognizes only SAP for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the New York Insurance Law, and for determining whether its financial condition warrants the payment of a dividend to its stockholders. Although the Bond Insurer prepares both GAAP and SAP financial statements, no consideration is given by the New York State Insurance Department to financial statements prepared in accordance with GAAP in making such determinations. A discussion of the principal differences between SAP and GAAP is contained in the notes to the Bond Insurer's audited SAP financial statements.

Copies of the Bond Insurer's most recently published GAAP and SAP financial statements are available upon request to: Financial Guaranty Insurance Company, 125 Park Avenue, New York, NY 10017, Attention: Corporate Communications Department. The Bond Insurer's telephone number is (212) 312-3000.

Financial Guaranty's Credit Ratings

The financial strength of the Bond Insurer is rated "AAA" by Standard & Poor's, a Division of The McGraw-Hill Companies, Inc., "Aaa" by Moody's Investors Service, and "AAA" by Fitch Ratings. Each rating of the Bond Insurer should be evaluated independently. The ratings reflect the respective ratings agencies' current assessments of the insurance financial strength of the Bond Insurer. Any further explanation of any rating may be obtained only from the applicable rating agency. These ratings are not recommendations to buy, sell or hold the Series 2006 A/B Bonds, and are subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of the Series 2006 A/B Bonds. The Bond Insurer does not guarantee the market price or investment value of the Series 2006 A/B Bonds nor does it guarantee that the ratings on the Series 2006 A/B Bonds will not be revised or withdrawn.

Neither the Bond Insurer nor any of its affiliates accepts any responsibility for the accuracy or completeness of the Official Statement or any information or disclosure that is provided to potential purchasers of the Series 2006 A/B Bonds, or omitted from such disclosure, other than with respect to the accuracy of information with respect to the Bond Insurer or the Municipal Bond Insurance Policy under the heading "BOND INSURANCE." In addition, the Bond Insurer makes no representation regarding the Series 2006 A/B Bonds or the advisability of investing in the Series 2006 A/B Bonds.

THE ISSUER

The Issuer has authorized the use of this Official Statement but has not participated in the preparation of this Official Statement and, except for the information under the captions **"THE ISSUER"** and **"LEGAL MATTERS – Litigation"** pertaining to the Issuer, has not provided or made any investigation with respect to any of the information contained in this Official Statement, and does not assume any responsibility for the accuracy or completeness of the information contained herein.

The Issuer is a municipal corporation created and existing under the laws of the State of Georgia and has as its formal name the "City of College Park." The Issuer is located in the northwestern portion of the State of Georgia approximately 9 miles south of the City of Atlanta. The Issuer is adjacent to the Airport. The Issuer was originally chartered on December 16, 1895 and presently has a land area of approximately 9 square miles, approximately 70% of which is located in Fulton County and approximately 30% of which is located in Clayton County.

The affairs of the Issuer are conducted by a Mayor and a Council consisting of four members. Under the Issuer's charter, all corporate powers are vested in the Mayor and the Council. The Mayor and members of the Council serve four-year terms of office. No person is eligible to serve as Mayor or as a member of the Council unless he or she has been a resident of the Issuer for not less than one year immediately preceding his or her qualification for office, is a qualified and registered voter, eligible to vote in the municipal elections of the Issuer for such officers, and has not been convicted of any crime involving moral turpitude.

The Issuer is divided into four wards, and the members of the Council are elected only by the voters of the ward from which he or she offers for election. A candidate for the Council must be a resident of the ward from which he or she offers for election and must remain a resident of such ward during his or her term of office. The Mayor is elected at large.

The Mayor is the chief executive officer of the Issuer. The Mayor presides at all meetings of the Mayor and Council and has a vote only in the case of a tie vote by the members of the Council.

Under the Issuer's Charter, the City Manager, who is appointed by and serves at the pleasure of the Mayor and Council, is the head of the administrative branch of the municipal government of the Issuer and is responsible for the efficient administration of all departments of such municipal government, subject to the control, direction, and supervision of the Mayor and Council.

Information concerning the current Mayor and members of the Council is set forth below:

Name and Office Held	Expiration of Term	Number of Years in Office	Age	Principal Occupation
Jack P. Longino, *Mayor*	December 31, 2007	14	53	Owner, Auto Repair Business
Russell L. Slider, *Ward 1*	December 31, 2007	10	49	Educator/Administrator
Joe Carn, *Ward 2*	December 31, 2009	0[1]	34	Entertainment Management
Tracey Wyatt, *Ward 3*	December 31, 2007	2[2]	44	Mail Carrier
Charles E. Phillips, *Ward 4*	December 31, 2009	14	70	Attorney

[1]Term began in January 2006.
[2]Term began in January 2004.

THE PURCHASER

Introduction

The Purchaser is a municipal corporation created and existing under the laws of the State of Georgia. The Purchaser is the seat of government of the State of Georgia and Fulton County. The Purchaser constitutes approximately 22.9 percent of the land area of Fulton County and 4.4 percent of the land area of DeKalb County. The Purchaser presently has a land area of approximately 131.7 square miles, approximately 95 percent of which is located in Fulton County and 5 percent of which is located in DeKalb County. The Purchaser has not accomplished a major annexation since 1952, but is the center of the eighth largest Metropolitan Statistical Area in the United States, including approximately 4.7 million people.

Purchaser Administration and Officials

Under the Purchaser's Charter, all legislative powers of the Purchaser are vested in the City Council and all executive and administrative powers of the Purchaser are vested in the Mayor. The Mayor is elected city-wide for a four-year term. The City Council, consisting of 15 members and a President, serve contemporaneous four-year terms. The Purchaser is divided into 12 City Council districts. Twelve members of the City Council are elected by residential district, and three members of the City Council are elected at-large. The three at-large members of the City Council are required to reside, respectively, in District No. 1, 2, 3 or 4; District No. 5, 6, 7 or 8; and District No. 9, 10, 11 or 12.

The Charter of the Purchaser establishes the office of the President of City Council. The President of City Council is elected at-large. The President of City Council presides at meetings, but is not a member of the City Council, and votes only in the case of a tie vote of the City Council. Under the Purchaser's Charter, the President of City Council exercises all powers and discharges all duties of the Mayor in the case of a vacancy in the Office of the Mayor or during the disability of the Mayor.

Under the Purchaser's Charter, the Mayor is elected at-large for a term of four years. The Purchaser's Charter does not allow any Mayor who has been elected for two consecutive terms to be eligible to be elected for the next succeeding term. The Mayor is the chief executive officer of the Purchaser and has the power to direct and supervise the administration of all departments of the Purchaser including the Department of Aviation. The Purchaser's Charter grants the Mayor the power to veto any ordinance or resolution adopted by the City Council, which veto may be overridden only upon the vote of two-thirds of the total membership of the City Council. The Purchaser's Charter also grants the Mayor the power to line-item veto any item or items of any ordinance or resolution making appropriations, which veto may be overridden only upon the vote of two-thirds of the total membership of the City Council.

Information concerning the current Mayor, President of City Council, and members of the City Council is set forth below. All terms began January 3, 2006, and expire January 3, 2010.

Name	Office Held	Number of Years in Office	Principal Occupation
Shirley Franklin	Mayor	4	Mayor, City of Atlanta
Lisa Borders	President of Council	2	Real Estate Executive
Carla Smith	District 1	4	City Council Member
Kwanza Hall	District 2	0	Info Technology Consultant
Ivory Lee Young, Jr.	District 3	4	Architect
Cleta Winslow	District 4	12	Real Estate Manager
Natalyn Mosby Archibong	District 5	4	Attorney
Anne Fauver	District 6	4	Real Estate Owner
Howard Shook	District 7	4	Environmental Consultant
Clair McLeod Muller	District 8	16	Community Volunteer
Felicia Moore	District 9	8	Realtor
Clarence Terrell (C.T.) Martin, Jr.	District 10	16	Consultant
Jim Maddox	District 11	28	Business Consultant
Joyce M. Sheperd	District 12	2	Customer System Engineer Technician
Ceasar C. Mitchell	Post 1, At-Large/President Pro-Tempore of Council	4	Attorney
Mary Norwood	Post 2, At-Large	4	Communications Executive
H. Lamar Willis	Post 3, At-Large	4	Attorney

THE AIRPORT

General

The Airport is owned by the Purchaser and operated by the Purchaser's Department of Aviation. It is classified as a large hub by the Federal Aviation Administration (the "FAA"), is the principal air carrier airport serving Georgia and the southeastern United States and serves as a primary connecting or transfer point in the national air transportation system. The existing configuration of the Airport is comprised of a two-sided landside terminal building, five domestic airside concourses and a 28-gate international concourse. Passengers travel between the Airport's terminals and concourses on an automated people mover (the "AGTS"), which is an underground train that operates more than 40 feet below ground. According to Airports Council International, in 2005 the Airport was the busiest passenger airport in the world with approximately 85.9 million passengers enplaned and deplaned.

Management

Direct supervision of Airport operations is exercised by the Department of Aviation. The management of the Airport is directed by the Aviation General Manager. The Department of Aviation is responsible for (i) managing, operating and developing the Airport and any other airfields which the Purchaser may control in the future; (ii) negotiating leases, agreements and contracts; (iii) computing and supervising the collection of revenues generated by the Airport; and (iv) coordinating aviation activities with the FAA. The FAA has regulatory authority over equipment, air traffic control and operating standards at the Airport. Airport police and fire protection is provided by the Purchaser through the Atlanta Police Department and the Atlanta Fire Department.

The Department of Finance, Bureau of Financial Analysis and Auditing, is responsible for overseeing the issuance of revenue bonds for the Airport and financial monitoring of Airport activities. The City Council Transportation Committee, consisting of seven City Council members, makes policy and legislative recommendations to the full City Council regarding Airport operations.

As of January 1, 2006, approximately 850 persons were employed at the Airport through either the Department of Aviation or as employees of the Atlanta Police Department or the Atlanta Fire Department.

The following are certain key personnel involved in the administration and operation of the Airport.

Administration and Department of Aviation

Lynnette W. Young was appointed Chief Operating Officer of the City of Atlanta in July 2002 with responsibility for the day-to-day operation and management of city government. All operational departments of the Purchaser report to Mayor Shirley Franklin through Ms. Young. Ms. Young has oversight and responsibility for service delivery and has operational accountability for all city services. Prior to joining the City of Atlanta, Ms. Young was principal and senior consultant with Damespoint Partners, a strategy development consulting firm and served as Senior Vice President with Carnegie Morgan, a consulting firm headquartered in Baltimore, Maryland with offices in Michigan and Illinois. For ten years, Ms. Young served under Baltimore Mayor Kurt L. Schmoke as Chief of Staff, functioning as the Chief Administrative and Operational Officer (Deputy Mayor). Ms. Young served as Chief Executive Assistant to the Mayor from 1987 to 1990. In that capacity she was responsible for managing the day-to-day operations of city government. Her membership on charitable and non-profit boards has included the Living Classroom Foundation; Catholic Charities of Maryland; Associated Black Charities; the Municipal Employees Credit Union; The National Aquarium in Baltimore; the Columbus Marine Biotechnology Center; the Caroline Center; and the Baltimore Zoo. Ms. Young is currently a board member of the City Kids Art Factory; Friends of the Library, Fernandina Beach; and chair of the Fernandina Beach Housing Authority. Ms. Young graduated from the University of Maryland, Baltimore County with a degree in Political Science and completed the Certificate Program for Senior Executives in State and Local Government at the John F. Kennedy School of Government at Harvard University.

Benjamin R. DeCosta has been the Aviation General Manager for the Department of Aviation since June 1998. He is responsible for the day-to-day administration and operation of the Airport. Before moving to Atlanta, Mr. DeCosta served as General Manager, New Jersey Airports, from 1994 to 1998. Before holding that position, Mr. DeCosta was the General Manager of Aviation, Central Business at the Port Authority of New York and New Jersey from 1989 to 1994. Prior to this period, he held the positions of Assistant Manager of Management Personnel and then Manager of Personnel Operations at the Port Authority of New York and New Jersey from 1985 to 1989. He was with the Human Resources Administration of New York City from 1978 to 1983, serving as the Chief of Staff for Personnel and Labor Relations from 1981 to 1983. From 1972 to 1978, he worked for the Port Authority of New York and New Jersey, where he became an attorney in the Authority's law department. Mr. DeCosta received his Bachelor of Science degree in Physics from Queens College in 1968 before earning his Juris Doctor degree from

New York Law School in 1975. In 1984, he participated in a program for senior executives in state and local government at the John F. Kennedy School of Government at Harvard University.

Mario C. Diaz has been the Aviation Deputy General Manager for the Department of Aviation since January 1999. He is responsible for the day-to-day operational activities of the Airport, including operations, business, finance and capital development. Prior to coming to Atlanta, Mr. Diaz was the Manager of Business, Properties and Commercial Development for New Jersey Airports, a post he held for four years. He began working for the Port Authority of New York and New Jersey in 1981. Mr. Diaz earned a Bachelor of Science degree in Mathematics in 1974 and a Master's degree in Business Administration in 1976, both from Rutgers University.

Dan Molloy has over 14 years of civil engineering and construction experience, most of which is associated with the aviation industry. Mr. Molloy currently serves as the Assistant General Manager for Facilities and Maintenance, responsible for the management of planning, design and construction of airside and landside facilities at the Airport. In addition, the Noise Abatement Program and Environmental Planning and Compliance divisions are his responsibility. Mr. Molloy joined the Department of Aviation in 1995, successfully helping implement projects in preparation for the 1996 Summer Olympic Games in Atlanta. He has managed numerous airfield, facility, parking and roadway projects. Other aviation sector experience includes working as a Project Engineer for Los Angeles International Airport, a post he held for five years, managing airfield and facility improvement projects. Non-aviation experience includes wastewater treatment facility construction management and resident engineering, and transportation project engineering on new road programs. Mr. Molloy earned a Bachelor of Science degree in Civil Engineering from Michigan State University in 1988. He is a licensed civil engineer in Georgia and Louisiana.

Eric M. Kaalund has been the Assistant General Manager of Business and Finance for the Department of Aviation since October 2002. Mr. Kaalund's major areas of responsibility include managing the day-to-day operations of finance, marketing, property management, auditing, parking and ground transportation. Before joining the Airport, Mr. Kaalund served as Regional Vice President and General Manager of a regional office of Western Integrated Networks in Dallas, Texas. He also spent 18 years working for the City of Dallas, Texas, including serving as the city's Controller for more than six years. In that role, he was responsible for the supervision of 180 employees in areas including accounting, Office of Minority Business Opportunities, and Utility Franchise Management. Mr. Kaalund holds a Bachelor of Arts degree in Accounting from Dillard University and is a Certified Public Accountant. He is also a former member of the Government Finance Officers of America, and the National Forum for Black Public Administrators.

Arthur L. Bacon has been the Director of Finance for the Department of Aviation since 1994. Mr. Bacon coordinates and supervises the accounts payable, accounts receivable and financial analysis functions. Prior to assuming his current position, Mr. Bacon served for four years as Senior Financial Analyst in the City of Atlanta, Department of Finance, Enterprise Fund Division. While in that position he supervised the work of financial analysts and accountants for the Airport Section of the Enterprise Fund Division. Earlier in his career, Mr. Bacon was a Cost and Properties Accountant for General Motors Central Foundry Division in Saginaw, Michigan. He received a Bachelor of Science degree in Accounting from Morris Brown College in 1976. He received a Master's degree in Business Administration from Atlanta University in 1980.

Charles E. Bell has been the Budget Manager for the Department of Aviation since 1999. His employment with the City of Atlanta began in August 1989 when he was hired as a Financial Analyst in the Purchaser's Enterprise Division of the Finance Department. During that time he rose to be the division's Chief Financial Analyst. Mr. Bell has always been assigned to Airport budget and bond matters giving him 16 years of airport financial experience. Prior to his employment with the Purchaser, Mr. Bell worked in the aerospace industry for four and a half years with Lockheed Georgia where he served as both a Pricing and Budget Analyst for the company's flagship plane (C-130 Hercules). Before his employment with Lockheed, Mr. Bell was a Cost Accountant and an Internal Auditor with the Central Foundry Division of General Motors in Saginaw, Michigan for two and a half years. He received a Bachelor of Arts degree in Finance from Morehouse College in 1980 and his Master's degree in Business Administration from Atlanta University in 1982.

Lana Berry is the Principal Financial Manager for the Department of Aviation with responsibilities for Financial Analysis and Reporting, Debt Management, Rates and Charges and Collections. Ms Berry joined the staff of the Department of Aviation in 2002 in the capacity of Financial Manager following two years of consulting with ARP Consultants. She has several years of service within the Financial Services industry. Prior to joining APR, she held the position of Divisional Sales Manager for BankVest Corp, a lease financing firm. She also served as a Business Development Manager in the lease financing industry. She has 10 years of commercial banking experience and has served as a Financial Analyst in the Actuarial & Financial Division of Travelers Insurance Company. Ms. Berry holds a bachelor's degree in Finance from the University of Massachusetts and an MBA from Rensselear Polytechnic Institute.

Department of Finance

Janice D. Davis was appointed the Chief Financial Officer for the City of Atlanta in August 2004. She has direct accountability for the financial condition of the Purchaser. Prior to her appointment, Ms. Davis served as Secretary of Financial Oversight and Director of Finance for the City of Philadelphia, Pennsylvania. In that capacity, she was responsible for the financial functions of the City of Philadelphia, including development of the annual operating budget, the capital budget and capital improvement program; the city's program for temporary and long-term borrowing; supervision of the operating budget's execution, the collection of revenues through the city's Department of Revenue, purchasing, and certain aspects of property management through the Procurement Department; oversight of pension administration as Chairperson on the Board of Pensions and Retirement; and the appointment and supervision of the city Treasurer. Prior to that, Ms. Davis served as the Director of Finance and Budget for the Dallas/Fort Worth International Airport. From 1992-1995, she served the City of Houston, Texas, first as the Director of General Accounting in the Controller's Office and later as Deputy Director of Financial Services. Ms. Davis received a Bachelor of Science degree in Accounting from the University of New Orleans in 1978, and is a Certified Public Accountant and Government Financial Manager.

Chuck Meadows became the Purchaser's Director of Fiscal Policy in 2003. Mr. Meadows is responsible for the oversight and management of financial and policy analysis functions within the Office of Budget and Fiscal Policy. He also assists the Budget Chief and the CFO in the direction of the Purchaser's financial resources and administers the functions of budget development and analysis. Mr. Meadows' work experience includes positions in policy direction and budget preparation in the legislative and executive branches of state government. He helped design improvements to the National Parks Service budget and management systems as a consultant to the U.S. Department of the Interior. He has also worked in the private sector as a Managing Consultant for Ernst & Young, LLP in its State and Local Tax practice. While with Ernst & Young, Mr. Meadows negotiated agreements between private sector clients and government jurisdictions, and managed project budgets and expenses for optimal profitability. He holds a Bachelor of Arts degree in International Relations from Morehouse College, and a Master's degree in Public Policy from Harvard University.

Karen W. Carter joined the Department of Finance in 2002 and was appointed to her current position as Director of Municipal Finance in October of 2004. In her current role she is responsible for managing the Purchaser's debt portfolio including the planning, structuring and issuance of financings for municipal programs. Previously, Ms. Carter played an instrumental role in researching, developing and planning the organizational structure of the Department of Finance based upon the best practices of other city governments and municipalities. She performed critical analysis on the Purchaser's 2003 general fund budget and also worked with various city business units on process improvement within the Purchaser's Department of Information Technology. Ms. Carter has extensive experience in financial management including positions with the Resolution Trust Corporation, Federal Asset Disposition Association, Johnstown American Companies and Merrill Lynch Capital Markets. Ms. Carter earned her Bachelor degree from Douglass College at Rutgers University and a Master's degree in Business Administration from Atlanta University.

Maria A. Runnels joined the Department Finance—Office of Municipal Finance in August 2005 as Debt Analyst Principal for the Airport Enterprise Fund. Ms. Runnels has over 11 years of experience in accounting, finance, budgeting, forecasting, and government contract management. Currently, Ms. Runnels is responsible for the financial management of the Airport's funds, which include: Revenue, Renewal and Extension, Sinking Fund, Passenger Facility Charges, Auction Rate Securities, and Commercial Paper. She is also responsible for drafting legislation related to debt issuance and budget activity. Prior to joining the City of Atlanta, Ms. Runnels worked as an Account Analyst for Northrop Grumman, Space Technology Sector and as a Senior Accountant for the L.A. Weekly Media, Inc. Ms. Runnels earned a Bachelor of Arts degree in Business Administration, Accounting from the University of California at Santa Barbara in 1994 and a Master's degree in Business Administration, Marketing from Loyola Marymount University in 1999.

Description

Airport Facilities. The Central Passenger Terminal Complex (the "CPTC") of the Airport is comprised of one two-sided landside terminal building, five domestic concourses and an international concourse. The CPTC contains a total of 176 gates, public parking for approximately 31,000 automobiles, the AGTS for moving people between the concourses and the terminal building, and auxiliary support buildings and facilities. The Central Terminal Support Area ("CTSA") facilities are located east of both the CPTC and the air traffic control tower. The CTSA facilities serve jet maintenance, air cargo, in-flight catering, commissary, warehousing and other activities that support CPTC operations, particularly for Delta.

The Airport has five parallel east-west runways, two immediately north of the CPTC, two immediately south of the CPTC, and a fifth separated by 4,200 feet from the southern pair of runways. All runways are equipped with instrument landing systems, lighting systems, and other air navigation aids, permitting the Airport to operate in virtually all weather conditions. The separation between the north and south runway pairs permits the simultaneous use of three runways for aircraft landings and takeoffs in poor visibility. All runway approaches meet the clearance criteria of the FAA. Three of the runways are 9,000 feet long, a fourth is 10,000 feet long and the fifth is 11,889 feet long. The runways are of sufficient strength to permit the operation of the largest existing commercial aircraft.

Fuel farms provide storage tanks for approximately 30 million gallons of jet fuel. The Airport is connected to a main fuel pipeline from refineries on the coast of the Gulf of Mexico. The connection is capable of transporting approximately 2,000 barrels of jet fuel per hour.

The water system at the Airport, including fire protection facilities, is owned and operated by the Purchaser. The Airport is served by an extensive sewer collection and treatment system owned and operated by the Purchaser. Electric power for the Airport is supplied by the Georgia Power Company and the Purchaser owns and operates stand-by generators for emergency field and terminal use. For additional information concerning Airport facilities, see **"APPENDIX A: REPORT OF THE AIRPORT CONSULTANT – AIRLINE TRAFFIC ANALYSIS – Airport Facilities and Services."**

Cargo Facilities. The Airport has approximately two million square feet of cargo handling and warehousing space located within the North Cargo, South Cargo and Midfield Cargo Complexes. The North Cargo Complex serves the following carriers: ABX, DHL, Emery, FedEx, Northwest, UPS Cargo, and World Airways. The main North Cargo terminal building contains 378,000 square feet of floor space, plus additional space on a mezzanine level. Included in the North Cargo Complex is a 600,000 square foot aircraft ramp, loading docks, the 40,000 square foot Hartsfield-Jackson Atlanta Perishable Center and automobile parking areas.

The Midfield Cargo complex in the CTSA includes Delta's 475,000 square foot domestic cargo center and its 222,000 square foot international cargo building. The U.S. Postal Service also operates a 270,000 square foot regional distribution center at the eastern boundary of the Airport. A portion of the CTSA facilities were demolished or relocated to allow for construction of the new international terminal.

The South Cargo complex is the Airport's newest cargo facility. The South Cargo complex includes warehousing and office space, that is used by Air New Zealand, Air Transport International, British Airways (all-cargo operations), C.A.L. Cargo, China Airlines, EVA Airways, Japan Airlines Cargo, Kitty Hawk, Korean Air, Lufthansa Cargo AG ("Lufthansa Cargo"), Martinair, Polar Air Cargo, Qantas, and Worldwide Freight Services.

Airlines Serving the Airport

Airlines. The Airport is served by the airlines listed below. As of January 2006, the airlines serving the Airport provided an average of 1,127 daily departures to 162 domestic destinations, including all major U.S. cities. International service was provided to 57 destination airports, mostly in Europe and Latin America.

Major/ National Airline	Foreign Flag Airlines	Regional Airlines	Cargo Airlines[3]	
AirTran[1]	Aeromexico	American Eagle	ABX Air	Kitty Hawk Air Cargo
America West	Air Canada	ASA (Delta Connection)[1,2]	Air France Cargo	Korean Air Cargo
American[1]	Air France	Chautauqua Air	Air Transport	Lufthansa Cargo
Continental[1]	Air Jamaica	Comair (Delta Connection)[2]	BAX Global	Martinair Holland
Delta[1]	British Airways	Mesa/United Express	British Airways Cargo	Mountain Air
Frontier	KLM Royal Dutch Airlines		China Airlines Cargo	Polar Air Cargo
Midwest[1]	Korean Air		DHL Worldwide	UPS
Northwest[1]	Lufthansa		EVA Airways	
Spirit	South African Airways		FedEx	
United[1]			Japan Airlines Cargo	
US Airways[1]				

[1] Airlines that have signed Leases to occupy the CPTC.
[2] Airlines operating in affiliation with Delta Air Lines, Inc.
[3] Airlines flying dedicated freighters.

Historical Passenger Activity. Since 1999, the Airport has been, and continues to be, recognized by the Airports Council International as the world's busiest airport in terms of volume of passenger traffic. In 2000 and again in 2005, the Airport was also the world's busiest airport in terms of aircraft landings and takeoffs. In 2005, the Airport served approximately 85.9 million passengers (enplaned and deplaned). From 1991, when the U.S. economy was emerging from recession and Eastern Airlines ceased service, through 2000, the Airport experienced steady increases in enplanements. From 1991 through 2000, the Airport experienced an average annual enplanement growth rate of 8.7 percent. Over the same period, the average annual enplanement growth rate at U.S. airports as a whole was 4.4 percent. During the first eight months of 2001, the number of passengers enplaned at the Airport was essentially unchanged from the first eight months of 2000, while enplanements in the United States were down slightly as a result of the slowdown in the U.S. economy and reduced demand for business travel. As with all major U.S. airports, passenger numbers declined in 2001 as a result of the economic recession and the decline in travel following the terrorist attacks of September 11, 2001. With the return of passenger confidence in airline travel, the end of the economic recession and the continued availability of low fares, traffic gradually increased so that, for the first time since the events of September 11, 2001, the number of passengers enplaned during the year 2004 exceeded the number of passengers enplaned in 2000. The number of enplaned passengers in 2004 represented a growth of 4.2% over 2000. The recovering growth in the number of enplaned passengers continued in 2005 as a 2.8% increase in the number of enplaned passengers was achieved and a 7.1% growth over 2000 was realized. See **"APPENDIX A: REPORT OF THE AIRPORT CONSULTANT – AIRLINE TRAFFIC ANALYSIS – Historical Airline Traffic – Enplaned Passengers**."

Airport Traffic Activity

The following table sets forth historical passenger activity at the Airport since 1992.

HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
Historical Passenger Activity

Year	Domestic Passengers	Domestic Annual Increase (or Decrease)	International Passengers	International Annual Increase (or Decrease)	Total Enplaned Passengers
1992	19,913,287		1,092,630		21,005,917
1993	22,745,583	14.2%	1,195,501	9.4%	23,941,084
1994	25,640,285	12.7	1,363,284	14.0	27,003,569
1995	27,421,226	6.9	1,436,609	5.4	28,857,835
1996	30,046,013	9.6	1,511,430	5.2	31,557,443
1997	32,346,589	7.7	1,738,705	15.0	34,085,294
1998	34,604,434	7.0	2,153,600	23.9	36,758,034
1999	36,566,500	5.7	2,554,944	18.6	39,121,442
2000	37,238,515	1.8	2,916,309	14.1	40,154,824
2001	35,279,315	(5.3)	2,815,899	(3.5)	38,095,214
2002	35,776,095	1.4	2,863,505	1.7	38,639,600
2003	36,930,570	3.2	2,766,405	(3.4)	39,696,975
2004	38,720,510	4.8	3,116,157	12.7	41,836,667
2005	39,661,560	2.4	3,358,972	7.6	43,020,532

The table below sets forth monthly enplaned passenger activity at the Airport from 2000 through 2005.

MONTHLY ENPLANED PASSENGERS
Hartsfield-Jackson Atlanta International Airport

	2000	2001	2002	2003	2004	2005
January	2,756,515	2,937,882	2,691,105	2,988,036	3,064,620	3,206,752
February	3,022,908	2,857,702	2,720,087	2,820,097	3,058,719	3,181,495
March	3,663,646	3,597,503	3,403,554	3,355,098	3,616,964	3,858,287
April	3,497,783	3,500,096	3,261,915	3,142,762	3,550,276	3,734,942
May	3,605,366	3,615,646	3,332,582	3,323,248	3,629,199	3,894,645
June	3,748,305	3,691,980	3,459,373	3,568,255	3,807,006	3,939,992
July	3,682,242	3,764,530	3,527,313	3,712,068	3,929,701	4,017,289
August	3,510,428	3,632,398	3,476,219	3,597,626	3,643,766	3,758,907
September	2,984,901	2,070,459	2,884,527	3,029,786	2,977,985	3,216,697
October	3,306,075	2,736,246	3,329,967	3,491,968	3,560,786	3,406,576
November	3,287,158	2,792,459	3,138,246	3,251,290	3,420,631	3,315,558
December	3,089,497	2,898,313	3,414,712	3,416,741	3,577,014	3,483,152
	40,154,824	38,095,214	38,639,600	39,696,975	41,836,667	43,020,532

Source: City of Atlanta, Department of Aviation.

For additional information concerning enplaned passengers, see **"APPENDIX A: REPORT OF THE AIRPORT CONSULTANT – AIRLINE TRAFFIC ANALYSIS – Historical Airline Traffic**."

CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND THE AIRPORT

General

The September 11, 2001, terrorist attacks, hostilities in Afghanistan, Iraq and elsewhere, the general economic downturn in the U.S. economy during 2001 through 2003, increased fuel costs and other factors have had a significant adverse impact on the air transportation industry. As a result, the air transportation industry has sustained substantial losses and is continuing to do so. The federal government has provided aid to the air transportation industry in the form of approximately $5 billion in grants and $10 billion in loan guarantees. While these efforts have helped to diminish financial hardships, they have not prevented industry-wide layoffs and a reduction in the number of flights offered by major airlines. Several airlines, including Delta, have filed for protection under the U.S. Bankruptcy Code. Many airlines have had their credit ratings downgraded by national credit rating agencies. Potential investors are urged to review the airlines' financial information on file with the SEC and the United States Department of Transportation ("DOT").

Increased Security Measures

In response to the events of September 11, 2001, the Aviation and Transportation Security Act was enacted on November 19, 2001 (the "Security Act"). This legislation made airport security the responsibility of the Transportation Security Administration ("TSA"). Under the Security Act, the cost for and provision of airport security was transferred to and now is administered by the federal government through TSA instead of private companies as previously was the case. All security screeners are federal employees and must undergo criminal background checks, and must be U.S. citizens. Airports are permitted to use state or local law enforcement to provide certain security services. The Security Act also called for stronger cockpit doors on planes and an increased presence of armed federal marshals on flights. The Homeland Security Act ("HSA"), signed into law by President Bush on November 25, 2002, created the Department of Homeland Security ("DHS") to accomplish several primary goals, including (i) preventing terrorist attacks within the United States; (ii) reducing the nation's vulnerability to terrorism; (iii) minimizing the damage of, and assisting in the recovery from, terrorist attacks that do occur; and (iv) monitoring connections between illegal drug trafficking and terrorism and coordinating efforts to sever such connections. When DHS was created, the TSA became a part of that department. The Airport has and will continue to incur costs related to a variety of increased security measures resulting from the implementation of the provisions of the HSA and the Security Act.

International Conflict and the Threat of Terrorism

The conflicts in Iraq, Afghanistan and elsewhere have had a negative effect on air travel domestically and internationally. As a result of the conflicts and related terrorist threats, airlines significantly reduced the number of transatlantic flights and airline revenues and cash flow were adversely affected. Although the initial combat phase of U.S. engagements in Iraq and Afghanistan has largely ended, hostilities continue. U.S. troops remain in both countries and the U.S. government has not announced an intent to withdraw its troops in the near future. Uncertainty associated with war and the increased threats of future terrorist attacks are likely to continue to have an adverse impact on air travel in the foreseeable future.

Cost of Aviation Fuel

According to the Air Transportation Association ("ATA"), fuel is the largest cost component of airline operations for many airlines and continues to be an important and uncertain determinate of airline industry operating economics. There has been no shortage of aviation fuel since the "fuel crisis" of 1974, but any increase in fuel prices causes an increase in airline operating costs. Significant and prolonged increases in the cost of aviation fuel are likely to have an material adverse impact on air transportation industry profitability and hamper the recovery plans and cost-cutting efforts of certain airlines.

Low-cost Carriers and Low-fare Divisions of Legacy Carriers

In recent years, low-cost carriers have accounted for an increasing share of the domestic U.S. passenger market at the expense of the legacy carriers. Nationally, low-cost carrier service accounted for approximately 10% of passenger traffic in the early 1990s and increased to approximately 25% by early 2004. AirTran, a low-cost carrier, has increased significantly its market share at the Airport in the past five years. Increased competition from low-cost carriers has placed additional pressure on the legacy carriers to institute further cost-cutting measures, reduce their fares to remain competitive and introduce their own low-fare divisions.

As a result of these events and other factors, historical results presented in this Official Statement, including the historical financial and enplaned passenger figures contained in this Official Statement, including the Appendices, may not be indicative of future operating results of the Airport. See "CERTAIN INVESTMENT CONSIDERATIONS AND BONDHOLDERS' RISKS."

CERTAIN INVESTMENT CONSIDERATIONS AND BONDHOLDERS' RISKS

The Series 2006A/B Bonds may not be suitable for all investors. Prospective purchasers of the Series 2006A/B Bonds should give careful consideration to the information set forth in this Official Statement, including, in particular, the matters referred to in the following summary. Prospective purchasers of the Series 2006A/B Bonds should evaluate the investment considerations and merits of an investment in the Series 2006A/B Bonds and confer with their own legal and financial advisors before considering a purchase of the Series 2006A/B Bonds.

General

The Resolution authorizes the payment of the principal of and interest on the Series 2006A/B Bonds from the Pledged Revenues. Pledged Revenues include payments received under the Agreement which are funded solely from CFC Revenues. Consequently, the ability of the Purchaser to make payments under the Agreement and of the Issuer to pay debt service on the Series 2006A/B Bonds will depend upon a number of factors, including rental car demand (which the Feasibility Consultant correlates to air travel demand and, particularly, the number of originating passengers), financial factors affecting the U.S. rental car industry; the availability of alternative modes of ground transportation and other factors. See Section V of **"APPENDIX B: FINANCIAL FEASIBILITY REPORT"** for a more complete description.

In considering the matters set forth in this Official Statement, prospective investors should carefully review all investment considerations set forth throughout this Official Statement, and should specifically consider certain investment considerations associated with the Series 2006A/B Bonds. The Purchaser's ability to derive CFC Revenues sufficient to pay amounts due under the Agreement and therefore provide for payment of debt service on the Series 2006A/B Bonds depends upon many factors, many of which are not subject to the control of the Purchaser. These factors include the financial strength of the air transportation industry and rental car industry in general and the financial strength of the firms in those industries that operate at the Airport. There follows a discussion of some, but not necessarily all, of the possible investment considerations which should be carefully evaluated by prospective purchasers of the Series 2006A/B Bonds prior to purchasing any Series 2006A/B Bonds.

Ability To Meet Rate Covenant, CFCs

As described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2006A/B BONDS—The Agreement and the Bond Ordinance—*Rate Covenant, CFC Coverage Fund and CFC Coverage Revenues*," the Purchaser covenants that it will, in each Bond Year, establish, maintain and enforce the CFCs at not less than the amount necessary to satisfy the Rate Covenant. CFCs are currently imposed at the Rate of $4.00 per Transaction Day. The Rate Covenant requires the Purchaser, to the extent permitted by law, use its best efforts to increase the rate at which CFCs are imposed to remedy any deficiencies. **However, increasing the rate at which the CFCs are imposed is a legislative act solely within the control of the Atlanta City Council and no assurance can be given as to such legislative action.**

Achievement of Projections

The collection and remittance of CFCs in amounts sufficient to pay amounts due under the Agreement and, therefore, debt service on the Series 2006A/B Bonds when due is affected by and subject to conditions which may change in the future to an extent and with effects that cannot be determined at this time. No absolute representation or assurance is given or can be made that CFCs will be realized in amounts sufficient to provide for the payment of debt service when due on the Series 2006A/B Bonds.

The receipt of CFCs in the future is subject to, among other factors, the origin and destination passenger activity levels at the Airport, the level of rental car activity at the Airport, economic conditions, and other conditions which are impossible to predict. The future collection and remittance of CFCs will have a direct impact upon the payment of debt service on the Series 2006A/B Bonds.

As noted in the Financial Feasibility Report, any forecast is subject to uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the forecast period will vary, and the variations may be material. See **"FINANCIAL FEASIBILITY REPORT"** and **"APPENDIX B: FINANCIAL FEASIBILITY REPORT."**

Certain Events Affecting the Travel Industry and the Airport

The general economic downturn and resulting recession, the terrorist attacks of September 11, 2001, and the war with Iraq and hostilities in the Middle East, significantly adversely affected the North American transportation system, including operations of the Airport. The Purchaser cannot predict whether, when or where future terrorist attacks or hostilities, associated air transportation disruptions may occur or the impact of such disruptions on the Airport, the airlines or numbers of passenger.

Airline Industry and Airport Factors

Certain of the airlines or their parent corporations, including Delta, are subject to the information reporting requirements of the Securities Exchange Act of 1934 (the "Exchange Act"), and as such are required to file periodic reports, including financial and operational data, with the SEC. All such reports and statements may be inspected in the Public Reference Room of the SEC at Room 1024, Judiciary Plaza, 450 Fifth Street, NW, Washington, DC 20549, and at the SEC's regional offices at the Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, IL 60661-2511 and 233 Broadway, New York, NY 10279. Copies of these reports and statements also may be obtained from the Public Reference Section of the Commission at 450 Fifth Street, NW, Washington, DC 20549, at prescribed rates. The SEC maintains a website at http://www.sec.gov containing reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. In addition, each domestic airline is required to file periodic reports of financial and operating statistics with the DOT. These reports may be inspected at the following location: Department of Transportation, Research and Special Programs Administration, Office of Airlines Statistics at Room 4125, 400 7th Street, SW, Washington, DC 20590, and copies of the reports may be obtained from the U.S. Department of Transportation at prescribed rates.

None of the Issuer, the Purchaser (including any agency or department thereof) or the Underwriters undertake any responsibility for and make no representations as to the accuracy or completeness of the content of information available from the SEC or the Department of Transportation as discussed in the preceding paragraph, including updates of such information or links to other Internet sites accessed through the SEC's web site.

Delta. Delta and its wholly-owned subsidiary Comair and regional airline affiliate ASA, together accounted for approximately 76.5 percent of total enplanements at the Airport in 2005. The Airport is, by far, Delta's most important hub. In January 2006, 883 average daily departures were scheduled from Atlanta by Delta and Delta Connection. The number of average daily seats scheduled from Atlanta by Delta and Delta Connection (103,942) far exceeded the number scheduled from Delta's hubs in Cincinnati and Salt Lake City combined (53,160). In July 2005, over 53% of Delta's systemwide seats were scheduled on flights to or from the Airport, an increase from about 40% in July 1995. During 2005, Delta closed its Dallas/Fort Worth hub and greatly reduced service at its Cincinnati hub. See **"APPENDIX A: REPORT OF THE AIRPORT CONSULTANT – AIRLINE TRAFFIC ANALYSIS – Airport Role—Airport's Role in Delta's System."**

Delta and its subsidiaries filed to reorganize under Chapter 11 on September 14, 2005, in the U.S. Bankruptcy Court for the Southern District of New York. The case number is 05-17923-PCB. The balance of the information under this heading has been gleaned from publicly available sources including the press, Delta's website and the website detaldocket.com. The information is not official and has not been subject to verification from Delta and other sources. Information regarding the case is available at delta.com/restructure and deltadocket.com. Delta has announced plans to move to profitability in just over two years through increased emphasis on international routes, paring of some U.S. domestic routes, fleet consolidation and reductions in labor costs achieved through concessions and job reductions. In its bankruptcy filing the company listed assets of $21.5 billion and liabilities of $28.3 billion.

Among the issues confronting Delta is the terms of its contract with its pilots. Delta has attempted to renegotiate the terms of its contract with the pilots represented by the Air Line Pilots Association (the "ALPA"). In April 2006, Delta and ALPA announced that they had reached a tentative agreement, averting a potential strike by the pilots. The tentative agreement is subject to ratification by a vote of the pilots and approval by the U.S. Bankruptcy Court.

Delta's stock was suspended from trade by the New York Stock Exchange (NYSE) on October 13, 2005 and an application was submitted to the SEC to delist the stock. The SEC approved the delisting effective November 30, 2005.

Additional financial information regarding Delta may be obtained from reports filed by Delta with certain federal agencies and from other publicly available sources. Certain Delta financial information, including its most recent 10-Q report, can be obtained through its filings with the SEC which may be accessed on the SEC Internet site (http:/www.sec.gov).

All information relating to Delta and its financial condition has been taken from publicly available sources.

AirTran Airways, Inc. During 2005, AirTran accounted for 14.5 percent of all enplaned passengers at the Airport. AirTran is one of the United States' largest low-cost airlines, offering in December 2005 approximately 219 nonstop daily departures to approximately 47 destinations from the Airport. The Airport serves as AirTran's principal airport, accounting for approximately 19% more daily seats than the combined daily seats of next seven airports used by AirTran, and accounting for most of AirTran's systemwide connecting activity. As of April 2006, AirTran operated a mainline fleet of 111 aircraft. AirTran's low-cost structure contributed to it being one of the few profitable U.S. airlines in 2002 through 2005, despite the weak national economy and depressed air travel demand. See **"APPENDIX A: REPORT OF THE AIRPORT CONSULTANT – AIRLINE TRAFFIC ANALYSIS – Airport Role – Airport's Role in AirTran's System."**

Competition and Alternative Modes of Ground Transportation

There are alternative modes of ground transportation available at the Airport which could reduce the demand for rental cars. In addition to rental cars, passengers may choose from several other modes of ground transportation including taxis, MARTA's ground transportation facilities including trains and buses, shuttle services, and limousines. For a further description of these alternate modes and their impact on rental car demand, see Chapter V of **"APPENDIX B: FINANCIAL FEASIBILITY REPORT."**

Considerations Under the Bankruptcy Code

In the event a bankruptcy case is filed with respect to an Operator that has signed a Facility Agreement for the use of the RAC Complex, a bankruptcy court could reject a Facility Agreement. In such event, such Operator would not be permitted to operate at the Airport unless it has been issued an off-airport rental car shuttle permit by the Airport. In such circumstances, while rental car demand would not be affected, CFC collections could be affected until other Operators are able to increase their capacity to accommodate additional customers.

In the event of a default in the payment of principal of or interest on the Series 2006A/B Bonds, the remedies available to the owners of the Series 2006A/B Bonds upon a default are in many respects dependent upon judicial action, which is often subject to discretion and delay under existing constitutional law, statutory law, and judicial decisions, including the federal Bankruptcy Code. Co-Bond Counsel's opinion to be delivered simultaneously with delivery of the Series 2006A/B Bonds will be qualified as to enforceability of the various legal instruments by certain limitations, including limitations imposed by bankruptcy, reorganization, insolvency, and equity principles. See **"APPENDIX E: FORM OF CO-BOND COUNSEL OPINION"** attached hereto.

Secondary Market

No assurance can be given concerning the existence of any secondary market in the Series 2006A/B Bonds or its creation or maintenance by the Underwriters. Thus, purchasers of Series 2006A/B Bonds should be prepared, if necessary, to hold their Series 2006A/B Bonds until their respective maturity dates.

LEGAL MATTERS

Opinions of Co-Bond Counsel

Legal matters incident to the authorization, validity and issuance of the Series 2006A/B Bonds are subject to the unqualified approving opinions of Kilpatrick Stockton LLP and Howell & Associates, LLC, Co-Bond Counsel. The proposed form of such opinions is attached to this Official Statement as Appendix E. Copies of such opinions will be available at the time of the initial delivery of the Series 2006A/B Bonds.

Tax Consequences of Series 2006B Bonds

Federal Tax Exemption. In the opinions of Co-Bond Counsel, under existing law, which is subject to change, with or without retroactive effect, interest on Series 2006B Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on such corporations. No opinion will be expressed with respect to any other federal tax consequences with respect to the Series 2006B Bonds.

In rendering their opinions that the interest on the Series 2006B Bonds is excluded from gross income for federal income tax purposes, Co-Bond Counsel will (i) rely as to certain factual matters upon representations of the Purchaser with respect to, among other things, the use of the proceeds of the Series 2006B Bonds without undertaking to verify the same by independent investigation, and (ii) assume the continued compliance by the Issuer and the Purchaser with covenants relating to the use of the proceeds of the Series 2006B Bonds and compliance with other requirements of the Code relating to State or local bonds, within the meaning of Section 103 of the Code. The inaccuracy of any such representations or noncompliance with such covenants may cause interest on the Series 2006B Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2006B Bonds.

State Tax Exemption. In the opinions of Co-Bond Counsel, under existing law, interest on the Series 2006B Bonds is exempt from all present State of Georgia income taxation. Interest on the Series 2006B Bonds may or may not be subject to state or local income taxation in jurisdictions other than Georgia under applicable state or local laws. Purchasers of the Series 2006B Bonds should consult their tax advisors as to the taxable status of the Series 2006A/B Bonds in a particular state or local jurisdiction other than Georgia.

Original Issue Discount and Premium. In the opinions of Co-Bond Counsel, under existing law, the original issue discount ("OID") on the Series 2006B Bonds maturing January 1, 2014 through January 1, 2021, inclusive, January 1, 2026 and January 1, 2031 (collectively the "Series B Discount Bonds"), to the extent properly allocable to each owner of a Series B Discount Bond, is excluded from gross income for federal income tax purposes with respect to such owner, to the same extent as stated interest on the Series B Discount Bonds. The OID is the excess of the stated redemption price at maturity of such Series B Discount Bonds over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of such Series B Discount Bonds were sold.

Under Section 1288 of the Code, OID on tax-exempt obligations accrues on a constant yield-to-maturity basis. The amount of OID that accrues to an owner of a Series B Discount Bond who acquires such Series B Discount Bond in this offering during any accrual period generally equals (i) the sum of issue price of such Series B Discount Bond plus the amount of OID accrued in all prior accrual periods, multiplied by the yield to maturity of such Series B Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (ii) any interest payable on such Series B Discount Bond during such accrual period.

The amount of OID that accrues in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in such Series B Discount Bond for the purpose of determining gain or loss upon a subsequent sale, exchange, payment, or redemption. Any gain realized by an owner who purchased a Series B Discount Bond in this offering at its initial offering price from a sale, exchange, payment, or redemption of the Series B Discount Bond and holds the Series B Bond as a capital asset would generally be treated as gain from the sale or exchange of such Series B Discount Bond.

Owners of Series B Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning Series B Discount Bonds. Under the tax laws of certain state and local jurisdictions, the amount of interest considered to have accrued to an owner of a Series B Discount Bond also may be deemed to be received in the year of such accrual, even though there will not be a corresponding cash payment, rather than upon the disposition, redemption, or maturity of such Series B Discount Bond, for purposes of determining such owner's income tax liability under such state or local tax laws.

Certain maturities of the Series 2006B Bonds, namely, the Series 2006B Bonds maturing on January 1, 2007 through January 1, 2013, inclusive (the "Series B Premium Bonds"), are being sold at prices in excess of the principal amount thereof. Under the Code, the excess of an owner's cost basis of a bond over the principal amount of such bond (other than a bond held as inventory, stock in trade, or for sale to customers in the ordinary course of business) is generally characterized as "bond premium." For federal income tax purposes, bond premium is amortized over the term of that bond. An owner will therefore be required to decrease its basis in the Series B Premium Bonds by the amount of amortizable bond premium attributable to each taxable year it holds Series B Premium Bonds. The amount of amortizable bond premium attributable to each taxable year is determined on an actuarial basis at a constant interest rate compounded on each interest payment date. The amortizable bond premium on Series B Premium Bonds that is attributable to a taxable year is not deductible for federal income tax purposes.

Purchasers of Series B Premium Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of bond premium upon sale, redemption, or other disposition of Series B Premium Bonds.

Collateral Federal Tax Consequences. Ownership of the Series 2006B Bonds may result in collateral federal tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain recipients of Social Security or railroad retirement benefits, foreign corporations operating branches in the United States, Subchapter S corporations, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Series 2006B Bonds.

In addition, there may be certain additional tax considerations relevant to those who either purchase Series 2006B Bonds after their issuance or who purchase Series 2006B Bonds at a price other than the initial offering price for Series 2006B Bonds of that particular maturity and interest rate. Neither the opinions of Co-Bond Counsel nor this Official Statement purports to address the likelihood or effect of any such potential events or such other tax considerations and purchasers of the Series 2006B Bonds should seek advice concerning such matters as they deem prudent in connection with their purchase of Series 2006B Bonds.

Prospective purchasers of the Series 2006B Bonds should consult their tax advisors as to the applicability of any such collateral federal tax consequences.

Selected Tax Consequences of Series 2006A Bonds

Co-Bond Counsel will be rendering no legal opinions with respect to any tax consequences of purchasing, owning, or disposing of Series 2006A Bonds, including, without limitation, for federal or State of Georgia tax purposes.

The following constitutes a discussion of certain of the U.S. federal and State of Georgia income tax consequences of the purchase, ownership, and disposition of the Series 2006A Bonds. This summary is presented for informational purposes only and, except for the limited discussion below under the heading "Non-U.S. Holders," is intended to be a discussion primarily of the U.S. federal and State of Georgia income tax consequences to owners who are U.S. Holders. A U.S. Holder is a beneficial owner that is a United States person, meaning (i) an individual citizen or resident of the United States, (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or of any state thereof or of the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of source, or (iv) a trust subject to the control of a U.S. fiduciary and the primary jurisdiction of a U.S. court. A Non-U.S. Holder is any other beneficial owner of Series 2006A Bonds.

It is not practicable to comment on all aspects of the U.S. federal, state, and local tax laws which may affect an individual owner's purchase of the Series 2006A Bonds. Therefore, state (other than State of Georgia), local, and foreign tax consequences are not addressed. Also not addressed are any particular tax consequences to U.S. Holders which may be subject to specialized treatment under U.S. federal income tax laws, such as financial institutions, insurance companies, regulated investment companies, tax-exempt organizations, individual retirement, and other tax-deferred accounts, dealers in securities or currencies, individuals subject to the provisions of the Code applicable to certain U.S. expatriates, holders that hold Series 2006A Bonds as a position in a hedge, straddle, constructive sale transaction, conversion transaction, "synthetic security" or other integrated transaction for U.S. federal income tax purposes and U.S. Holders the functional currency of which is not the U.S. dollar. Such tax consequences will vary with each purchaser, depending upon its particular situation. The following summary should not be considered as legal or tax advice to prospective purchasers of the Series 2006A Bonds. Furthermore, this summary is based on existing law, which is subject to change, with or without retroactive effect.

Inclusion of Interest in U.S. Federal Gross Income and in State of Georgia Income. Interest on the Series 2006A Bonds will be includable in the gross income of U.S. Holders for federal income tax purposes.

Although not free from doubt, the Department of Revenue, State of Georgia takes the position that the interest on bonds issued by the State of Georgia, political subdivisions thereof or instrumentalities of any of the foregoing, such as the Series 2006A Bonds, that is included in gross income of the U.S. Holder thereof for U.S. federal income tax purposes **is not** exempt from State of Georgia income taxation.

Series 2006A Bonds Not Purchased at the Initial Offering Prices. There may be certain additional tax considerations relevant to those U.S. Holders who either purchase Series 2006A Bonds after their issuance or who purchase Series 2006A Bonds at a price other than the initial offering price for Series 2006A Bonds of that particular maturity and interest rate. Neither the opinions of Co-Bond Counsel nor this Official Statement purports to address the likelihood or effect of any such potential events or such other tax considerations and purchasers of the Series 2006A Bonds should seek advice concerning such matters as they deem prudent in connection with their purchase of Series 2006A Bonds.

U.S. Federal Tax Withholding. Interest payments with respect to the Series 2006A Bonds will be reported to the owners and the Internal Revenue Service (the "IRS"). Such amounts will normally not be subject to withholding of federal income tax. However, the paying agent may be required to withhold federal income tax at a rate of 28% from payments to certain owners ("backup withholding") in accordance with Section 3406 of the Code. This tax may be withheld from certain payments if (i) an owner fails to furnish the paying agent with his or her tax identification number ("TIN") certified under penalties of perjury, (ii) the paying agent is notified by the IRS that the TIN furnished by an owner is incorrect, (iii) the IRS notifies the paying agent that an owner has failed to report properly certain income to the IRS, or (iv) when required to do so, an owner fails to certify under penalty of perjury that he or she is not subject to backup withholding.

Non-U.S. Holders

Payment of Interest; Portfolio Interest Exemption. In general, payments of interest received by a Non-U.S. Holder that are not effectively connected income (as described below) will not be subject to U.S. federal withholding tax, provided that the Non-U.S. Holder certifies its non-U.S. resident status by supplying a Form W-8 BEN, or appropriate substitute form, to the paying agent (if the Non-U.S. Holder holds a Series 2006A Bond through a financial institution or other agent acting on behalf of the paying agent for the Series 2006A Bonds, such institution or other agent will be required to supply the certification to the paying agent, either directly or through intermediaries).

Disposition. A Non-U.S. Holder generally will not be subject to U.S. federal income tax (and generally no tax will be withheld) with respect to any gain realized on the redemption, sale, exchange or other disposition of a Series 2006 Bond unless (1) the Non-U.S. Holder is an individual who is present in the United States for a period or periods aggregating more than 183 or more days in the taxable year of the disposition and certain other conditions are satisfied, or (2) such gain is effectively connected income.

Effectively Connected Income. If interest or gain from a disposition of Series 2006A Bonds is effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business and, if an income tax treaty applies, the Non-U.S. Holder maintains a U.S. "permanent establishment" or "fixed base" to which the interest or gain is generally attributable, the Non-U.S. Holder may be subject to U.S. federal income tax on the interest or gain on a net basis in the same manner as if it were a U.S. Holder. A foreign corporation that is a holder of a Series 2006A Bond also may be subject to a branch profits tax equal to 30% of its effectively connected earnings and profits for the taxable year, subject to certain adjustments, unless it qualifies for a lower rate under an applicable income tax treaty. For this purpose, interest on a Series 2006A Bond or gain recognized on the disposition of a Series 2006A Bond will be included in earnings and profits if the interest or gain is effectively connected with the conduct by the foreign corporation of a trade or business in the U.S.

Backup Withholding and Information Reporting. Backup withholding and information reporting requirements do not apply to payments of interest made by the paying agent to Non-U.S. Holders if the certification described above under "- Non-U.S. Holders – Payment of Interest; Portfolio Interest Exemption" is received, provided that the payor does not have actual knowledge or reason to know that the holder is a U.S. Holder. Payments of the proceeds from a disposition by a Non-U.S. Holder of a Series 2006A Bond made by or through a foreign office of a broker generally will not be subject to backup withholding and information reporting, except that information reporting may apply to those payments if the broker is (1) a United States person; (2) a controlled foreign corporation for U.S. tax purposes; (3) a foreign person 50% or more of whose gross income is effectively connected with the conduct of a U.S. trade or business for a specified three-year period; or (4) a foreign partnership if, at any time during its tax year, (a) one or more of its partners are "United States persons," as defined in the Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership or (b) such foreign partnership is engaged in the conduct of U.S. trade or business, unless, in each case, the broker does not have actual knowledge or reason to know the holder is a U.S. Holder and the certification requirements described above are met or the holder otherwise establishes an exemption. Information reporting and backup withholding generally will apply to a payment by a U.S. office of a broker, unless the Non-U.S. Holder certifies its U.S. nonresident status or otherwise establishes an exemption. Amounts paid as backup withholding do not constitute an additional tax and may be credited against a Non-U.S. Holder's federal income tax liability and may entitle such holder to a refund, provided that the required information is properly submitted to the IRS. Non-U.S. Holders should consult their tax advisors regarding the filing of a U.S. tax return for claiming a refund of such backup holding.

U.S. Federal Estate Taxes. Subject to applicable estate tax treaty provisions, Series 2006A Bonds (and Series 2006B Bonds) held at the time of death (or transferred before death but subject to certain retained rights or powers) by an individual who at the time of death is a Non-U.S. Holder will not be included in such Non-U.S. Holder's gross estate for U.S. federal estate tax purposes.

Circular 230. Prospective investors are urged to consult their own tax advisors before determining whether to purchase Series 2006A Bonds. The tax discussion hereinabove, under the heading "Selected Tax Consequences of Series 2006A Bonds," was not intended or written to be used, and cannot be used, for purposes of avoiding taxpayer penalties. This discussion was written to support the promotion or marketing of the Series 2006A Bonds.

Litigation

There is no litigation now pending or threatened (i) to restrain or enjoin the issuance or sale of the Series 2006A/B Bonds; (ii) questioning or affecting the validity of the Series 2006A/B Bonds, the Resolution, the Agreement or the Bond Ordinance; or (iii) questioning or affecting the validity of any of the proceedings for the authorization, sale, execution or delivery of the Series 2006A/B Bonds. As a result of operating the Airport, certain incidental claims have been asserted and litigation has been filed against the Purchaser. The claims or litigation have involved personal injury and construction disputes, as well as inverse condemnation actions, in which the plaintiffs have alleged that their properties have been "taken or damaged" without just compensation as a result of noise and other byproducts generated from airplanes arriving and departing the Airport. The Atlanta City Attorney is of the opinion that an adverse decision with respect to the claims and legal actions pending or threatened against the Purchaser which are not covered by insurance or reserves arising out of the ownership and operation of the Airport will not have a material adverse effect on the financial position of the Airport, including General Revenues.

Approval of Legal Proceedings

All legal matters incident to the authorization and issuance of the Series 2006A/B Bonds are subject to the approval of Kilpatrick Stockton LLP and Howell & Associates, LLC, both of Atlanta, Georgia, Co-Bond Counsel, whose approving opinions will be furnished at the expense of the Purchaser upon delivery of the Series 2006A/B Bonds. Certain legal matters will be passed on for the Purchaser by its special co-counsel, Sutherland Asbill & Brennan LLP and Thomas, Kennedy, Sampson & Patterson, both of Atlanta, Georgia, for the Issuer by its counsel, Fincher, Denmark & Williams, LLC, Morrow, Georgia, and for the Underwriters by their co-counsel, McGuireWoods LLP and The Neighbors Firm, LLC, both of Atlanta, Georgia.

The proposed form of Co-Bond Counsel's opinion is included in Appendix E hereto. Co-Bond Counsel have not been engaged to investigate the financial resources of the Purchaser or its ability to make payments under the Agreement in order to provide for payment of the Series 2006A/B Bonds and the opinions of Co-Bond Counsel will make no statement as to such matters or as to the accuracy or completeness of this Official Statement or any other information that may have been relied on by anyone in making the decision to purchase Series 2006A/B Bonds.

Validation Proceedings

The State of Georgia instituted proceedings in the Superior Court of Fulton County, Georgia, to validate the Series 2006A/B Bonds and the security therefor. The State of Georgia was the plaintiff in the proceeding, and the

Issuer and the Purchaser were the defendants. A final judgment confirming and validating the Series 2006A/B Bonds and the security therefor was entered on April 26, 2006. Under Georgia law, the judgment of validation is forever conclusive with respect to the validity of the Series 2006A/B Bonds and the security therefor against the Issuer and the Purchaser. The judgment entered by the Superior Court of Fulton County holds, among other things, that the Issuer and the Purchaser are authorized to enter into the Agreement, that the Agreement, when executed and delivered, will constitute a valid, binding, and enforceable obligation of the Issuer and the Purchaser, and that the Purchaser is authorized to make all payments required by the Agreement.

Closing Certificates

At closing of the sale of the Series 2006A/B Bonds by the Underwriters, the Issuer and the Purchaser will each deliver to the Underwriters a certificate that no litigation is pending or threatened against it which would have a material effect on the issuance or validity of the Series 2006A/B Bonds or performance under the Agreement or the Resolution or, in the case of the Purchaser, on the financial condition of the Purchaser. In addition, the Purchaser will deliver to the Underwriters a certificate that the information contained in this Official Statement with respect to the Purchaser and the Airport does not contain any misstatement of a material fact and does not omit to state any material fact necessary to make the statements herein contained, in light of the circumstances under which they were made, not misleading.

MISCELLANEOUS

Ratings

It is expected that Fitch Inc. ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's, a Division of The McGraw-Hill Companies, Inc. ("S&P") will assign ratings of "AAA," "Aaa" and "AAA," respectively, to the Series 2006A/B Bonds with the understanding that upon delivery of the Series 2006A/B Bonds, the Bond Insurance Policy will be issued by the Bond Insurer. In addition, Fitch, Moody's and S&P have assigned underlying ratings of "A-," "Baa1" and "A-," respectively, to the Series 2006A/B Bonds without giving effect to the Bond Insurance Policy. An explanation of the significance of the ratings given by Fitch, Moody's and S&P may be obtained from Fitch at One State Street Plaza, New York, New York 10004, (212) 908-0500, Moody's at 99 Church Street, New York, New York 10007, (212) 553-0470 and from S&P at 55 Water Street, New York, New York 10041, (212) 208-1800. The ratings reflect only the views of Fitch, Moody's and S&P, and the Issuer and the Purchaser make no representation as to the appropriateness of the ratings. There is no assurance that the ratings will continue for any given period of time or that the ratings will not be revised or withdrawn entirely by Fitch, Moody's or S&P, if in their judgment circumstances so warrant. Any downward revision or withdrawal of one or more of the ratings may have an adverse effect on the market price of the Series 2006A/B Bonds.

Underwriting

The Series 2006A/B Bonds are being purchased by a group of underwriters that includes Goldman, Sachs & Co., Morgan Keegan & Company, Inc., Knox Wall Division, Doley Securities, LLC and Jackson Securities, LLC (the "Underwriters"). The Underwriters have agreed to purchase (i) the Series 2006A Bonds at an aggregate purchase price of $210,368,646.42 (being the principal amount of the Series 2006A Bonds less an Underwriters' Discount of $1,511,353.58) and (ii) the Series 2006B Bonds at an aggregate purchase price of $21,485,179.43 (being the principal amount of the Series 2006B Bonds less a net original issue discount of $369,154.15 and less an Underwriters' Discount of $125,666.42). The Underwriters will enter into a Bond Purchase Agreement which provides that the Underwriters will purchase all of the Series 2006A/B Bonds, if any are purchased. The Underwriters intend to offer the Series 2006A/B Bonds to the public at the offering prices set forth on the cover of this Official Statement. The Underwriters may allow concessions to certain dealers. After the initial public offering, the public offering price may be varied from time to time by the Underwriters.

The Issuer has agreed to pay the expenses of the Underwriters relating to the Series 2006A/B Bonds out of the proceeds of the Series 2006A/B Bonds, including the fees and expenses of co-counsel to the Underwriters. The Purchaser has agreed to indemnify the Underwriters against certain liabilities, including any arising under federal and state securities laws, in connection with the Series 2006A/B Bonds.

Financial Advisor

Public Resources Advisory Group and Dobbs, Ram & Company are serving as Financial Advisors to the Airport in connection with the execution and delivery of the Series 2006A/B Bonds.

Summary of Continuing Disclosure Agreement

In order to assist the Underwriters in complying with the Rules, the Purchaser will enter into a Disclosure Agreement in the form attached hereto as Appendix G for the benefit of the beneficial owners of the Series 2006A/B Bonds to provide (a) certain financial information and operating data relating to the Airport annually to each Nationally Recognized Municipal Securities Information Repository ("NRMSIR") and to any state information depository to which filings are required to be made by the Purchaser (the "SID") and (b) notice of the occurrence of certain events, if material, to each NRMSIR or the Municipal Securities Rulemaking Board, and the SID.

There have been several instances in the previous five years in which the Purchaser has failed to comply in all material respects with previous undertakings entered into pursuant to the Rule. The Purchaser failed to timely file annual reports for (i) fiscal years 2000, 2002 and 2004 as required by previous undertakings that the Purchaser entered into with respect to outstanding general obligation bonds, (ii) fiscal years 2000, 2002 and 2004 as required by previous undertakings that the Purchaser entered into with respect to outstanding water and sewer revenue bonds and certificates of participation, (iii) fiscal years 2000, 2001, 2002 and 2004 as required by previous undertakings that the Purchaser entered into with respect to outstanding airport revenue bonds, and (iv) fiscal years 2002 and 2004 as required by previous undertaking that the Purchaser entered into with respect to certain outstanding tax allocation district bonds. Other than the annual reports relating to the airport revenue bonds, the annual reports for fiscal yours 2000 and 2004 were filed on September 19, 2001, and July 15, 2005, respectively. The annual reports relating to the airport revenue bonds were filed for with respect fiscal years 2000, 2001 and 2002 in July and October 2003 and, with respect to fiscal year 2004 was filed July 15, 2005. The annual reports for fiscal year 2002 relating to the general obligation bonds, the water and sewer revenue bonds, the certificates of participation, and the tax allocation district bonds, which were due on either June 30, 2003 or July 14, 2003, were filed on January 28, 2004. The annual reports for fiscal year 2004 relating to the general obligation bonds, the water and sewer revenue bonds, the certificates of participation, and the tax allocation district bonds, which were due on either June 30, 2004 .or July 14, 2004, were filed on July 15, 2005. The late delivery of the fiscal year 2002 audit related to delays caused by the transition of a new auditor for fiscal year 2002 and the Purchaser's implementation beginning in fiscal year 2002 of the Governmental Accounting Standards Statement No. 34, Basic Financial Statement - and Management's Discussion and Analysis - for State and Local Governments. The late delivery of the other reports was occasioned by delays in the audits for those years.

For the purposes of the Disclosure Agreement, "Obligated Person" means the Purchaser. See "APPENDIX G: FORM OF DISCLOSURE AGREEMENT" for the detailed provisions of the Purchaser's obligation to provide continuing disclosure.

Additional Information

Use of the words "shall," "must," or "will" in this Official Statement in summaries of documents or laws to describe future events or continuing obligations is not intended as a representation that such event will occur or obligation will be fulfilled but only that the document or law contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2006A/B Bonds.

RESPONSIBILITY FOR OFFICIAL STATEMENT

The execution and delivery of this Official Statement, and its distribution and use by the Underwriters, have been duly authorized and approved by the Issuer and the Purchaser. The contents of this Official Statement are the responsibility of the Purchaser, except that the Issuer is responsible for the statements contained under the caption "**THE ISSUER**" and the information with respect to the Issuer appearing under the caption **"LEGAL MATTERS – Litigation"** herein, and, with the exception of the foregoing information for which the Issuer is responsible, the Issuer makes no representation as to the accuracy or completeness of any information contained herein.

CITY OF COLLEGE PARK

By: /s/ Jack P. Longino
Jack P. Longino, Mayor

CITY OF ATLANTA

By: /s/ Shirley Franklin
Shirley Franklin, Mayor

By: /s/ Janice D. Davis
Janice D. Davis, Chief Financial Officer

By: /s/ Benjamin R. DeCosta
Benjamin R. DeCosta, Aviation General Manager

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

REPORT OF THE AIRPORT CONSULTANT

[THIS PAGE INTENTIONALLY LEFT BLANK]

Appendix A

REPORT OF THE AIRPORT CONSULTANT

on the planned issuance of

CITY OF ATLANTA
AIRPORT REVENUE BONDS

Prepared for

City of Atlanta, Georgia

Prepared by

Leigh Fisher Associates
San Francisco, California

May 24, 2006

ATL572

[THIS PAGE INTENTIONALLY LEFT BLANK]

LEIGH FISHER ASSOCIATES
A Division of Jacobs Consultancy Inc.

555 Airport Boulevard, Suite 300
Burlingame, California 94010 U.S.A.
1.650.579.7722 Fax 1.650.343.5220

May 24, 2006

Ms. Janice D. Davis
Chief Financial Officer

Mr. Benjamin R. DeCosta
Aviation General Manager

City of Atlanta
Hartsfield-Jackson Atlanta International Airport
Atlanta, Georgia

Re: **Report of the Airport Consultant**
City of Atlanta Airport Revenue Bonds

Dear Ms. Davis and Mr. DeCosta:

We are pleased to submit this Report of the Airport Consultant in connection with the planned issuance by the City of Atlanta (the City) of Airport Revenue Bonds to fund the costs of future capital improvements at Hartsfield-Jackson Atlanta International Airport (the Airport).

Capital Improvement Plan

The City has adopted a plan of capital improvements at the Airport (the Capital Improvement Plan) to be constructed or implemented through approximately 2012. The Capital Improvement Plan is being funded through a combination of the proceeds of Airport Revenue Bonds, federal grants-in-aid, revenues derived from the imposition of a passenger facility charge (PFC) paid by airline passengers (PFC Revenues), revenues derived from the imposition of a customer facility charge (CFC) paid by Airport rental car customers (CFC Revenues), and other Airport funds.

The principal elements of the Capital Improvement Plan are a new fifth runway, improvements to the existing central passenger terminal complex, a new international terminal, a new consolidated rental car center (also referred to as the CONRAC facility), and various other improvements to runway, taxiway, security, parking, and roadway facilities. The projects, their estimated costs, and the plan of finance are described in the attachment and summarized in Exhibit A at the end of this report.

An automated people mover (APM) system and roadways will provide access between the Airport's passenger terminal complex and the new consolidated rental car center. The APM system and roadways are referred to collectively as the Landside Access Project. The Landside Access Project is being financed by the City largely from PFC Revenues and the proceeds of previously issued PFC Revenue and Subordinate Lien General Revenue Bonds, Series 2004J and Series 2004K (variable rate), collectively referred to as the 2004JK PFC Revenue Hybrid Bonds or simply the 2004JK PFC Bonds.

The CONRAC facility is being financed with proceeds from the proposed sale by the City of College Park, Georgia (the Issuer) of Taxable Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A. The maintenance and storage facility for the APM system is being financed with proceeds from the proposed sale of the Issuer's Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B. The debt service requirements of the Issuer's Series 2006A and 2006B Bonds are expected to be paid from CFC Revenues, and the Bonds are referred to as the 2006AB CFC Bonds. The projects being financed with proceeds from the sale of the 2006AB CFC Bonds are referred to collectively as the CONRAC Project or the 2006AB Project.

This letter and the accompanying attachment and exhibits constitute our report, which addresses the adequacy of Airport General Revenues and PFC Revenues to pay the debt service requirements of all outstanding and planned Bonds issued by the City to finance elements of the Capital Improvement Plan, including the 2004JK Bonds. The adequacy of CFC Revenues to pay the debt service requirements of the 2006AB CFC Bonds is addressed in a separate report included as Appendix B of the Official Statement for the 2006AB CFC Bonds.

Bond Resolution and Ordinance

The City issues Airport Revenue Bonds under the terms of the City's restated and amended master ordinance authorizing the issuance of City of Atlanta Airport Revenue Bonds adopted in March 2000 and supplemental bond ordinances, including a Tenth Supplemental Bond Ordinance adopted in April 2006. The City's master and supplemental bond ordinances are collectively referred to as the Bond Ordinance. Capitalized terms are used as defined in the Bond Ordinance except as otherwise indicated.

As of April 1, 2006, the outstanding principal amount of City Airport Revenue Bonds were as follows:

Issued under the terms of a 1977 bond ordinance:

• Airport Facilities Revenue Bonds, Series 1990 and Refunding Series 1996 (collectively, the 1977 Ordinance Bonds)	$ 58,837,000

Issued under the terms of the Bond Ordinance:

• Airport General Revenue Bonds, Series 2000A, Series 2000B, and Series 2000C issued in March 2000 to finance capital improvements and refund prior Bonds (collectively, the 2000 Bonds)	$ 550,795,000
• Airport General Revenue Refunding Bonds, Series 2003RF-A through Series 2003RF-C issued in June 2003 and Series 2003RF-D issued in December 2003 to refund prior Bonds (collectively, the 2003 Bonds)	661,035,000
• Airport General Revenue Bonds, Series 2004A and Series 2004B issued in June 2004 to finance capital improvements (collectively, the 2004AB Bonds)	222,820,000
• Airport General Revenue Bonds, Series 2004F and Series 2004G issued in November 2004 to finance capital improvements (collectively, the 2004FG Bonds)	128,465,000
• Airport General Revenue Bonds, Series 2004I (variable rate) issued in November 2004 to finance capital improvements (the 2004I Bonds)	51,625,000
Subtotal, prior General Revenue Bonds (collectively, the Prior Bonds)	$1,614,740,000
Subtotal, all outstanding General Revenue Bonds	$1,673,577,000

• Airport Passenger Facility Charge Revenue and Subordinate Lien General Revenue Bonds, Series 2004C, Series 2004D (variable rate), and Series 2004E (variable rate) issued in June 2004 to finance capital improvements and redeem Airport Limited Obligation Bond Anticipation Notes, Series 2003 (collectively, the 2004CDE PFC Bonds)	$ 529,270,000
• Airport Passenger Facility Charge Revenue and Subordinate Lien General Revenue Bonds, Series 2004J and Series 2004K (variable rate) issued in November 2004 to finance capital improvements (collectively, the 2004JK PFC Bonds)	572,585,000
Subtotal, prior PFC Revenue and Subordinate Lien General Revenue Bonds (collectively, the Prior PFC Revenue Bonds)	$1,101,855,000
Total, all outstanding Revenue Bonds	$2,775,432,000

The City is, in addition, authorized to issue up to $350,000,000 of General Revenue Commercial Paper Notes (the 2005A Notes), none of which were outstanding as of April 1, 2006; and up to $200,000,000 of PFC Revenue and Subordinate Lien General Revenue Commercial Paper Notes (the 2005B Notes), $26,965,000 of which were outstanding as of April 1, 2006.

Rate Covenant

In Section 601 (the Rate Covenant) of the Bond Ordinance, the City undertakes to prescribe and collect rates, fees, and charges for the Airport services and facilities furnished by the City so as to ensure that, in each Fiscal Year, Net Revenues and PFC Revenues will enable the City to:*

(1) Meet at least 120% of the Debt Service Requirements of all outstanding General Revenue Bonds, including the 1977 Ordinance Bonds and the Prior Bonds (110% without regard to amounts in the General Revenue Enhancement Subaccount)

*In this report, the term Revenues is sometimes used to mean General Revenues and the term Net Revenues is sometimes used to mean Net General Revenues, i.e., General Revenues less Operating Expenses.

(2) Meet at least 100% of the Debt Service Requirements of all outstanding PFC Revenue Bonds (without regard to amounts in the PFC Revenue Enhancement Account)

(3) Meet at least 100% of the Debt Service Requirements of any other outstanding Bonds payable from General Revenues

(4) Make any required payments to the Debt Service Reserve Account and the Rebate Account

(5) Meet any Other Airport Obligations or other contractual obligations

(6) Accumulate an amount in the Renewal and Extension Fund adequate to meet the costs of major renewals, replacements, and improvements to the Airport

(7) Remedy any deficiencies in any of the funds and accounts established by the Bond Ordinance from prior Fiscal Years

The City's Fiscal Year has, until 2006, been the calendar year ending December 31. Beginning in 2006, the City is changing its Fiscal Year to the 12 months ending June 30. For the purposes of this report, all historical and forecast results are presented by calendar year. If the forecasts were to be restated for Fiscal Years ending June 30, the resulting debt service coverage and other indicators of financial performance would not differ materially from those presented for calendar years.

Under the Bond Ordinance, Operating Expenses include all necessary expenses of operating and maintaining Airport facilities, including those facilities constructed with the proceeds of General Revenue Bonds and those constructed with the proceeds of PFC Revenue Bonds.

Airline Agreements

The City and most of the airlines serving the Airport (the Signatory Airlines) have entered into agreements relating to the use of the airfield that extend to 2010 (the Airport Use Agreements). Under the Airport Use Agreements, the Signatory Airlines agree to pay landing fees to allow the City to recover certain operating and maintenance expenses as well as to recover the amortized capital costs plus 20% coverage of approved airfield capital improvements financed with the proceeds of General Revenue Bonds. Since 2001, the City has entered into short-term Airport Use License Agreements with new entrant airlines. These agreements provide for the payment of landing fees at the Signatory Airline rate. Airlines paying the Signatory Airline rate collectively accounted for approximately 99% of all aircraft landed weight at the Airport in 2005.

The City has also entered into agreements that extend to 2010 with the principal passenger airlines serving the Airport (the Contracting Airlines) relating to their use and lease of the central passenger terminal complex (the CPTC Leases). The CPTC Leases provide for the calculation of terminal rentals and charges to allow the City to recover certain operating and maintenance expenses as well as to recover the amortized capital costs plus 20% coverage of approved terminal projects financed with the proceeds of General Revenue Bonds.

The following Contracting Airlines are signatory to the CPTC Leases:

AirTran Airways	Midwest Airlines
American Airlines	Northwest Airlines
Atlantic Southeast Airlines	United Airlines
Continental Airlines	US Airways
Delta Air Lines	

These nine airlines collectively accounted for approximately 96% of all passengers enplaned at the Airport in 2005.

For the purposes of this report, it was assumed that the provisions of the Airport Use Agreements and the CPTC Leases relating to the calculation of airline rentals, fees, and charges will continue through 2012, the end of the forecast period, and that the Signatory Airlines and the Contracting Airlines collectively will pay all amounts required under the Airport Use Agreements and CPTC Leases.

In July 1999, the City and the airlines reached agreement on the scope of a Capital Improvement Plan and on a general plan of finance to permit its implementation. The City and the airlines also agreed on a collaborative process for accomplishing the planning, scheduling, design, construction, and financing of individual projects. In August 1999, majorities-in-interest of the Signatory Airlines and the Contracting Airlines formally approved a funding plan for the Capital Improvement Plan that provided for approximately $1.3 billion of project costs to be funded from the issuance of airline-supported General Revenue Bonds.* Approximately $1.0 billion of project costs is expected to be funded with proceeds from the sale of PFC Revenue Bonds. Remaining funding is to be provided from Bonds paid from CFC Revenues, PFC Revenues used pay-as-you-go, federal grants-in-aid and other contributions, tenant funds, and other Airport funds. The projects in the Capital Improvement Plan, their estimated costs, and the funding plan are described in the attachment and summarized in Exhibits A and B at the end of this report.

---

*Under the Airport Use Agreements, a majority-in-interest is defined as any four or more of the Signatory Airlines accounting for 90% or more of landed weight. Under the CPTC Leases, a majority-in-interest is defined as at least 51% in number of the Contracting Airlines that lease 75% or more of exclusively leased terminal premises and aircraft parking aprons.

In connection with the issuance of the 2004JK PFC Bonds, the Signatory Airlines and the Contracting Airlines provided majority-in-interest approvals to ensure that, through the term of the Airport Use Agreements and CPTC Leases, if PFC Revenues are not sufficient to pay the debt service requirements of PFC Revenue Bonds, then supplementary airline rentals, fees, and charges will be assessed to ensure that the debt service coverage requirements of the Bond Ordinance are met.

Scope of Report

Our report was prepared to evaluate the ability of the City to generate sufficient Net Revenues and PFC Revenues from operation of the Airport to pay Operating Expenses; to pay the Debt Service Requirements of Bonds to be issued to finance the Capital Improvement Plan; and to meet the debt service coverage requirements established by the Rate Covenant of the Bond Ordinance.

In preparing the report, we analyzed:

- The status and estimated costs of the Capital Improvement Plan
- Future airline traffic demand at the Airport, giving consideration to the demographic and economic characteristics of the region served, historical trends in airline traffic, the role of the Airport as the principal connecting hub for Delta Air Lines, and other key factors that will affect future traffic
- Estimated sources and uses of funds for the Capital Improvement Plan and associated annual Debt Service Requirements of the Prior Bonds and future General Revenue Bonds
- Historical and estimated future PFC Revenues and the use of certain PFC Revenues to pay the annual Debt Service Requirements of the Prior PFC Bonds, and future PFC Revenue Bonds
- Historical relationships among revenues, expenses, and airline traffic at the Airport
- The facilities expected to be provided, as included in the Capital Improvement Plan, and other operational considerations affecting Airport revenues and expenses

- The City's policies and contractual agreements relating to the use and occupancy of Airport facilities, including the calculation of airline rentals, fees, and charges under the Airport Use Agreements and the CPTC Leases; the operation of concession privileges; and the leasing of buildings and grounds

The CFC Revenues to be used to pay the debt service requirements of the 2006AB CFC Bonds and pay certain other costs associated with construction and operation of the consolidated rental car center and the APM system are defined under the Bond Ordinance as Released Revenues. As such, CFC Revenues are excluded from General Revenues. We considered the effects of rental car operations at the new consolidated center and operation of the APM system on Airport revenues and expenses insofar as they may affect the Net Revenues of the Airport. However, we did not analyze the debt service requirements of the proposed 2006AB CFC Bonds (or any other future Released Revenue Bonds) or the adequacy of CFC Revenues to pay the debt service requirements of such Bonds.

We also identified key factors upon which the future financial results of the Airport may depend and formulated assumptions about the factors. On the basis of those assumptions, we assembled the financial forecasts presented in the exhibits at the end of the report. Estimates of project costs, financing assumptions, and debt service requirements were provided by the sources noted in the exhibits.

The financial forecasts extend through 2012 and address the ability of the City to meet the debt service coverage requirements of the Rate Covenant after taking into account the estimated Debt Service Requirements of all future Bonds (except any Released Revenue Bonds or Special Purpose Revenue Bonds) expected to be required to permit implementation of the entire Capital Improvement Plan. The forecasts were also developed taking into account estimated capacity enhancements, operating and maintenance expenses, and revenues associated with implementing all projects in the Capital Improvement Plan, including those to be financed with General Revenue Bonds and PFC Revenue Bonds (but not Released Revenue Bonds or Special Purpose Revenue Bonds).

Forecast Debt Service Coverage

As shown in Exhibit G, at the end of this report, and on the following page, the General Revenues of the Airport are forecast to be sufficient to pay Operating Expenses and to meet the other funding requirements of the Bond Ordinance, including the annual Debt Service Requirements of the 1977 Ordinance Bonds, the Prior Bonds, and future General Revenue Bonds. None of the Debt Service Requirements of PFC Revenue Hybrid Bonds are forecast to be paid from General Revenues.

Year	Net General Revenues [A] (in thousands)	General Revenue Bond Debt Service Requirements [B] (in thousands)	Debt service coverage ratio [A/B]%
2006	$184,286	$ 95,102	194%
2007	200,676	103,139	195
2008	218,236	113,694	192
2009	234,843	121,404	193
2010	244,058	115,905	211
2011	288,204	146,268	197
2012	291,863	149,821	195

The debt service coverage ratio for General Revenue Bonds, without considering any amounts in the General Revenue Enhancement Subaccount, is forecast to be 192% or greater in each year, exceeding the 120% requirement of the Rate Covenant.

Year	PFC Revenues [A] (in thousands)	Bond Debt Service Requirements to be paid from PFC Revenues* [B] (in thousands)	Debt service coverage ratio [A/B]
2006	$171,935	$59,505	289%
2007	174,533	58,715	297
2008	175,146	57,170	306
2009	175,824	56,732	310
2010	177,083	56,192	315
2011	180,638	54,934	329
2012	187,237	53,633	349

*Debt Service Requirements of PFC Revenue Hybrid Bonds net of that portion expected to be paid from subordinate General Revenues.

As shown in Exhibit F, at the end of this report, and the preceding tabulation, the debt service coverage ratio for PFC Revenue Hybrid Bonds, without considering any amounts in the PFC Revenue Enhancement Account, is forecast to be 289% or greater in each year.

The forecasts are based on information and assumptions that were provided by or reviewed with and agreed to by Airport management. The forecasts reflect Airport management's expected course of action during the forecast period and, in Airport management's judgment, present fairly the expected financial results of the Airport. Those key factors and assumptions that are significant to the forecasts are set forth in the attachment, "Background, Assumptions, and Rationale for the Financial Forecasts." The attachment should be read in its entirety for an understanding of the forecasts and the underlying assumptions.

In our opinion, the underlying assumptions provide a reasonable basis for the forecasts. However, any forecast is subject to uncertainties. Inevitably, some assumptions will not be realized and unanticipated events and circumstances may occur. Therefore, there will be differences between the forecast and actual results, and those differences may be material. We have no responsibility to update this report to reflect events and circumstances occurring after the date of the report.

* * * * *

We appreciate the opportunity to serve as the City's Airport Consultant on the proposed financing.

Respectfully submitted,

Leigh Fisher Associates

LEIGH FISHER ASSOCIATES

Attachment

REPORT OF THE AIRPORT CONSULTANT

on the planned issuance of

CITY OF ATLANTA AIRPORT REVENUE BONDS

BACKGROUND, ASSUMPTIONS, AND RATIONALE FOR THE FINANCIAL FORECASTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

CONTENTS

CONTENTS *(continued)*

CONTENTS *(continued)*

Page

FINANCIAL ANALYSIS *(continued)*

TABLES

TABLES *(continued)*

FIGURES

EXHIBITS

AIRLINE TRAFFIC ANALYSIS

AIRPORT FACILITIES AND SERVICES

Hartsfield-Jackson Atlanta International Airport is located in Clayton and Fulton counties, Georgia, about 10 miles by road south of downtown Atlanta. The Airport is surrounded by the cities of College Park, East Point, and Hapeville to the west and north and by the City of Atlanta and unincorporated areas of Clayton County to the east and south. Including land acquired for the fifth runway, the Airport occupies approximately 4,300 acres. Access to the Airport is provided via interstate highways I-85, I-285, and I-75, which generally bound the Airport site to the west, south, and east, respectively.

Airfield

The Airport has five parallel east-west runways, two immediately north of the passenger terminal complex (Runway 8L-26R, 9,000 feet long and Runway 8R-26L, 10,000 feet long), two immediately south of the terminal complex (Runway 9L-27R, 11,889 feet long and Runway 9R-27L, 9,000 feet long), and a fifth (Runway 10-28, 9,000 feet long) separated from Runway 9R-27L by 4,200 feet to the south. Of the two pairs of runways closest to the terminal complex, the outboard runways (Runways 8L-26R and 9R-27L, separated by 6,450 feet) are used primarily for aircraft landings. The inboard runways (Runways 8R-26L and 9L-27R, separated by 4,400 feet) are used primarily for aircraft takeoffs. Runway 10-28 is also used primarily for aircraft landings. All runways are equipped with instrument landing systems, lighting systems, and other air navigation aids, permitting the Airport to operate in virtually all weather conditions. The separation between the runways permits the simultaneous use of three runways for aircraft landings in poor visibility.

Passenger Terminal Complex

The central passenger terminal complex (CPTC) was opened in 1980 and consists of a landside building and six concourses. A 5,800-foot-long underground transportation mall that accommodates an automated guideway transit system (AGTS) and pedestrian walkways connects the landside building and concourses. The AGTS normally runs 260-person-capacity, four-car trains at intervals of approximately 2 minutes.

The landside building contains approximately 1,200,000 square feet of space housing ticketing, baggage check-in, security screening, baggage claim, ground transportation, concessions, airline operations, Airport administration, and other services and functions. The building is symmetrical along its east-west axis, with

Delta and its affiliated airlines occupying most of the south side of the building and the other airlines occupying the north side. Ticketing and other enplaning functions are at the east end of the building; baggage claim and other deplaning functions are at the west end. An atrium in the center of the landside building, opened in 1995, provides a large open space for waiting, circulation, concessions, and passenger services. Roadways provide vehicle access to 750-foot-long curbsides at the north and south sides of the landside building.

The six concourses together contain approximately 3,800,000 square feet of space, are separated from one another by approximately 1,000 feet, and provide 176 aircraft parking positions (gates) configured for the current mix of widebody, narrowbody, and regional airline aircraft operating at the Airport. All gates are or could be equipped with aircraft loading bridges. The concourses provide passenger holdrooms, concessions, baggage handling facilities, airline operations space, and other services and functions.

Concourse T, adjacent to the landside building, provides 14 gates leased by American, Delta, and United. Concourses A and B provide 30 and 34 gates, respectively, all leased by Delta. Concourse C provides 38 gates, some of which are not currently equipped with loading bridges and are used for regional airline operations. AirTran leases 22 of the Concourse C gates and Atlantic Southeast leases the remaining 16. Concourse D provides 32 gates leased by the other domestic airlines and is narrower than the other concourses (20-foot-wide central corridor in Concourse D versus 30-foot-wide corridors in Concourses A, B, and C). The City contracts with TBI Airport Management to operate 7 of the 32 Concourse D gates on a common-use basis.

Concourse E, opened in 1994 and expanded in 2001, is the Airport's international concourse and provides 28 gates, all of which are capable of accommodating arrivals and departures by widebody aircraft in domestic or international service. All 28 Concourse E gates are operated on a common-use basis. Concourse E contains approximately 1,800,000 square feet of space and is used primarily by Delta and foreign-flag airlines. Arriving international passengers clear customs and immigration through a 220,000-square-foot federal inspection services (FIS) facility providing the capacity for U.S. Customs and Border Protection to process 6,000 passengers per hour. TBI Airport Management manages the Concourse E international passenger terminal facilities on behalf of the City.

The midfield location of the passenger terminal complex between the parallel runways provides for the optimal movement of aircraft between the terminal gates and the runways and has become the model for the design of many other major airports around the world.

Table 1 shows airline gate distribution and use at the Airport.

Table 1

GATE DISTRIBUTION AND USE

Hartsfield-Jackson Atlanta International Airport
July 2005

	Number of gates: Concourse T	A	B	C	D	E	Total	Average daily departures: Dom	Int'l	Total	Average daily departures per gate
Airline exclusive use											
AirTran	--	--	--	22	--	--	22	171	1	172	7.8
American *(a)*	4	--	--	--	--	--	4	35	--	35	8.8
Continental *(b)*	--	--	--	--	4	--	4	21	--	21	5.3
Delta *(c)*	7	30	34	--	3	--	74	591	6	597	8.1
Midwest *(d)*	--	--	--	--	1	--	1	6	--	6	6.0
Northwest *(e)*	--	--	--	--	4	--	4	15	--	15	3.8
United *(f)*	3	--	--	--	--	--	3	17	--	17	5.7
US Airways *(g)*	--	--	--	--	3	--	3	20	--	20	6.7
	14	30	34	22	15	--	115	876	7	883	7.7
Delta Connection *(h)*	--	--	--	16	10	--	26	340	3	343	13.2
Common use											
Concourse D *(i)*	--	--	--	--	7	--	7	38	5	43	6.1
Concourse E *(j)*	--	--	--	--	--	28	28	27	69	96	3.4
	--	--	--	--	7	28	35	65	74	139	4.0
Total	14	30	34	38	32	28	176	1,281	84	1,365	7.8

(a) Includes American Eagle.
(b) Includes Continental Express.
(c) Includes Song.
(d) Frontier operates from Midwest's gate and is included in Midwest's count of average daily departures.
(e) Includes Northwest Airlink.
(f) Includes United Express.
(g) Includes US Airways Express.
(h) Atlantic Southeast and Comair.
(i) Gates used mainly by AirTran, America West, Independence Air, Air Canada, and Air Canada Jazz.
(j) Gates used mainly by Delta, Delta Connection, AeroMexico, Air Jamaica, Air France, Lufthansa, British Airways, South African Airways, and Korean Air.

Sources: Airport management records and *Official Airline Guide*, July 2005.

Ground Transportation

Ground access to the passenger terminal complex is provided from the west on I-85 via Terminal Parkway and Camp Creek Parkway and from the south on I-285 via Riverdale Road. Access to airline support, cargo, and other facilities is provided from the east on I-75 via Aviation Boulevard. Loop Road, a divided four-lane roadway, provides circulation around the Airport perimeter. A system of nonlicensed-vehicle roadways provides access and circulation within the secure air operations area.

Approximately 31,000 public parking spaces are provided in multistory garages adjacent to the landside building and in surface lots, some served by shuttle buses. Private operators on Camp Creek Parkway and at other off-Airport sites provide approximately 17,000 additional public parking spaces. Approximately 8,000 parking spaces are provided at the Airport for Airport employees.

Eight companies provide rental car services from counters in the landside building. All rental car ready and return facilities are remote from the terminal. Commercial ground transportation services include off-Airport parking and rental car shuttles, hotel and motel shuttles, taxicabs, limousines, buses, and van services. Commercial vehicles pick up passengers at a dedicated ground transportation center at the west end of the landside building.

The Metropolitan Atlanta Rapid Transit Authority (MARTA) provides rail transit service to the Airport from the other 37 stations on its 48-route-mile system. The Airport station, which is inside the landside building at the west end, is the terminus of MARTA's south line. The travel time from the Airport to downtown Atlanta is about 16 minutes and the time between trains is about 10 minutes on weekdays.

Air Cargo

Air cargo transported by the passenger and all-cargo airlines is processed through a 400,000-square-foot complex of buildings north of the airfield and a 370,000-square-foot south complex of buildings located between Runways 9R-27L and 10-28. Delta operates cargo buildings occupying 700,000 square feet in the approximately 110-acre area east of the passenger terminal complex and south of Aviation Boulevard, referred to as the central terminal support area (CTSA). Certain previous CTSA facilities were demolished or relocated to allow construction of a planned international terminal. (See the later section "Capital Improvement Plan.") The U.S. Postal Service operates a 270,000-square-foot regional distribution center at the eastern boundary of the Airport. A 10,000-square-foot propagating plants inspection facility and a 40,000-square-foot perishables facility are adjacent to the north cargo complex. In total, approximately 2,000,000 square feet of buildings for cargo handling and warehousing, and associated aircraft parking aprons, are provided on Airport property.

Airline Support

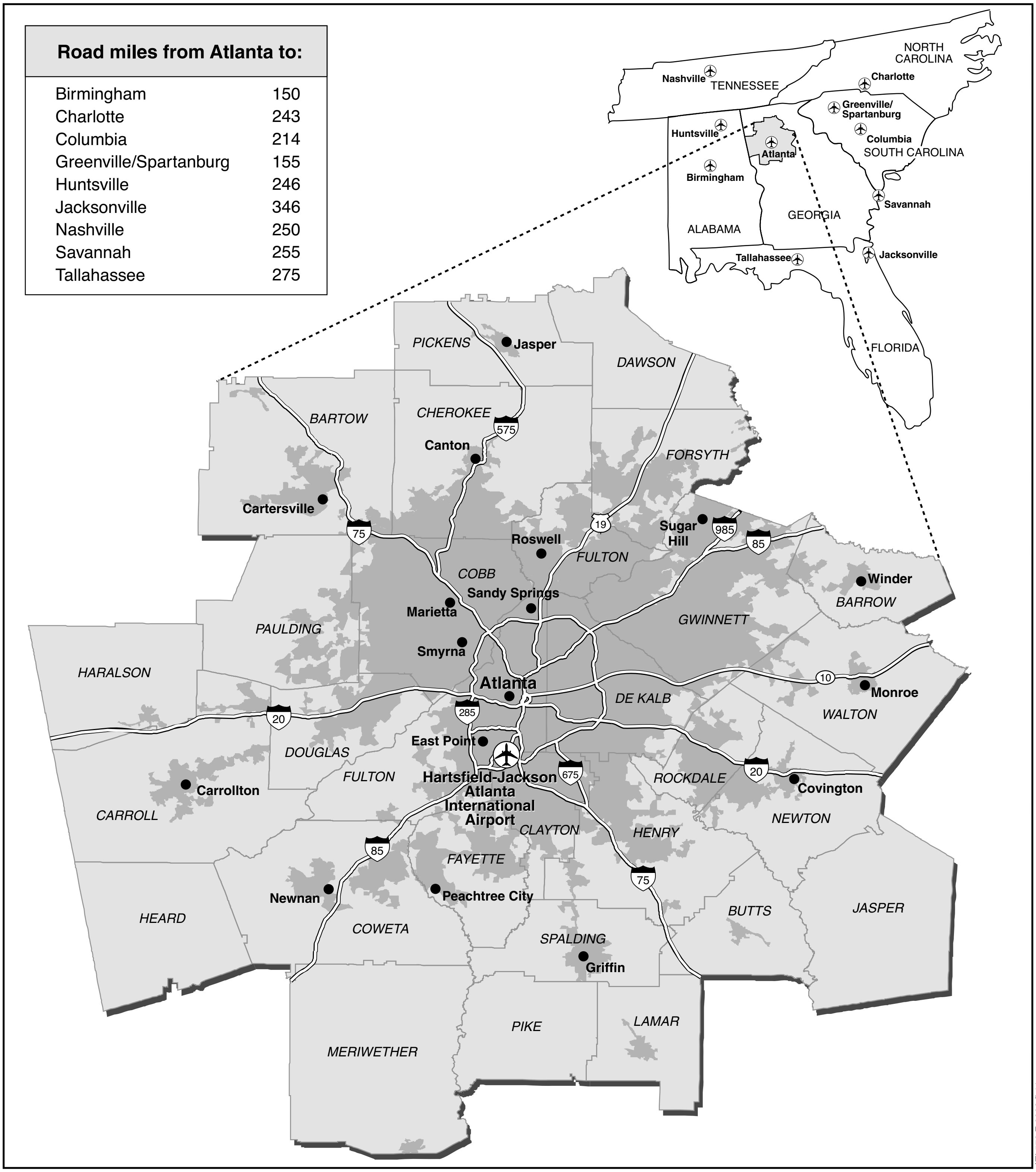
The City leases land and buildings to airlines and others for activities supporting airline operations. Delta's corporate headquarters, along with training and operations facilities, are located on approximately 85 acres at the north side of the Airport. Delta's principal operations and maintenance base, the Delta Technical Operations Center (TOC), occupies approximately 175 acres east of the passenger terminal complex and north of Aviation Boulevard. Flight kitchens, aircraft maintenance hangars, maintenance and storage facilities for ground service equipment, fuel storage tanks, and various other facilities supporting the operations of Delta and other airlines are also located on the Airport, many in the CTSA. Fuel farms provide storage tanks for approximately 30 million gallons of jet fuel. Several companies provide into-plane fueling, ground handling, and other airline support services. Fixed base operator (FBO) services supporting airline, corporate, and general aviation aircraft operations are provided by Mercury Air Center on the north side of the airfield.

Airport Utilities, Support, and Other Facilities

Extensive utility systems provide water supply, storm and sanitary sewer, electrical power, communications, and natural gas services. Aircraft rescue and fire fighting (ARFF) services are provided from five fire stations. The Airport also accommodates airfield maintenance buildings, a Federal Aviation Administration (FAA) Airport traffic control tower, air navigation aids, aircraft guidance systems, and various other support facilities. Hotels, an office building, and other nonaviation facilities are accommodated on the north side of the Airport on land not required for aeronautical uses. No military aviation activities are based at the Airport.

AIRPORT SERVICE REGION

The Airport's primary service region is the 8,376-square-mile, 28-county Atlanta-Sandy Springs-Marietta Metropolitan Statistical Area (the Atlanta MSA) shown on Figure 1. This region accounts for approximately 85% of the passengers originating their air journeys at the Airport. According to the 2000 U.S. Census, the population of the Atlanta MSA was 4,282,000, making it the eighth largest metropolitan area in the United States. Approximately 67% of the Atlanta MSA population resides in a 1,200-square-mile area in the central counties of Clayton, Cobb, DeKalb, Fulton, and Gwinnett. According to the 2000 U.S. Census, the population of the City of Atlanta, in DeKalb and Fulton counties, was 416,000 (about 10% of the Atlanta MSA total).



Road miles from Atlanta to:

Birmingham	150
Charlotte	243
Columbia	214
Greenville/Spartanburg	155
Huntsville	246
Jacksonville	346
Nashville	250
Savannah	255
Tallahassee	275

LEGEND

- Air carrier airport
- County boundary
- Urban areas (2000)
- Atlanta-Sandy Springs-Marietta Metropolitan Statistical Area

N

0 8 16 24

Graphic scale in miles

Figure 1
AIRPORT SERVICE REGION
Hartsfield-Jackson Atlanta International Airport

LEIGH FISHER ASSOCIATES

Source: U.S. Department of Commerce, Bureau of the Census.

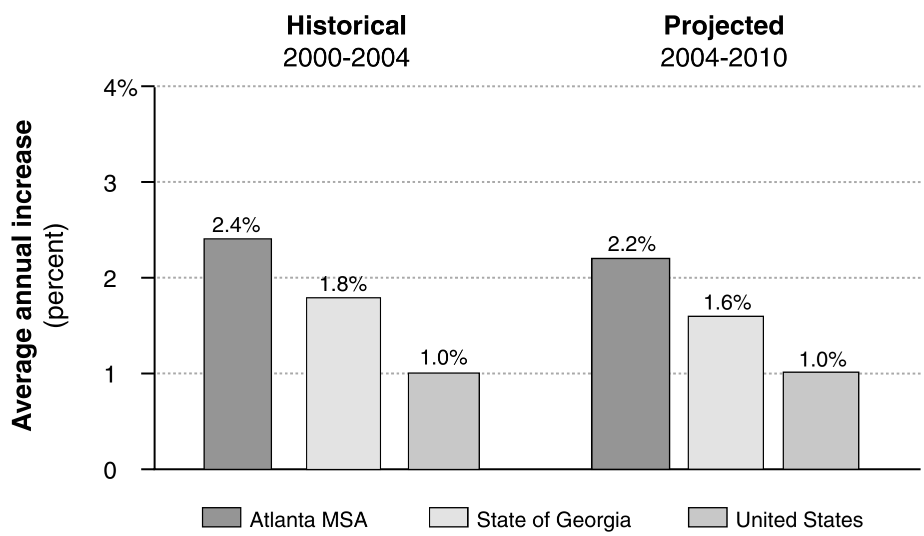
The Airport's secondary service region is defined by the location of (and airline service provided at) the nearest air carrier airports. This secondary region includes the remainder of the State of Georgia, as well as parts of Alabama, Tennessee, North Carolina, and South Carolina. As shown on Figure 1, the nearest airports providing major airline service are those serving Birmingham and Huntsville, Alabama and Columbia and Greenville/Spartanburg, South Carolina. These four communities, between 150 and 250 miles from Atlanta, are all classified as small air traffic hubs by the FAA. The nearest communities classified by the FAA as large or medium air traffic hubs are Charlotte, North Carolina; Jacksonville, Florida; and Nashville, Tennessee, between 240 and 350 miles from Atlanta.

Population Trends

Figure 2 and Table 2 show historical and projected population data for the Atlanta MSA, the State of Georgia, and the nation. During the 1990s, the population of the Atlanta MSA grew at a higher rate than that of all but one of the nation's 30 largest metropolitan areas. Between 2000 and 2004, the Atlanta MSA's population increased an average of 2.4% per year, compared with 1.8% per year in the State and 1.0% per year in the nation as a whole. Most of the Atlanta MSA's recent population growth has resulted from in-migration.

Figure 2

COMPARATIVE POPULATION GROWTH



Sources: Historical: U.S. Department of Commerce, Bureau of the Census, www.census.gov.

Projected: National Planning Association, Data Services, Inc., *Key Indicators of County Growth,1970-2025,* 2004 edition.

ATL572 F-0002.fh11

Table 2

HISTORICAL AND PROJECTED POPULATION
(in thousands except percentages)

	Atlanta MSA	State of Georgia	United States
Historical			
1990	3,088	6,513	249,623
1995	3,512	7,328	266,279
2000	4,282	8,234	282,224
2001	4,403	8,391	285,102
2002	4,504	8,540	287,789
2003	4,605	8,676	290,789
2004	4,708	8,829	293,655
Projected			
2010	5,365	9,711	311,721
	Average annual percent increase		
Historical			
1990-1995	2.6%	2.4%	1.3%
1995-2000	4.0	2.4	1.2
2000-2004	2.4	1.8	1.0
Projected			
2004-2010	2.2	1.6	1.0

MSA = Metropolitan Statistical Area. All population figures are for the 28 counties in the Atlanta-Sandy Springs-Marietta MSA as currently defined (see Figure 1).

Sources: Historical: U.S. Department of Commerce, Bureau of the Census, www.census.gov.
Projected: National Planning Association, Data Services, Inc., *Key Indicators of County Growth, 1970-2025,* 2004 edition.

Population projections published by the National Planning Association show continued population growth in the Atlanta MSA through 2010 at an average annual rate (2.2%) higher than that projected for the United States (1.0%). Between 2004 and 2010, the population of the Atlanta MSA is projected to increase by 657,000 to 5,365,000.

Metropolitan Area Economy

Table 3 shows historical and projected nonagricultural employment data for the Atlanta MSA, the State, and the nation. During the 1990s, nonagricultural employment increased at a much higher rate in the Atlanta MSA than in the nation as a whole. However, between 2000 and 2004, employment in the Atlanta MSA decreased slightly as the Atlanta economy weakened and the unemployment rate increased. According to the U.S. Department of Labor, Bureau of Labor Statistics, as of September 2004, the unemployment rate in the Atlanta MSA was 4.6% compared with the national average of 5.1%. As of September 2005, the unemployment rate in the Atlanta MSA was 5.4% compared with the national average of 5.1%. The increase in the unemployment rate between 2004 and 2005 reflects continued population growth while the Atlanta economy generated few additional jobs. The National Planning Association projects that, between 2004 and 2010, nonagricultural employment in the Atlanta MSA will increase an average of 3.0% per year compared with 1.9% per year in the United States.

Table 3

HISTORICAL AND PROJECTED NONAGRICULTURAL EMPLOYMENT
(in thousands except percentages)

	Atlanta MSA	State of Georgia	United States
Historical			
1990	1,606	2,992	109,487
1995	1,877	3,402	117,298
2000	2,289	3,949	131,785
2001	2,301	3,943	131,826
2002	2,259	3,870	130,341
2003	2,237	3,845	129,999
2004	2,264	3,917	131,480
Projected			
2010	2,703	4,543	147,199
	Average annual percent increase		
Historical			
1990-1995	3.2%	2.6%	1.4%
1995-2000	4.1	3.0	2.4
2000-2004	(0.3)	(0.2)	(0.1)
Projected			
2004-2010	3.0	2.5	1.9

MSA = Metropolitan Statistical Area. All figures are for the 28 counties in the Atlanta-Sandy Springs-Marietta MSA as currently defined (see Figure 1).

Sources: Historical: U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings,* for years noted.
Projected: National Planning Association, Data Services, Inc., *Key Indicators of County Growth, 1970-2025,* 2004 edition.

Table 4 presents historical and projected data on per capita income in the Atlanta MSA, the State, and the nation as compiled by the National Planning Association. Strong economic growth in the Atlanta MSA during the 1990s resulted in a steady increase in per capita income. However, since 2000, economic growth has slowed. Between 2000 and 2004, per capita income in the Atlanta MSA increased an average of 0.3% per year compared with 1.8% per year in the nation as a whole. The National Planning Association projects continued increases in per capita income in the Atlanta MSA at rates higher than those projected for the United States.

Table 4

HISTORICAL AND PROJECTED PER CAPITA INCOME
(in constant 2004 dollars)

	Atlanta MSA	State of Georgia	United States
Historical			
1990	$29,164	$24,917	$27,519
1995	31,447	26,817	28,600
2000	37,096	31,458	33,365
2004	37,476	32,668	35,767
Projected			
2010	44,229	37,443	40,755
	Average annual percent increase		
Historical			
1990-1995	1.5%	1.5%	0.8%
1995-2000	3.4	3.2	3.1
2000-2004	0.3	1.0	1.8
Projected			
2004-2010	2.8	2.3	2.2

MSA = Metropolitan Statistical Area. All figures are for the 28 counties in the Atlanta-Sandy Springs-Marietta MSA as currently defined (see Figure 1).

Sources: Historical: U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings*, for years noted.
Projected: National Planning Association, Data Services, Inc., *Key Indicators of County Growth, 1970-2025,* 2004 edition.

Table 5 lists the largest private employers in the Atlanta MSA. Large public employers in the Atlanta MSA include the U.S. Army, universities and other public education institutions, and State and local government.

Table 5

LARGEST PRIVATE EMPLOYERS
Atlanta MSA
2005

Employer	Industry
10,000 employees or more	
AT&T	Telecommunications
BellSouth *(a)*	Telecommunications
Delta Air Lines *(a)*	Air transportation
Kroger Company	Grocery retail
Publix Super Markets	Grocery retail
Randstad Staffing Services	Staffing
United Parcel Service *(a)*	Transportation
Wal-Mart Stores	Consumer goods retail
8,000-9,999 employees	
The Home Depot *(a)*	Home improvement
IBM	Information technology
Lockheed Martin	Aerospace
Waffle House *(a)*	Food services
5,000-7,999 employees	
Bank of America	Banking
The Coca-Cola Company *(a)*	Soft drinks
Cox Enterprises *(a)*	Cable television
General Motors Corporation	Automobiles

(a) Headquartered in the Atlanta MSA.

Source: Metropolitan Atlanta Chamber of Commerce.

Construction of commercial space kept pace with growth in the Atlanta MSA's economy during the 1990s. According to data compiled by Carter and Associates, an Atlanta real estate and research firm, total office space in the Atlanta MSA increased from 86.4 million square feet in 1992 to 162.9 million square feet in 2004, an average increase of 5.4% per year. The vacancy rate rose only slightly between 1992 and 1999, from 10.2% to 11.2%. However, reflecting the increased space and weaknesses in the Atlanta economy, by 2004, the vacancy rate had increased to 21.4%.

Table 6 presents data on the percentage distribution of nonagricultural employment by industry sector in the Atlanta MSA and the nation.

Transportation. As shown in Table 6, the trade, transportation, and utilities sector accounts for a larger share of employment in the Atlanta MSA (22.4% in 2005) than in the United States as a whole (19.4%), reflecting Atlanta's importance as a business and distribution center. Atlanta is strategically located at the intersection of I-20, I-75, I-85, and major railroad lines, which have contributed to the establishment of Atlanta as a motor carrier hub and rail freight center. Development of the Merchandise Mart and the Apparel Mart has helped to reinforce Atlanta's prominence as a trade center. Trade and transportation are expected to continue to be key contributors to economic development in the Atlanta MSA. Atlanta's central location and well-developed transportation infrastructure are seen as providing important competitive advantages over other metropolitan areas in attracting businesses.

Passenger and cargo airline service provided at Hartsfield-Jackson Atlanta International Airport is central to the economy of the Atlanta region. The Airport is the busiest passenger airport in the world and, as discussed in the later section "Airport's Role as a Connecting Hub," it is the principal connecting hub for Delta Air Lines. Delta is the largest single employer in the State of Georgia, with approximately 20,000 employees in the Atlanta MSA in 2005 (down from 28,200 in 2002). The Airport is one of the largest employment centers in the State, providing approximately 55,000 airline, concessionaire, City, and other directly generated jobs.

The scope and frequency of airline service between the Airport and all parts of the nation and the world are cited as reasons for the decision of many company executives to locate facilities in Atlanta. Besides Delta, major companies headquartered in the Atlanta MSA include BellSouth, The Coca-Cola Company, Cox Enterprises, The Home Depot, and United Parcel Service.

Services. As in the United States as a whole, the services sector is the largest industry sector in the Atlanta MSA, accounting for a combined 44.3% of nonagricultural employment in 2005 (professional, business, education, health, leisure, hospitality, information, and other services). The services sector of the economy has experienced higher growth than any other sector, increasing its share of nonagricultural employment from 37.6% in 1990. More than 190,000 students are enrolled at 45 accredited degree-granting universities and colleges in the Atlanta MSA, making it a leading center of higher education and research. Major universities located in the Atlanta MSA include Georgia State University, the Georgia Institute of Technology, Emory University, and Clark Atlanta University. Atlanta is home to the national and regional headquarters of information technology, news and entertainment media, communications, nonprofit, and other service companies, such as BellSouth, Cox Enterprises, and Turner Broadcasting Systems. Atlanta is situated along two major fiber-optic corridors and approximately 30 long-haul cables converge in the region.

Table 6

NONAGRICULTURAL EMPLOYMENT BY INDUSTRY SECTOR

Industry sector	Atlanta MSA				United States			
	1990	2000	2004	2005 *(a)*	1990	2000	2004	2005 *(a)*
Trade, transportation, and utilities	24.8%	23.8%	22.9%	22.4%	20.7%	19.9%	19.4%	19.4%
Professional and business services	13.2	17.2	16.3	16.7	9.9	12.6	12.5	12.7
Government	15.0	12.2	13.4	13.2	16.8	15.8	16.4	16.3
Education and health services	7.5	8.3	9.8	9.9	10.0	11.5	12.9	13.0
Leisure and hospitality	8.8	8.6	9.3	9.7	8.5	9.0	9.5	9.6
Manufacturing	11.4	8.9	7.8	7.6	16.2	13.1	10.9	10.6
Financial activities	6.3	6.4	6.7	6.8	6.0	5.8	6.1	6.1
Construction	4.8	5.5	5.5	5.6	4.8	5.1	5.3	5.3
Information	4.2	5.0	4.1	3.9	2.5	2.8	2.4	2.4
Other services	3.9	4.0	4.1	4.1	3.9	3.9	4.1	4.1
Natural resources and mining	0.1	0.1	0.1	0.1	0.7	0.5	0.5	0.5
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

MSA = Metropolitan Statistical Area. Data for 2004 and 2005 are for the 28-county Atlanta-Sandy Springs-Marietta MSA as defined as of December 2003 (see Figure 1). Data for prior years are for the 20-county Atlanta MSA, as previously defined.

(a) Based on employment numbers reported through August 2005.

Source: U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings,* for years noted.

In March 2006, San Antonio-based AT&T announced its proposed acquisition of BellSouth. Combined, AT&T, BellSouth, and their joint venture, Cingular, employ approximately 317,000 people, of whom approximately 10,000 would be made redundant as a result of the merger, starting in 2007. AT&T has stated that it expects that job losses at the merged company in Atlanta would be achieved through attrition.

Manufacturing. In 2005, the manufacturing sector accounted for 7.6% of employment in the Atlanta MSA, compared with 10.6% in the United States as a whole. The sector is diversified, with no single industry dominating employment. Products manufactured in the Atlanta MSA include metals, machinery, transportation equipment, paper products, textiles, and processed foods. Manufacturing employers include Ford Motor Company, General Motors, Georgia Pacific, and Lockheed Martin. In November 2005, General Motors announced the closure of its Doraville assembly plant in DeKalb County and in January 2006, Ford announced the closure of its Hapeville assembly plant near the Airport. These two plant closures will result in the loss of approximately 5,200 manufacturing jobs by 2008.

Government and Financial Center. As well as being the capital of the State of Georgia, Atlanta is a banking and financial center for the Southeast. This role is reflected in the Atlanta MSA's relatively high share of employment in financial activities (6.8% in 2005 compared with 6.1% in the nation as a whole). Bank employers include Bank of America, SouthTrust, SunTrust, and Wachovia. Most of the nation's major brokerage firms have a presence in the Atlanta MSA. Atlanta is also home to the headquarters of several federal agencies, including the sixth district of the Federal Reserve system; FHL Bank Atlanta, a part of the Federal Home Loan Bank System; and the Centers for Disease Control and Prevention.

Sports. Atlanta is home to several professional sports teams, including the Braves (Major League Baseball), Falcons (National Football League), Hawks (National Basketball Association), and Thrashers (National Hockey League), all of which play in modern, downtown facilities. Atlanta's claim to be the "sports capital of the world" was reinforced by the City's successful hosting of the 1996 Olympic Games, and City officials expect to continue to attract major sporting events. The Atlanta Sports Council estimates that sporting events hosted in 2004 contributed nearly $150 million to the economy of the Atlanta MSA.

Tourism. Atlanta's tourism sector was reinforced in 2005 with the opening of the Georgia Aquarium, an expansion of the High Museum of Art, and the construction of the Atlantic Station retail center. Other tourist attractions include the World of Coca-Cola museum, Centennial Park, and CNN studio tours. In 2005, the City unveiled a new tourism branding and marketing campaign for Atlanta with the slogan "Where Every Day is an Opening Day" and the theme of "Opportunity, Optimism, and Openness."

Conventions. Table 7 presents data on convention attendance, number of conventions, and average daily expenditures by convention delegates. According to data compiled by the Atlanta Convention and Visitors Bureau, between 1990 and 1999, the number of convention delegates visiting Atlanta increased an average of 7.6% per year, numbering over 3.6 million in 1999. Because of the downturn in the national economy and concerns about traveling, convention attendance has since decreased, numbering approximately 3.0 million in 2004. In the near term, Atlanta's convention and trade show business is expected to benefit from the effects of Hurricane Katrina as events originally scheduled for New Orleans are relocated. Much of Atlanta's success in attracting conventions and meetings is attributed to the availability of frequent airline service to the Airport from many destinations.

Table 7

CONVENTION ATTENDANCE AND EXPENDITURES
Atlanta

Year	Convention delegates	Number of conventions	Average daily expenditure per person
1990	1,884,000	1,721	$170
1995	3,102,000	2,650	236
1996	2,780,000	2,280	249
1997	3,200,000	2,816	249
1998	3,423,000	3,057	259
1999	3,642,000	3,252	267
2000	3,500,000	3,150	272
2001	3,225,000	2,992	268
2002	2,935,000	2,900	279
2003	2,858,000	2,825	282
2004	3,041,000	3,005	283
	Average annual percent increase (decrease)		
1990-1995	10.5%	9.0%	6.8%
1995-2000	2.4	3.5	2.9
2000-2004	(3.5)	(1.2)	1.0

Source: Atlanta Convention and Visitors Bureau, *Atlanta Fact Sheet*, 2005.

Table 8 presents data on the number of hotel and motel rooms in the Atlanta MSA as compiled by the Atlanta Convention and Visitors Bureau. Notwithstanding the large number of rooms constructed, average occupancy rates remained high throughout the 1990s. Occupancy rates decreased from approximately 65% in 2000 to 56% in 2003, then recovered to 60% in 2004.

Table 8

HOTEL AND MOTEL ROOMS
Atlanta MSA

Year	Hotel and motel rooms	Number of properties	Percent occupancy
1990	51,508	302	62.7%
1995	55,790	345	71.2
1996	62,259	406	67.5
1997	66,906	449	64.7
1998	77,000	542	65.7
1999	81,026	550	65.3
2000	83,346	560	65.1
2001	87,716	704	61.1
2002	89,332	708	57.7
2003	92,030	744	56.2
2004	92,359	745	60.4
	Average annual percent increase		
1990-1995	1.6%	2.7%	
1995-2000	8.4	10.2	
2000-2004	2.6	7.4	

MSA = Metropolitan Statistical Area (see Figure 1).

Source: Atlanta Convention and Visitors Bureau, *Atlanta Fact Sheet*, 2005.

Regional Growth Management

With no geographic barriers to constrain development, the explosive population growth of the Atlanta MSA over the past 25 years has resulted in suburban sprawl and attendant problems of traffic congestion and deteriorated environmental quality. The population density of the Atlanta MSA is now the lowest of any metropolitan area in the nation. Concerns remain about the ability of the region to accommodate continuing development while sustaining an acceptable quality of life.

Air Quality. In 1997, the U.S. Environmental Protection Agency (EPA) declared the Atlanta metropolitan area (shown as urban areas on Figure 1) a serious nonattainment area for ozone and other air pollutants, with the effect of restricting the availability of federal funds for highway construction. In June 2005, the EPA redesignated the Atlanta metropolitan area as being in attainment with the 1-hour air quality standard for ozone as a result of significant air quality improvements. The EPA also approved a maintenance plan for the Atlanta metropolitan area, which demonstrates how attainment of the standard will be maintained. It was also recognized that improvements are still necessary to meet the 8-hour ozone and fine particulate standards.

Transportation. Population growth in the Atlanta region has also increased demands on infrastructure and natural resources. Low-density development has created transportation challenges, resulting in the region facing congestion and decreasing mobility. To meet these challenges, major investments are being made to improve transportation infrastructure. Transportation initiatives that are under way include arterial improvements, expanded high occupancy vehicle facilities, expanded mass transit capacity, bicycle and pedestrian facilities, and implementation of intelligent transportation system technology.

With the purpose of providing needed controls over growth and transportation planning that local governments may be unable or unwilling to implement, the Georgia State Legislature in March 1999 approved creation of the Georgia Regional Transportation Authority (GRTA). This authority has wide-ranging powers to authorize or veto the construction of roads and transit systems, and approve or disapprove development in the region. The Airport is specifically excluded from the jurisdictional authority of the GRTA.

Water Resources. The projected 2030 population of the Atlanta MSA will result in a doubling of the region's water needs and place heavy demands on the region's limited water resources. According to some estimates, more than 1,000 miles of the region's rivers do not meet State water quality standards. To address these concerns, the Metropolitan North Georgia Water Planning District was formed to prepare comprehensive plans that will ensure adequate water supplies for the region. In September 2003, the district produced watershed, wastewater, and water conservation management plans for the Atlanta MSA.

Inadequacies in the City of Atlanta's antiquated sewer system have been a major contributor to watershed pollution. In response, the U.S. EPA and the Georgia Environmental Protection Division have mandated that the City reduce such pollution. In July 1998, the City accepted a federal consent decree committing it to improve water quality. The City was required to end violations attributable to both stormwater and sanitary sewer overflows. The City is evaluating sewer conditions, improving sewer line capacity, implementing a capacity certification program for new development, and improving the reliability of sewage pump stations. Approximately $3.0 billion of water and sewer system improvements are scheduled to be completed by 2014 and are being funded with the proceeds of bonds that will be paid from increased water and sewer rate revenues.

Economic Outlook

During the 1990s, the Atlanta MSA experienced sustained economic success and rapid economic growth and emerged as a regional and national center for transportation, communications, trade, and commerce. This rapid growth in the 1990s contributed to the length and severity of the recession in Atlanta's economy in 2001 through 2003, as did Atlanta's dependence on the transportation, hospitality, and technology sectors, which were particularly hard hit in the recession.

The Atlanta economy began to recover in 2004, and, notwithstanding recently announced reductions in manufacturing employment, the closure of military bases, high fuel prices, and restructuring in the air transportation industry, analysts of the Atlanta economy foresee continued economic expansion. The potential for long-term economic development is seen as particularly strong in logistics, telecommunications, and information technology. Despite concerns about the ability of the region to manage continued growth and weaknesses in some sectors of the economy, it is expected that, as the regional, national, and global economies expand, the Atlanta economy will continue to grow steadily, albeit at lower rates than in recent years.

AIRPORT ROLE

Table 9 presents data on the numbers of passengers at the busiest world airports, as compiled by Airports Council International. In 2005, the Airport was the busiest passenger airport in the world, with 85.9 million passengers (enplaned plus deplaned), 9.4 million more than the second busiest, Chicago O'Hare, and 18.0 million more than the third busiest, London Heathrow.

In common with passenger numbers at virtually all major U.S. airports, passenger numbers at the Airport decreased between 2000 and 2003 as a result of the economic recession and the decrease in travel following the September 2001 terrorist attacks. However, by 2004, passenger numbers at the Airport, similar to those at many other airports, had recovered and surpassed 2000 numbers.

Table 9

PASSENGERS AT BUSIEST WORLD AIRPORTS

2004	City (airport)	Total passengers *(a)* (millions) 1998	2000	2002	2003	2004	2005	Average annual increase (decrease) 1998-2000	2000-2005
1	**Atlanta**	**73.5**	**80.2**	**76.9**	**79.1**	**83.6**	**85.9**	**4.5%**	**1.4%**
2	Chicago (O'Hare)	72.5	72.1	66.6	69.5	75.5	76.5	(0.3)	1.2
3	London (Heathrow)	60.7	64.6	63.3	63.5	67.3	67.9	3.2	1.0
4	Tokyo (Haneda)	51.2	56.4	61.1	62.9	62.3	63.3	5.0	2.3
5	Los Angeles (Int'l)	61.2	66.4	56.2	55.0	60.7	61.5	4.2	(1.5)
6	Dallas/Fort Worth	60.5	60.7	52.8	53.3	59.4	59.1	0.2	(0.5)
7	Paris (de Gaulle)	38.6	48.2	48.3	48.2	51.3	53.8	11.7	2.2
8	Frankfurt	42.7	49.4	48.5	48.4	51.1	52.2	7.6	1.1
9	Las Vegas	30.2	36.9	35.0	36.3	41.4	44.3	10.5	3.7
10	Amsterdam	34.4	39.6	40.7	40.0	42.5	44.2	7.3	2.2
11	Denver	36.8	38.8	35.7	37.5	42.4	43.3	2.7	2.2
12	Madrid	25.5	32.9	33.9	35.9	38.7	41.9	13.6	5.0
13	Phoenix	31.8	36.0	35.5	37.4	39.5	41.2	6.4	2.7
14	Beijing	17.3	21.7	27.2	24.4	34.9	41.0	12.0	13.6
15	New York (Kennedy)	31.4	32.9	29.9	31.7	37.5	40.6	2.4	4.3
16	Hong Kong	27.9	32.8	33.9	27.1	36.7	40.3	8.4	4.2
17	Houston (Bush)	31.0	35.3	33.9	34.2	36.5	39.7	6.7	2.4
18	Bangkok	25.6	29.6	32.2	30.2	38.0	39.0	7.5	5.7
19	Minneapolis/St. Paul	30.3	36.8	32.6	33.2	36.7	37.6	10.2	0.4
20	Detroit	31.5	35.5	32.5	32.7	35.2	36.4	6.2	0.5
21	Orlando (International)	27.7	30.8	26.7	27.3	31.1	33.9	5.4	1.9
22	San Francisco	40.5	41.0	31.5	29.3	32.2	33.6	0.6	(3.9)
23	Newark	32.5	34.2	29.2	29.4	31.9	33.0	2.6	(0.7)
24	London (Gatwick)	29.2	32.1	29.6	30.0	31.5	32.8	4.8	0.4
25	Singapore	23.8	28.6	29.0	24.7	30.4	32.4	9.6	2.5
26	Tokyo (Narita)	24.4	27.4	28.9	26.5	31.1	31.5	6.0	2.8
27	Philadelphia	24.2	24.9	24.8	24.7	28.5	31.5	1.4	4.8
28	Miami	33.9	33.6	30.1	29.6	30.2	31.0	(0.4)	(1.6)
29	Toronto	26.7	28.9	25.9	24.7	28.6	29.9	4.0	(0.7)
30	Seattle/Tacoma	25.9	28.4	26.7	26.8	28.9	29.3	4.7	0.6
	Average for airports listed							5.0%	1.8%

(a) Enplaned and deplaned passengers (transit passengers counted once).

Source: Airports Council International, *Worldwide Airport Traffic Report*, for years noted.

Table 10 presents data on numbers of originating passengers at U.S. airports in 2003 and 2004 (the latest year for which data are available). By this measure, in 2004, the Airport ranked fifth after Los Angeles, Las Vegas McCarran, Chicago O'Hare, and New York Kennedy international airports.

Increased numbers of originating passengers at the Airport have resulted largely from population and economic growth in the Atlanta MSA, as discussed in the earlier section "Airport Service Region." Between 1991 and 2000, the number of originating passengers at the Airport increased an average of 7.2% per year. Between 2000 and 2002, as a result of the economic recession and security concerns, the number decreased an average of 7.3% per year. Between 2002 and 2005, the number increased an average of 4.0% per year, largely as a result of widespread airfare competition. According to a passenger survey conducted by the City, an estimated 51% of originating passengers at the Airport in 2005 were traveling on business.

Increased numbers of passengers connecting between flights at the Airport have resulted from the expansion of connecting flight operations by Delta Air Lines and AirTran Airways. Between 1991 and 2000, the number of connecting passengers at the Airport increased an average of 9.8% per year. Between 2000 and 2002, the number increased an average of 1.4% per year (notwithstanding systemwide reductions in passenger traffic), as Delta retrenched at its Atlanta hub and AirTran expanded. Between 2002 and 2005 the number increased an average of 3.4% per year.

Airport's Role as an International Gateway

Table 11 presents data on the number of international passengers at the Airport and other U.S. gateway airports. The increased importance of Atlanta as an international city and increased service by Delta have led to large increases in numbers of international passengers at the Airport. As of January 2006, Delta accounted for approximately 82% of scheduled airline international seat capacity at the Airport. In 2004 (the latest year for which data are available), the Airport was the eighth largest international gateway to the United States. Between 1998 and 2000, the number of international passengers at the Airport increased an average of 16.4% per year, compared with an average increase of 6.5% per year for the top 30 U.S. gateway airports. Between 2000 and 2004, the number of international passengers at the Airport increased an average of 1.7% per year, compared with an average decrease of 0.6% per year for the top 30 U.S. gateway airports.

Table 10

ORIGINATING PASSENGERS AT BUSIEST U.S. AIRPORTS
2003 and 2004

Rank 2004	City (airport)	Enplaned originating passengers (millions) 2003	2004	Annual increase (decrease)
1	Los Angeles (International)	20.7	22.8	10.1%
2	Las Vegas	15.0	17.1	14.0
3	Chicago (O'Hare)	15.3	16.7	9.1
4	New York (Kennedy)	13.5	15.8	17.0
5	**Atlanta**	**13.8**	**14.7**	**6.5**
6	Orlando (International)	12.5	14.1	12.8
7	Newark	11.6	12.4	6.9
8	Phoenix	11.4	12.3	7.9
9	Boston	10.2	11.7	14.7
10	Dallas/Fort Worth	10.2	11.4	11.8
11	New York (LaGuardia)	10.5	11.4	8.6
12	San Francisco	10.3	11.3	9.7
13	Seattle-Tacoma	10.2	10.9	6.9
14	Denver	10.1	10.7	5.9
15	Fort Lauderdale	8.2	9.5	15.9
16	Miami	9.6	9.4	(2.1)
17	Philadelphia	7.7	9.2	19.5
18	Baltimore	8.5	8.7	2.3
19	Minneapolis	7.6	8.2	7.9
20	Detroit	7.5	8.1	8.0
21	Honolulu	7.8	8.0	2.6
22	Tampa	7.3	7.9	8.2
23	San Diego	7.2	7.8	8.3
24	Houston (Bush)	6.8	7.4	8.8
25	Oakland	6.4	6.7	4.7
26	Chicago (Midway)	6.3	6.7	6.3
27	Washington (Reagan)	6.0	6.6	10.0
28	Washington (Dulles)	5.1	6.4	25.5
29	Portland	5.3	5.5	3.8
30	St. Louis	5.3	5.3	0.0

Source: U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*, for years noted.

Table 11

INTERNATIONAL PASSENGERS AT U.S. GATEWAY AIRPORTS

Rank 2004	City (airport)	International enplaned passengers (thousands) 1998	2000	2002	2003	2004	Average annual increase (decrease) 1998-2000	2000-2004
1	New York (Kennedy)	8,875	9,167	7,605	7,619	8,704	1.6%	(1.3%)
2	Los Angeles (International)	7,544	8,780	7,435	7,307	8,059	7.9	(2.1)
3	Miami	7,743	8,096	7,170	6,929	6,930	2.3	(3.8)
4	Chicago (O'Hare)	4,451	5,049	4,359	4,544	5,272	6.5	1.1
5	Newark	3,387	4,196	3,547	3,662	4,160	11.3	(0.2)
6	San Francisco	3,410	4,013	3,651	3,353	3,792	8.5	(1.4)
7	Houston (Bush)	2,266	2,831	2,855	2,846	3,246	11.8	3.5
8	**Atlanta *(a)***	**2,152**	**2,916**	**2,864**	**2,766**	**3,116**	**16.4**	**1.7**
9	Dallas/Fort Worth	1,844	2,590	2,241	2,219	2,533	18.5	(0.6)
10	Washington (Dulles)	1,627	2,083	2,018	1,995	2,258	13.2	2.0
11	Honolulu	2,711	2,567	2,126	2,111	2,116	(2.7)	(4.7)
12	Philadelphia	1,225	1,419	1,595	1,737	2,039	7.6	9.5
13	Boston	1,872	2,154	1,812	1,795	1,942	7.3	(2.6)
14	Detroit	1,470	1,942	1,341	1,306	1,423	14.9	(7.5)
15	Seattle-Tacoma	1,077	1,211	704	1,106	1,211	6.0	0.0
16	Orlando (International)	1,035	1,181	772	826	947	6.8	(5.4)
17	Charlotte	297	490	517	674	848	28.5	14.7
18	Fort Lauderdale-Hollywood	621	734	603	660	833	8.7	3.2
19	Minneapolis/St. Paul	831	690	741	711	812	(8.9)	4.2
20	Phoenix	407	493	602	701	761	10.1	11.5
21	Las Vegas	462	621	502	539	705	15.9	3.2
22	Denver	250	430	382	465	598	31.2	8.6
23	Orlando (Sanford)	568	493	413	394	524	(6.8)	1.5
24	New York (LaGuardia)	580	617	513	451	483	3.1	(5.9)
25	Baltimore/Washington	383	412	384	439	452	3.7	2.3
26	Cincinnati	588	306	271	298	349	(27.9)	3.3
27	Tampa	263	229	218	217	240	(6.7)	1.2
28	Pittsburgh	352	419	382	227	218	9.1	(15.1)
29	Cleveland	106	142	113	158	163	15.7	3.5
30	Chicago (Midway)	n.a.	n.a.	115	114	153	n.a.	n.a.
	Average for airports listed						6.5%	(0.6%)

Note: International enplaned passengers excluding transit passengers.

n.a. = not available.

(a) City of Atlanta, Department of Aviation records.

Source: Airports Council International, *Worldwide Airport Traffic Report*, for years noted, except as noted.

Airport's Role as a Connecting Hub

Table 12 presents data on scheduled airline service for July 2005 (measured by numbers of seats on scheduled airline aircraft departures) at the Airport and selected other connecting hub airports. Figure 3 presents the airline service data graphically for major connecting hub airports.

The combination of Atlanta's geographic location in the heart of the Southeast, the facilities provided at the Airport, and Delta's strategy of concentrating much of its service through Atlanta has resulted in the Airport becoming the most important airline hub in the nation. The number of seats scheduled by Delta from Atlanta in July 2005 was 36% higher than the number scheduled by American from Dallas/Fort Worth and 98% higher than the number scheduled by United from Chicago O'Hare.

Figure 3 also illustrates that few competing hub airports are located near Atlanta. The hubbing airlines at the three closest airports—those in Charlotte, Cincinnati, and Memphis—in July 2005 together scheduled fewer seats from those airports than Delta scheduled from Hartsfield-Jackson Atlanta International Airport.

As of July 2005, Delta, together with its regional airline affiliates Atlantic Southeast and Comair (which operate as Delta Connection), accounted for 76.5% of all scheduled seats at the Airport, a market share among the highest at major U.S. airports. In recent years, AirTran has rapidly increased its presence at the Airport and, as of July 2005, accounted for 14.4% of all scheduled seats.

Airport's Role in Delta's System

Table 13 presents data on airline service (daily scheduled aircraft departures and seats) provided by Delta and its Delta Connection affiliates (principally Atlantic Southeast, Comair, and SkyWest) at the Airport and the next 10 most important airports in Delta's U.S. system ranked by scheduled daily seats in January 2006. SkyWest does not provide Delta Connection service at the Airport. Figure 4 presents data on scheduled seats graphically. As shown, the Airport is, by far, Delta's most important hub. In January 2006, 883 average daily departures were scheduled from Atlanta by Delta and Delta Connection. The number of average daily seats scheduled from Atlanta by Delta and Delta Connection (103,942) far exceeded the number scheduled from Delta's hubs in Cincinnati and Salt Lake City combined (53,160). In July 2005, over 53% of Delta's systemwide seats were scheduled on flights to or from the Airport, an increase from about 40% in July 1995. During 2005, Delta closed its Dallas/Fort Worth hub and greatly reduced service at its Cincinnati hub.

Table 12

AIRLINE SERVICE AT SELECTED AIRPORTS

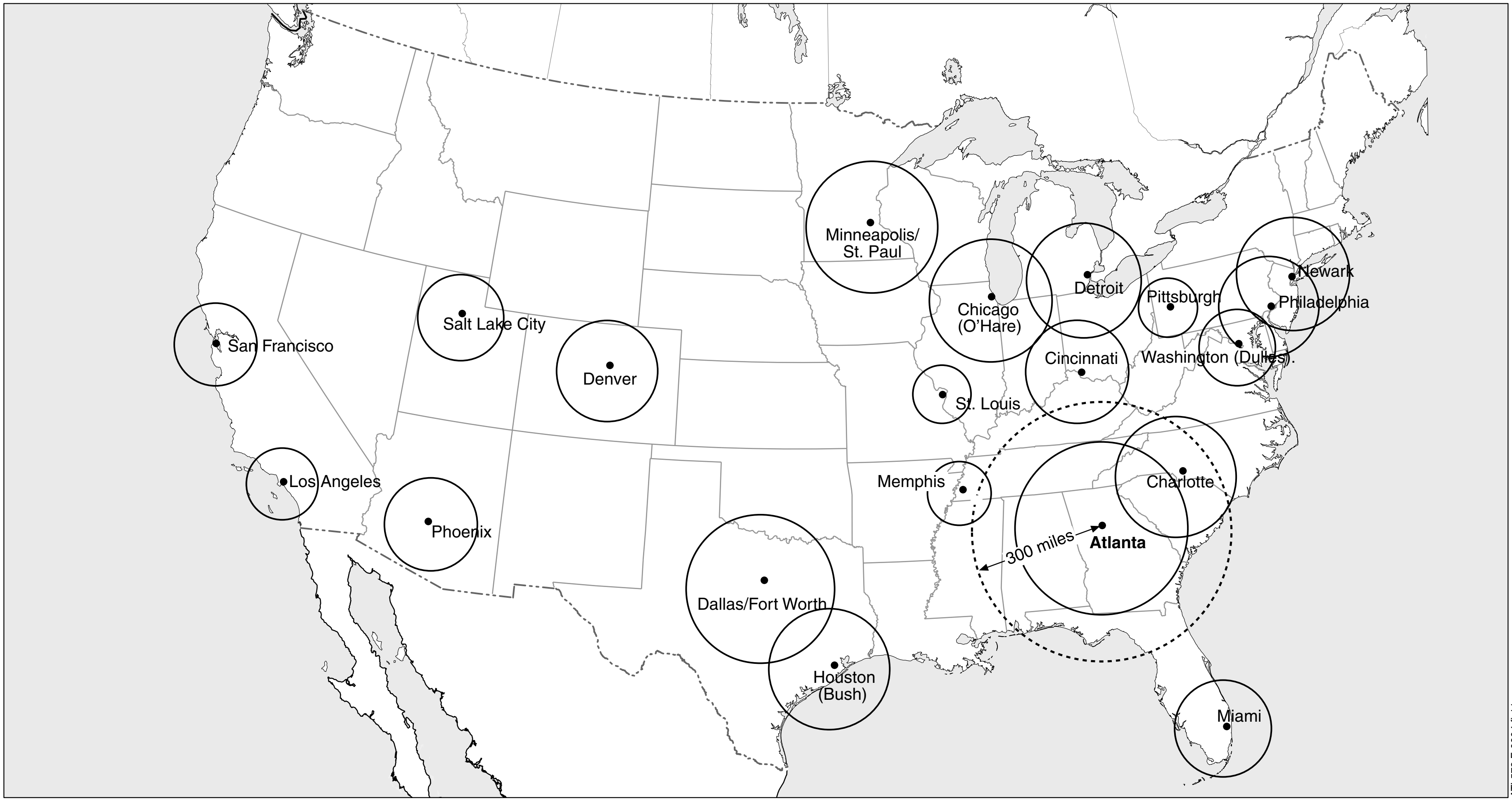
July 2005

City (airport)	Average daily scheduled seats: International	Domestic	Total	Hubbing airline: Airline *(a)*	Average daily scheduled seats	Airline share of airport total
Atlanta	**13,874**	**151,674**	**165,548**	**Delta *(b)***	**126,272**	**76.5%**
Chicago (O'Hare)	20,973	116,583	137,555	United	63,812	46.4
Los Angeles (International)	32,801	80,619	113,420	United	21,803	19.2
Dallas/Fort Worth	10,638	99,879	110,518	American	93,392	84.5
Denver	2,763	77,720	80,483	United	43,331	53.8
New York (Kennedy)	36,772	42,545	79,317	JetBlue	17,326	21.8
Phoenix	3,164	74,579	77,743	America West	36,626	47.1
Las Vegas	2,704	73,297	76,001	Southwest	26,551	34.9
Houston (Bush)	14,257	59,783	74,040	Continental	61,962	83.7
Minneapolis/St. Paul	5,055	68,377	73,431	Northwest	59,273	80.7
Detroit	7,332	63,415	70,748	Northwest	55,788	78.9
Philadelphia	8,091	58,244	66,335	US Airways	42,578	64.2
Newark	18,564	45,603	64,167	Continental	41,166	64.2
Charlotte	4,468	57,347	61,815	US Airways	54,265	87.8
San Francisco	14,177	46,341	60,518	United	28,988	47.9
Miami	29,476	29,637	59,113	American	39,675	67.1
Orlando (International)	3,503	54,360	57,864	Delta *(b)*	12,267	21.2
Seattle/Tacoma	4,292	52,942	57,233	Alaska	26,667	46.6
Boston	7,878	45,535	53,414	American	10,117	18.9
New York (LaGuardia)	3,406	49,353	52,760	Delta *(b)*	12,247	23.2
Washington (Dulles)	8,910	43,337	52,246	United	24,698	47.3
Cincinnati	2,419	45,759	48,178	Delta *(b)*	44,901	93.4
Salt Lake City	779	41,523	42,301	Delta *(b)*	31,217	74.1
Baltimore/Washington	1,142	41,091	42,233	Southwest	21,399	50.7
Fort Lauderdale-Hollywood	4,560	34,442	39,002	Delta *(b)*	8,044	20.7
Chicago (Midway)	325	37,542	37,867	Southwest	24,988	66.0
Washington (Reagan National)	783	36,503	37,286	US Airways	15,576	41.8
Honolulu	6,811	29,256	36,067	Hawaiian	10,069	27.9
Tampa	594	32,622	33,217	Southwest	8,667	26.1
San Diego	789	31,961	32,750	Southwest	11,474	35.0
St. Louis	278	29,030	29,308	American	14,340	48.9
Pittsburgh	421	23,132	23,553	US Airways	14,771	62.7
Cleveland	624	22,022	22,645	Continental	13,437	59.3
Memphis	758	21,505	22,263	Northwest	17,190	77.2
San Jose	462	20,657	21,119	Southwest	9,558	45.3

Note: Rows may not add to totals shown because of rounding.

(a) Including regional airline affiliates.
(b) Includes Delta mainline, Song, and Delta Connection.

Source: Official Airline Guides, Inc., *Official Airline Guide*, July 2005.



LEGEND

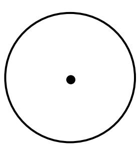

= 50,000 average daily departing seats

Figure 3
SEAT CAPACITY AT SELECTED CONNECTING HUB AIRPORTS

Note: The area of the circle for each airport is proportional to the number of scheduled seats on departing flights of the principal hubbing airline and its regional airline affiliates at that airport.

Source: Official Airline Guides, Inc., *Official Airline Guide,* July 2005.

LEIGH FISHER ASSOCIATES

ATL572

Table 13

DELTA SERVICE AT ITS PRINCIPAL AIRPORTS

City (airport)	July 1995	July 1997	July 1999	July 2001	July 2003	July 2004	July 2005	Average annual increase (decrease) 1995-2001	Average annual increase (decrease) 2001-2005	January 2005	January 2006	Increase (decrease) 2005-2006
	Average daily scheduled aircraft departures: all Delta operations									Average daily departures		
Atlanta	**705**	**790**	**861**	**930**	**881**	**967**	**1,023**	**4.7%**	**2.4%**	**960**	**883**	**(8.0%)**
Cincinnati	401	454	498	501	548	592	601	3.8	4.7	589	392	(33.5)
Salt Lake City	253	280	264	274	288	321	392	1.3	9.4	320	306	(4.4)
New York (Kennedy)	74	63	57	71	64	100	117	(0.7)	13.3	98	92	(6.1)
New York (LaGuardia)	111	118	116	113	112	115	111	0.3	(0.5)	112	104	(7.1)
Orlando (International)	142	140	146	124	111	109	121	(2.2)	(0.6)	123	111	(9.8)
Boston	194	176	182	117	99	96	95	(8.1)	(5.1)	94	84	(10.6)
Fort Lauderdale-Hollywood	47	28	42	54	40	45	71	2.3	7.1	64	54	(15.6)
Los Angeles (International)	175	172	48	48	39	42	43	(19.4)	(2.7)	41	33	(19.5)
Tampa	36	30	35	35	40	40	64	(0.5)	16.3	58	47	(19.0)
Dallas/Fort Worth	319	209	184	206	256	254	21	(7.0)	(43.5)	127	17	(86.6)
	Average daily scheduled departing seats: all Delta operations									Average daily seats		
Atlanta	**94,036**	**110,118**	**119,768**	**123,438**	**111,558**	**119,836**	**126,272**	**4.6%**	**0.6%**	**119,710**	**103,942**	**(13.2%)**
Cincinnati	36,768	43,903	45,897	44,211	41,638	43,251	44,901	3.1	0.4	45,467	27,925	(38.6)
Salt Lake City	30,072	33,359	29,711	28,116	26,035	25,140	31,217	(1.1)	2.8	25,892	25,235	(2.5)
New York (Kennedy)	9,650	9,961	10,528	11,012	9.190	13,191	15,141	2.2	8.3	12,889	11,864	(8.0)
New York (LaGuardia)	12,375	12,812	12,961	13,503	12,507	12,948	12,247	1.5	(2.4)	12,664	11,836	(6.5)
Orlando (International)	12,698	15,440	16,095	14,505	11,010	11,530	12,267	2.2	(4.1)	12,164	11,101	(8.7)
Boston	12,780	13,564	14,989	13,002	10,329	11,175	10,058	0.3	(6.2)	10,970	9,766	(11.0)
Fort Lauderdale-Hollywood	5,675	4,734	6,761	7,652	6,325	6,959	8,044	5.1	1.3	7,911	6,819	(13.8)
Los Angeles (International)	15,776	15,909	10,369	9,904	7,748	8,242	8,017	(7.5)	(5.1)	8,270	6,530	(21.0)
Tampa	4,827	5,316	5,993	6,074	5,927	6,095	7,348	3.9	4.9	7,130	5,804	(18.6)
Dallas/Fort Worth	35,028	23,533	21,634	21,741	18,381	18,494	3,302	(7.6)	(37.5)	10,834	2,149	(80.2)

Table 13 *(page 2 of 2)*
DELTA SERVICE AT ITS PRINCIPAL AIRPORTS

City (airport)	July 1995	July 1997	July 1999	July 2001	July 2003	July 2004	July 2005	Average annual increase (decrease) 1995-2001	Average annual increase (decrease) 2001-2005	January seats 2005	January seats 2006	Increase (decrease) 2005-2006
	Average daily scheduled departing seats: Delta mainline *(a)*									Delta mainline		
Atlanta	**88,548**	**101,899**	**109,850**	**110,754**	**93,812**	**100,774**	**107,027**	**4.2%**	**(0.9%)**	**99,623**	**84,137**	**(15.5%)**
Cincinnati	29,383	33,793	32,087	27,879	22,467	22,634	20,480	(0.6)	(7.4)	22,517	12,415	(44.9)
Salt Lake City	26,942	29,617	25,691	22,659	18,483	14,897	17,425	(2.5)	(6.4)	15,912	14,515	(8.8)
New York (Kennedy)	8,452	9,387	10,228	9,221	8,238	11,008	12,498	4.7	7.9	10,703	9,490	(11.3)
New York (LaGuardia)	11,371	11,168	11,378	12,214	10,107	10,551	9.818	1.4	(5.3)	10,175	9,477	(6.9)
Orlando (International)	10,006	13,817	14,281	6,698	6,504	8,686	8,660	4.1	6.6	8,604	7,657	(11.0)
Boston	8,582	9,505	11,028	9,255	8,252	9,000	7,750	5.5	(4.3)	8,906	8,021	(9.9)
Fort Lauderdale-Hollywood	5,080	4,649	6,633	4,262	5,285	6,344	6,400	6.4	10.7	6,615	5,854	(11.5)
Los Angeles (International)	13,051	12,588	10,369	9,904	7,748	8,242	7,671	(3.9)	(6.2)	8,261	6,468	(21.7)
Tampa	4,473	5,316	5,933	5,050	5,112	5,747	5,787	5.8	3.5	5,812	4,806	(17.3)
Dallas/Fort Worth	30,165	21,185	19,761	18,284	8,799	8,113	3,310	(7.7)	(34.8)	6,272	1,917	(69.4)
	Average daily scheduled departing seats: Delta Connection									Delta Connection		
Atlanta	**5,488**	**8,219**	**9,918**	**12,685**	**17,746**	**19,061**	**19,535**	**15.0%**	**11.4%**	**20,086**	**19,805**	**(1.4%)**
Cincinnati	7,385	10,110	13,811	16,332	19,171	20,616	24,522	14.1	10.7	22,951	15,509	(32.4)
Salt Lake City	3,130	3,742	4,020	5,457	7,552	10,243	13,930	9.7	26.4	9,980	10,720	7.4
New York (Kennedy)	1,198	574	300	641	952	2,183	2,650	(9.9)	42.6	2,186	2,374	8.6
New York (LaGuardia)	1,003	1,644	1,584	1,289	2,401	2,397	2,440	4.3	17.3	2,468	2,359	(4.4)
Orlando (International)	2,692	1,622	1,814	2,050	3,043	2,845	3,616	(4.4)	15.2	3,560	3,444	(3.3)
Boston	4,198	4,059	3,962	1,391	1,915	2,174	2,324	(16.8)	13.7	2,065	1,744	(15.5)
Fort Lauderdale-Hollywood	595	85	129	400	441	615	1,661	(6.4)	42.8	1,296	966	(25.5)
Los Angeles (International)	2,725	3,321	--	--	--	--	355	--	100.0	--	--	--
Tampa	354	--	60	--	400	348	1,573	--	100.0	1,319	998	(24.3)
Dallas/Fort Worth	4,863	2,348	1,873	3,457	9,582	10,381	--	(5.5)	(100.0)	4,562	232	(94.9)

(a) Includes Delta Express (in 1997 through 2001) and Song (in 2003 through 2005).

Source: Official Airline Guides, Inc., *Official Airline Guide,* for years noted.

LEGEND

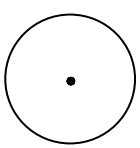

= 50,000 average daily departing seats

Figure 4

SEAT CAPACITY AT PRINCIPAL DELTA SYSTEM AIRPORTS

Note: The area of the circle for each airport is proportional to the number of scheduled seats on departing flights of Delta and Delta Connection.

Source: Official Airline Guides, Inc., *Official Airline Guide,* July 2005.

LFA LEIGH FISHER ASSOCIATES

Delta has increased its service coverage through alliances, code-sharing agreements, and acquisitions. In June 1999, Delta announced an alliance with Air France that provided the foundation for the SkyTeam alliance that now also includes Aeroflot Russian Airlines, AeroMexico, Alitalia, Continental, CSA Czech Airlines, KLM Royal Dutch Airlines, Korean Air, and Northwest. The alliance provides for code-sharing, coordinated cargo operations, and reciprocal frequent flyer programs. In January 2002, Delta, Air France, Alitalia, and CSA received approval from the U.S. Department of Transportation (DOT) for antitrust immunity that permitted further integration of the alliance. However, in December 2005, the U.S. DOT denied SkyTeam's application to extend antitrust immunity to KLM and Northwest and the application was withdrawn. (Separately, since July 1989, KLM and Northwest have been alliance partners and, since May 2004, Air France and KLM have been part of the same airline group.) Delta also has a code-sharing agreement for flights from Atlanta with Air Jamaica.

Table 14 presents data on scheduled international departures for Delta and its SkyTeam partners at their U.S. gateway airports. As shown, as of January 2006, the Airport had the largest number of international departures operated by SkyTeam member airlines. Delta operated nearly three times as many international departures from Atlanta as it operated from its next four gateway airports combined.

According to Delta's annual report, as of December 2005, Delta operated a mainline fleet of 480 aircraft with an average age of 12.6 years. (As of December 2004, the airline had 542 aircraft in its fleet.) Delta took delivery of no mainline aircraft in 2004, took delivery of nine aircraft in 2005, and expects to take delivery of no aircraft in 2006.

In May 1999, Delta acquired Atlantic Southeast, which provided Delta with a large fleet of regional jet aircraft and control of aircraft scheduling through its Atlanta hub. In January 2000, Delta acquired Comair, a Delta Connection airline that primarily provides regional service at Cincinnati and Orlando, but also serves Atlanta. SkyWest, not owned by Delta, also operates as Delta Connection, primarily at Salt Lake City. Delta sold Atlantic Southeast to SkyWest in August 2005, but Atlantic Southeast continues to operate as Delta Connection under a 15-year agreement. In addition, Delta has entered into operating arrangements with Chautauqua Airlines, Mesa Airlines, and Shuttle America to provide Delta Connection service. As of December 2005, there were 433 aircraft in Delta Connection service, mostly regional jets seating between 40 and 70 passengers.

As shown by the data in Table 13, the share of Delta scheduled seats at Atlanta provided by Delta Connection increased from 7.5% in July 1997 to 15.4% in July 2005.

Table 14

SCHEDULED INTERNATIONAL SERVICE AT SKYTEAM GATEWAYS

City (airport)	July 2001	July 2002	July 2003	July 2004	July 2005	January 2005	January 2006
	Scheduled international departures: All SkyTeam partners						
Atlanta	**1,530**	**1,562**	**1,476**	**1,653**	**1,880**	**1,690**	**1,888**
Houston (Bush)	1,861	1,819	1,637	1,824	2,022	1,690	1,788
Newark	1,639	1,639	1,424	1,838	2,158	1,569	1,704
New York (Kennedy)	1,170	910	856	992	1,054	850	840
Detroit	764	712	655	1,036	1,093	878	802
Minneapolis/St. Paul	901	782	774	837	925	766	733
Los Angeles	715	533	499	553	592	515	500
Boston	199	155	155	208	213	177	142
Cincinnati	124	159	128	205	227	130	115
	Scheduled international departures: Delta mainline only						
Atlanta	**1,351**	**1,394**	**1,307**	**1,476**	**1,644**	**1,489**	**1,743**
Houston (Bush)	--	--	--	--	--	--	--
Newark	--	--	--	--	--	--	--
New York (Kennedy)	695	465	411	532	594	471	435
Detroit	--	--	--	--	--	--	--
Minneapolis/St. Paul	--	--	--	--	--	--	--
Los Angeles	119	62	62	61	31	61	26
Boston	75	31	31	31	31	31	31
Cincinnati	93	128	97	174	196	130	115
	Scheduled international departures: Other SkyTeam Partners						
Atlanta	**179**	**168**	**169**	**177**	**236**	**201**	**145**
Houston (Bush)	1,861	1,819	1,637	1,824	2,022	1,690	1,788
Newark	1,639	1,639	1,424	1,838	2,158	1,569	1,704
New York (Kennedy)	475	445	445	460	460	379	405
Detroit	764	712	655	1,036	1,093	878	802
Minneapolis/St. Paul	901	782	774	837	925	766	733
Los Angeles	596	471	437	492	561	454	474
Boston	124	124	124	177	182	146	111
Cincinnati	31	31	31	31	31	--	--

Note: Flights by regional airline affiliates are excluded.

Source: Official Airline Guides, Inc., *Official Airline Guide*, for years noted.

Delta Transformation Plan

In September 2004, Delta announced a transformation plan intended to allow the airline to achieve financial viability. Key components of the transformation plan were the closing of the airline's Dallas/Fort Worth hub and the redeployment of aircraft to its Atlanta, Cincinnati, and Salt Lake City hubs. The schedule changes resulted in approximately 80 additional daily departures and an 8.5% increase in Delta's seating capacity at the Airport effective February 2005.

The transformation plan also provided for increased efficiency and productivity of Atlanta hub operations by increasing aircraft use and radically changing the scheduling of flights at the Airport to replace the previous 12 banks of connecting flights with a continuous schedule of flight arrivals and departures throughout the day.

Delta Restructuring Plan

The transformation plan resulted in operational benefits for Delta, but high fuel prices and other operating expenses, combined with airfare competition, resulted in continued operating losses. Delta raised cash through the sale of assets and other transactions during the summer of 2005 and continued to implement cost-cutting measures. However, as losses continued, in September 2005, Delta elected to file for protection under Chapter 11 of the U.S. Bankruptcy Code.

Delta's restructuring plan, announced immediately after the Chapter 11 filing, targets $3 billion in annual financial benefits by the end of 2007, with approximately $1 billion of benefits expected to result from each of (1) revenue and network productivity improvements, (2) lease rejection and other bankruptcy restructuring actions, and (3) labor cost reductions.

As part of the restructuring plan, Delta announced that it expects to achieve revenue and network productivity improvements by:

- Reducing the size of its aircraft fleet, rationalizing the mix of aircraft types in the fleet, and redeploying aircraft
- Discontinuing the operation of Song as a separate airline and reintegrating the 48 B-757 Song aircraft into the Delta mainline fleet
- Increasing point-to-point flights and reducing the numbers of passengers connecting through its hubs, particularly Cincinnati
- Reducing domestic mainline seat capacity between 15% and 20%
- Increasing international seat capacity approximately 25%

The effects of Delta's restructuring plan on flight schedules and seat capacity at Atlanta as of January 2006 are shown in Table 13. The estimated effects of the announced capacity changes on overall passenger traffic at the Airport are discussed in the later section "Forecast Assumptions."

Airport's Role in AirTran's System

Table 15 presents data on airline service provided by AirTran at the Airport and other airports served by the airline, ranked by daily seats scheduled for January 2006. The Airport is by far the most important airport in AirTran's system, accounting for approximately 19% more daily seats than at the next seven airports combined, and accounting for most of AirTran's systemwide connecting activity.

In July 2003, AirTran placed an order for 100 new B-737 aircraft, of which 50 were firm orders and 50 were options, and up to 10 new B-717 aircraft. Aircraft deliveries were scheduled at a rate of approximately one per month between 2004 and 2008. When completed, the deliveries will more than double the airline's fleet. The addition of longer-range B-737s to the airline's fleet allows AirTran to compete on transcontinental routes, making the Airport a true two-airline hub. As of April 2006, AirTran operated a fleet of 111 aircraft (26 B-737s and 85 B-717s) with an average age of less than 3 years. The low-cost structure of AirTran contributed to it being one of the few profitable U.S. airlines in 2002 through 2005.

HISTORICAL AIRLINE TRAFFIC

Enplaned Passengers

Table 16 presents historical data on enplaned passengers and airline aircraft departures at the Airport. Between 1991, when the U.S. economy was emerging from recession and Eastern Air Lines ceased service, and 2000, the number of enplaned passengers at the Airport increased steadily. The increase from 18.9 million passengers in 1991 to 40.2 million passengers in 2000 represents an average increase of 8.7% per year. From 1991 through 2000, the number of enplaned passengers in the United States as a whole increased an average of 4.4% per year. The percentage of total U.S. passengers enplaned at the Airport increased from 3.7% in 1991 to 5.2% in 2000. In 2000, the major and national airlines accounted for 93.6% of enplaned passengers at the Airport and the regional airlines accounted for 6.4%.

Table 15

AIRTRAN SERVICE AT ITS PRINCIPAL AIRPORTS

City (airport)	July 1995	July 1997	July 1999	July 2001	July 2003	July 2004	July 2005	Average annual increase (decrease) 1995-2001	Average annual increase (decrease) 2001-2005	January 2005	January 2006	Increase (decrease) 2005-2006
	Daily scheduled aircraft departures									Departures		
Atlanta	**75**	**80**	**136**	**153**	**187**	**184**	**199**	**12.6%**	**6.8%**	**166**	**202**	**21.6%**
Orlando (International)	13	23	16	14	23	27	35	1.2	25.7	29	41	41.4
Baltimore/Washington	--	--	--	--	28	33	37	--	--	34	36	5.9
Boston	6	6	5	5	13	20	21	(3.0)	43.2	18	25	38.9
Philadelphia	3	3	4	11	13	17	20	24.2	16.1	17	19	11.8
Tampa	7	6	8	10	23	15	16	6.1	12.5	17	17	0.0
New York (LaGuardia)	--	--	6	11	14	14	14	--	6.2	14	16	14.3
Fort Lauderdale-Hollywood	6	6	8	8	12	11	13	4.9	12.9	14	15	7.1
	Daily scheduled departing seats									Seats		
Atlanta	**8,264**	**8,811**	**14,723**	**16,936**	**20,274**	**21,773**	**23,815**	**12.7%**	**8.9%**	**19,800**	**24,454**	**23.4%**
Orlando (International)	1,454	2,722	1,721	1,612	2,695	3,277	4,310	1.7	27.9	3,492	5,071	45.2
Baltimore/Washington	--	--	--	--	3,265	3,725	4,312	--	--	3,956	4,294	8.5
Boston	607	710	543	574	1,513	2,359	2,457	(0.9)	43.8	2,091	3,020	44.4
Philadelphia	362	344	437	1,315	1,517	2,046	2,389	24.0	16.1	1,989	2,417	21.5
Tampa	729	614	887	1,103	2,196	1,753	1,910	7.2	14.7	2,063	2,054	(0.4)
New York (LaGuardia)	--	--	662	1,225	1,612	1,608	1,679	--	8.2	1,675	1,949	16.4
Fort Lauderdale-Hollywood	628	614	887	893	1,400	1,491	1,615	6.0	16.0	1,636	1,865	14.0

Note: Scheduled aircraft departures and seats by ValuJet are shown for 1995 and 1997. Includes flights operated by Ryan International Airlines and AirTran JetConnect.

Source: Official Airline Guides, Inc., *Official Airline Guide*, for years noted.

Table 16

HISTORICAL ENPLANED PASSENGERS AND AIRCRAFT DEPARTURES

Hartsfield-Jackson Atlanta International Airport

	Enplaned passengers				Aircraft departures				Enplaned passengers per departure		
Year	Major and national airlines *(a)*	Regional airlines	Total	Percent increase (decrease)	Major and national airlines *(a)*	Regional airlines	Total	Percent increase (decrease)	Major and national airlines *(a)*	Regional airlines	Atlanta as a percent of total U.S. passengers *(b)*
1990	22,681,608	1,133,116	23,814,724	--%	292,333	81,167	373,500	--%	78	14	4.5%
1991	18,048,208	885,712	18,933,920	(20.5)	211,222	57,829	269,051	(28.0)	85	15	3.7
1992	20,033,382	972,535	21,005,917	10.9	223,869	56,866	280,735	4.3	89	17	3.9
1993	22,772,667	1,168,417	23,941,084	15.2	247,417	65,862	313,279	11.6	92	18	4.3
1994	25,899,057	1,104,512	27,003,569	11.6	265,997	61,014	327,011	4.4	97	18	4.5
1995	27,757,156	1,100,679	28,857,835	6.9	295,793	61,196	356,989	9.2	94	18	4.6
1996	30,106,721	1,450,722	31,557,443	9.4	291,075	66,251	357,326	0.1	103	22	4.8
1997	32,487,445	1,597,849	34,085,294	8.0	301,714	67,853	369,567	3.4	108	24	5.0
1998	35,006,814	1,749,852	36,756,666	7.8	319,558	69,745	389,303	5.3	110	25	5.2
1999	36,970,306	2,151,138	39,121,444	6.1	347,713	80,310	428,023	9.9	106	27	5.4
2000	37,571,189	2,583,635	40,154,824	2.6	348,670	86,631	435,301	1.7	108	30	5.2
2001	35,352,531	2,742,683	38,095,214	(5.1)	334,997	96,461	431,458	(0.9)	106	28	5.4
2002	35,236,007	3,403,593	38,639,600	1.4	316,603	106,624	423,227	(1.9)	111	32	5.5
2003	35,494,803	4,202,172	39,696,975	2.7	311,240	120,378	431,618	2.0	114	35	5.4
2004	37,102,055	4,734,612	41,836,667	5.4	334,077	126,838	460,915	6.8	111	38	5.3
2005	38,155,487	4,865,045	43,020,532	2.8	342,436	133,410	475,846	3.2	111	36	5.5

(a) Includes all international and charter service.
(b) U.S. Department of Transportation, Bureau of Transportation Statistics, *Air Carrier Statistics (Form 41 Traffic)*.

Source: City of Atlanta, Department of Aviation records, except as noted.

During the last 4 months of 2001, the number of passengers enplaned at the Airport was 17.1% lower than the number enplaned in the same period of 2000 as a result of the decline in air travel following the September 11 terrorist attacks and drastically reduced airline service. By November 2001, Delta and other major airlines had reduced their systemwide seat capacity by as much as 20%. Short-haul air travel was particularly affected as travelers switched from air to surface transportation modes.

With the return of passenger confidence in the security of airline travel, the end of the 2001 national economic recession, and the widespread availability of low fares, traffic gradually increased during 2002. But in 2003, traffic increases were again limited by a combination of stagnant economic conditions, continued passenger anxieties about the security of airline travel stemming from the invasion and occupation of Iraq and terrorist attacks and threats around the world, and publicity about severe acute respiratory syndrome (SARS).

In 2004, the number of enplaned passengers at the Airport increased 5.4% as economic conditions improved, security concerns receded, and discount airfares were widely available. Numbers of passengers enplaned at the Airport were up 5.9% for Delta and Delta Connection, up 7.1% for AirTran, and up 2.0% for other airlines. The Airport's enplaned passenger total for 2004 exceeded the total for 2000.

Strong growth in passenger traffic continued through September 2005, as Delta increased service under its transformation plan and relatively low airfares were still widely available. Following Delta's September Chapter 11 bankruptcy filing and reductions in Delta's service under its restructuring plan, the number of passengers enplaned in the last 3 months of 2005 was 3.3% lower than the number in the last 3 months of 2004. For 2005 as a whole, enplaned passenger numbers at the Airport were down 1.3% for Delta and Delta Connection, up 13.2% for AirTran, up 6.9% for other airlines, and up 2.8% overall.

Originating and Connecting Passengers

Table 17 presents historical data on scheduled originating and connecting passengers at the Airport. Table 18 shows the shares of originating and connecting passengers by airline.

Before 1990, when Eastern and Delta both operated connecting hubs at the Airport, approximately 67% of enplaned passengers connected between flights. Following Eastern's demise, the connecting percentage decreased to approximately 56% in 1991. The connecting percentage then gradually increased to approximately 61% in 2000 as Delta built up service. Between 1992 and 2000, the number of passengers originating their air journeys at the Airport increased an average of 6.9% per year, lower than the 9.5% average increase for connecting passengers.

Table 17

HISTORICAL ORIGINATING AND CONNECTING PASSENGERS
Hartsfield-Jackson Atlanta International Airport

	Scheduled enplaned passengers			Annual percent increase (decrease)			Percent	Percent
	Originating	Connecting	Total	Originating	Connecting	Total	originating	connecting
1990	8,900,000	14,914,724	23,814,724	--%	--%	--%	37.4%	62.6%
1991	8,400,000	10,533,920	18,933,920	(5.6)	(29.4)	(20.5)	44.4	55.6
1992	9,200,000	11,805,917	21,005,917	9.5	12.1	10.9	43.8	56.2
1993	10,100,000	13,841,084	23,941,084	9.8	17.2	14.0	42.2	57.8
1994	12,000,000	15,003,569	27,003,569	18.8	8.4	12.8	44.4	55.6
1995	12,300,000	16,557,835	28,857,835	2.5	10.4	6.9	42.6	57.4
1996	13,400,000	18,157,443	31,557,443	8.9	9.7	9.4	42.5	57.5
1997	14,400,000	19,685,294	34,085,294	7.5	8.4	8.0	42.2	57.8
1998	15,100,000	21,656,666	36,756,666	4.9	10.0	7.8	41.1	58.9
1999	15,700,000	23,421,444	39,121,444	4.0	8.1	6.4	40.1	59.9
2000	15,700,000	24,454,824	40,154,824	0.0	4.4	2.6	39.1	60.9
2001	14,200,000	23,895,214	38,095,214	(9.6)	(2.3)	(5.1)	37.3	62.7
2002	13,500,000	25,139,600	38,639,600	(4.9)	5.2	1.4	34.9	65.1
2003	13,600,000	26,096,975	39,696,975	0.7	3.8	2.7	34.3	65.7
2004	14,700,000	27,136,667	41,836,667	8.1	4.0	5.4	35.1	64.9
2005	15,200,000	27,820,532	43,020,532	3.4	2.5	2.8	35.3	64.7

Sources: Enplaned passengers: City of Atlanta, Department of Aviation records.
Originating passengers: Estimates derived from U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic*, *Domestic,* for years noted.

Table 18

ESTIMATED HISTORICAL CONNECTING PASSENGER PERCENTAGES BY AIRLINE

Hartsfield-Jackson Atlanta International Airport

	Delta Air Lines *(a)*		AirTran Airways *(b)*		Other	
	Originating	Connecting	Originating	Connecting	Originating	Connecting
1990	26.6%	73.4%	--%	--%	41.7%	58.3%
1991	29.3	70.7	--	--	83.7	16.3
1992	27.8	72.2	--	--	88.7	11.3
1993	26.8	73.2	--	--	83.4	16.6
1994	27.0	73.0	62.4	37.6	84.9	15.1
1995	24.6	75.4	56.0	44.0	87.6	12.4
1996	26.6	73.4	57.0	43.0	92.5	7.5
1997	28.1	71.9	58.9	41.1	93.1	6.9
1998	29.6	70.4	51.2	48.8	91.1	8.9
1999	29.5	70.5	40.7	59.3	91.3	8.7
2000	29.9	70.1	47.3	52.7	94.3	5.7
2001	28.4	71.6	41.0	59.0	96.1	3.9
2002	28.1	71.9	38.5	61.5	91.4	8.6
2003	27.8	72.2	35.0	65.0	88.1	11.9
2004	28.6	71.4	39.2	60.8	89.4	10.6
2005	28.3	71.7	37.3	62.7	91.1	8.9

(a) Includes Delta Connection.
(b) Includes AirTran Jet Connect.

Source: Estimates derived from U.S. Department of Transportation, Origin-Destination Survey of Airline Passenger Traffic, Domestic, for years noted.

Between 2000 and 2003, the trend of increased connecting traffic accelerated as Delta retrenched at its Atlanta hub and replaced nonstop flights with connecting flights, AirTran also increased connecting traffic at the Airport, and other airlines reduced their Atlanta service. Between 2000 and 2003, the number of originating passengers at the Airport decreased an estimated 13%, while the number of connecting passengers increased 7%. In 2003, connecting passengers accounted for approximately 66% of all enplaned passengers.

In 2004 and 2005, originating passenger traffic at the Airport increased 8.1% and 3.4% respectively, largely as a result of fare competition, while connecting traffic increased 4.0% and 2.5% respectively. In 2005, connecting passengers accounted for approximately 65% of all enplaned passengers.

As shown in Table 18, in 2005, the connecting passenger percentage at the Airport was approximately 72% for Delta, 63% for AirTran, and 9% for the other airlines.

International Passengers

Table 19 presents historical data on domestic and international enplaned passengers at the Airport. The number of passengers enplaning on international flights has increased rapidly as Atlanta has increased its standing as an international city and Delta and foreign-flag airlines have increased service. The increase in the number of international passengers from about 1.4 million in 1995 to about 3.4 million in 2005 represents an average increase of 8.9% per year over the 10 years.

Airline Aircraft Departures

As shown in Table 16, the number of airline aircraft departures at the Airport has, for the most part, increased at a slower rate than the number of passengers, averaging 5.4% per year between 1991 and 1998. Over that period, the average seating capacity of airline aircraft serving the Airport and passenger load factors both gradually increased. The average number of passengers per departure was 70 in 1991 and 94 in 1998.

Between 1998 and 2005, as Delta transferred service from its mainline flights to Delta Connection flights, the share of departures accounted for by the regional airlines increased from 18% to 28%. The average number of passengers per departure decreased from 94 in 1998 to 90 in 2005.

Airline Passenger Market Shares

Table 20 lists the passenger airlines providing scheduled domestic and international service at the Airport in January 2006. All of the major U.S. airlines except Alaska Airlines, ATA Airlines, JetBlue Airways, and Southwest Airlines serve Atlanta. Tables 21 and 22 present historical data on the distribution of enplaned passengers at the Airport by airline for 1997 through 2005. Figure 5 presents the passenger share data graphically for 1991 and 2005.

Airline Competition

As shown in Table 21, the combined share of passengers enplaned on the flights of Delta and Delta Connection (domestic and international) decreased from a high of 82.4% in 1997 to 76.5% in 2005. The increased share of passengers enplaned by AirTran accounted for most of this change. ValuJet began service in 1993 and grew to account for 7.9% of enplaned passengers at the Airport in 1995. In June 1996, following an aircraft crash in the Florida Everglades, ValuJet suspended operations. Then, in July 1997, ValuJet merged with AirTran, and the airline began to rebuild its Atlanta operations. In 2005, AirTran enplaned 14.3% of Airport passengers.

Table 19

HISTORICAL DOMESTIC AND INTERNATIONAL PASSENGERS

Hartsfield-Jackson Atlanta International Airport

	Enplaned passengers			Percent	Annual percent increase (decrease)		
Year	Domestic	International	Total	international	Domestic	International	Total
1990	22,852,358	962,366	23,814,724	4.0%	--%	--%	--%
1991	17,981,674	952,246	18,933,920	5.0	(21.3)	(1.1)	(20.5)
1992	19,913,287	1,092,630	21,005,917	5.2	10.7	14.7	10.9
1993	22,745,583	1,195,501	23,941,084	5.0	14.2	9.4	14.0
1994	25,640,285	1,363,284	27,003,569	5.0	12.7	14.0	12.8
1995	27,421,226	1,436,609	28,857,835	5.0	6.9	5.4	6.9
1996	30,046,013	1,511,430	31,557,443	4.8	9.6	5.2	9.4
1997	32,346,589	1,738,705	34,085,294	5.1	7.7	15.0	8.0
1998	34,604,434	2,152,232	36,756,666	5.9	7.0	23.8	7.8
1999	36,566,500	2,554,944	39,121,444	6.5	5.7	18.6	6.4
2000	37,238,515	2,916,309	40,154,824	7.3	1.8	14.1	2.6
2001	35,279,315	2,815,899	38,095,214	7.4	(5.3)	(3.4)	(5.1)
2002	35,776,095	2,863,505	38,639,600	7.4	1.4	1.7	1.4
2003	36,930,570	2,766,405	39,696,975	7.0	3.2	(3.4)	2.7
2004	38,720,510	3,116,157	41,836,667	7.4	4.9	12.6	5.4
2005	39,661,560	3,358,972	43,020,532	7.8	2.4	7.8	2.8
First 3 months (January-March)							
2005	9,487,339	759,195	10,246,534	7.4			
2006	8,932,452	878,494	9,810,946	9.0	(5.8)	15.7	(4.3)

Source: City of Atlanta, Department of Aviation records.

Table 20

SCHEDULED PASSENGER AIRLINES SERVING THE AIRPORT
Hartsfield-Jackson Atlanta International Airport
January 2006

Domestic service	International service
Major and national airlines	***U.S.-flag airlines***
AirTran Airways *(a)*	AirTran Airways *(a)*
American Airlines *(a)*	Atlantic Southeast Airlines *(a)(b)*
America West Airlines	Comair *(b)*
Continental Airlines *(a)(c)*	Delta Air Lines *(a)(c)*
Delta Air Lines *(a)(c)*	
Frontier Airlines	***Foreign-flag airlines***
Independence Air *(d)*	AeroMexico *(c)*
Midwest Airlines *(a)*	Air Canada
Northwest Airlines *(a)(c)*	Air Canada Jazz
Song *(b)*	Air France *(c)*
United Airlines *(a)*	Air Jamaica
US Airways *(a)*	British Airways
	KLM Royal Dutch Airlines *(c)*
Regional airlines	Korean Air *(c)*
American Connection	Lufthansa German Airlines
American Eagle	South African Airways
Atlantic Southeast Airlines *(a)(b)*	
Comair *(b)*	
Continental Express	
Northwest Airlink	
United Express	
US Airways Express	

(a) Airlines signatory to the central passenger terminal complex (CPTC) leases.
(b) Airlines operating as affiliates of Delta Air Lines.
(c) Member of the SkyTeam alliance.
(d) Airline ceased all operations in January 2006.

Source: Official Airline Guides, Inc., *Official Airline Guide*, January 2006.

Table 21

HISTORICAL AIRLINE SHARES OF ENPLANED PASSENGERS
Hartsfield-Jackson Atlanta International Airport

	1997	1998	1999	2000	2001	2002	2003	2004	2005
Domestic service									
Delta and Delta Connection *(a)*									
Mainline	74.5%	72.5%	69.3%	67.4%	65.8%	65.4%	62.3%	61.6%	59.8%
Atlantic Southeast	4.7	4.8	5.5	6.4	7.2	8.4	8.5	8.0	10.0
Comair	--	--	--	--	--	0.4	2.1	3.1	0.8
Subtotal	79.2%	77.2%	74.8%	73.9%	73.0%	74.1%	72.8%	72.7%	70.6%
AirTran *(b)*	4.2%	6.7%	8.5%	9.0%	10.0%	10.5%	12.7%	12.9%	14.3%
American *(c)*	2.5	2.2	2.1	1.9	1.8	2.0	2.0	1.7	1.8
Continental	2.1	2.1	1.8	1.7	1.5	1.2	1.2	1.2	1.3
Northwest	1.5	1.3	1.4	1.6	1.5	1.3	1.1	1.1	1.2
United *(d)*	1.6	1.6	1.7	1.5	1.5	1.3	1.2	1.2	0.7
US Airways *(e) (f)*	1.7	1.4	1.5	1.6	1.4	1.2	0.9	0.7	1.1
America West *(f)*	0.4	0.3	0.3	0.3	0.8	0.5	0.5	0.5	0.5
Frontier	--	--	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Independence	--	--	--	--	--	--	--	0.1	0.2
Midwest	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Trans World	0.6	0.5	0.6	0.6	0.4	--	--	--	--
Other	1.0	0.7	0.5	0.6	0.4	0.2	0.2	--	0.2
Subtotal	15.7%	16.9%	18.6%	18.9%	19.7%	18.4%	20.2%	19.8%	21.6%
Total domestic	94.9%	94.1%	93.4%	92.7%	92.7%	92.6%	93.0%	92.6%	92.2%
International service									
Delta	3.2%	3.7%	4.1%	4.5%	5.1%	5.3%	5.0%	5.5%	5.9%
AirTran	--	--	--	--	0.1	0.1	0.1	0.1	0.1
Atlantic Southeast	--	--	--	--	0.1	0.1	0.1	0.1	0.1
Foreign-flag airlines	1.8	1.9	2.2	2.4	1.9	1.8	1.7	1.7	1.7
Other	0.1	0.2	0.2	0.3	0.2	0.1	--	--	--
Total international	5.1%	5.9%	6.6%	7.3%	7.3%	7.4%	7.0%	7.4%	7.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes: Airlines signatory to the central passenger terminal complex (CPTC) leases and all other airlines with approximately 0.1% or greater share of passengers for any year are listed individually.
Columns may not add to totals shown because of rounding.

(a) Includes Song beginning in 2003.
(b) ValuJet in 1997.
(c) Includes American Eagle in 2005.
(d) Includes Air Wisconsin beginning in 2002.
(e) Includes Chautauqua beginning in 2004 and Mesa beginning in 2005.
(f) Effective September 2005, America West operates as part of US Airways.

Source: City of Atlanta, Department of Aviation records.

Table 22

HISTORICAL ENPLANED PASSENGERS BY AIRLINE

Hartsfield-Jackson Atlanta International Airport

	1997	1998	1999	2000 *(a)*	2001	2002	2003	2004	2005
Domestic service									
Delta *(a)*									
Mainline	25,408,118	26,635,298	27,152,354	27,087,636	25,120,551	25,254,355	24,735,334	25,774,791	25,736,580
Atlantic Southeast	1,597,849	1,749,852	2,151,138	2,583,635	2,742,683	3,245,911	3,361,949	3,363,023	4,298,516
Comair	--	--	--	--	--	147,619	817,822	1,287,020	355,257
Subtotal	27,005,967	28,385,150	29,303,492	29,671,271	27,863,234	28,647,885	28,915,105	30,424,834	30,390,353
AirTran *(b)*	1,415,901	2,445,195	3,303,630	3,627,731	3,835,706	4,040,118	5,048,574	5,408,410	6,132,915
American *(c)*	845,659	808,528	808,774	756,062	683,478	765,312	790,096	710,540	790,441
Continental	713,844	782,476	699,004	665,890	584,593	480,811	472,846	494,651	568,068
Northwest	509,388	467,344	541,160	616,163	554,441	483,862	421,776	478,545	502,031
US Airways *(e) (f)*	582,212	507,255	577,291	625,343	553,383	445,580	360,887	304,965	452,679
United *(d)*	539,376	596,449	669,015	620,653	564,951	506,091	492,661	509,170	313,437
America West *(f)*	150,019	120,722	124,526	108,436	193,114	200,481	208,316	198,494	225,013
Frontier	--	--	66,870	64,608	63,672	66,401	74,925	87,828	99,746
Independence	--	--	--	--	--	--	--	50,851	70,414
Midwest	41,113	43,243	39,786	35,035	66,257	74,672	50,038	32,505	48,968
Trans World	202,366	188,152	231,393	224,263	170,276	--	--	--	--
Other	340,744	259,920	201,559	223,060	146,210	64,882	95,346	19,717	67,495
Subtotal	5,340,622	6,219,284	7,263,008	7,567,244	7,416,081	7,128,210	8,015,465	8,295,676	9,271,207
Total domestic	32,346,589	34,604,434	36,566,500	37,238,515	35,279,315	35,776,095	36,930,570	38,720,510	39,661,560
International service									
Delta	1,091,103	1,376,922	1,617,263	1,820,972	1,949,184	2,063,916	1,999,205	2,292,728	2,536,941
Atlantic Southeast	--	--	--	6,915	28,225	32,630	40,247	56,493	57,810
AirTran	--	--	--	--	27,165	29,966	31,335	33,475	29,381
Foreign-flag airlines	597,538	691,521	853,200	980,655	734,016	694,829	676,289	726,449	725,286
Other	50,064	83,789	84,481	107,767	77,309	42,164	19,329	7,012	9,554
Total international	1,738,705	2,152,232	2,554,944	2,916,309	2,815,899	2,863,505	2,766,405	3,116,157	3,358,972
Total	34,085,294	36,756,666	39,121,444	40,154,824	38,095,214	38,639,600	39,696,975	41,836,667	43,020,532

Note: Airlines signatory to the central passenger terminal complex (CPTC) leases and all other airlines with approximately 0.1% or greater share of passengers for any year are listed individually.

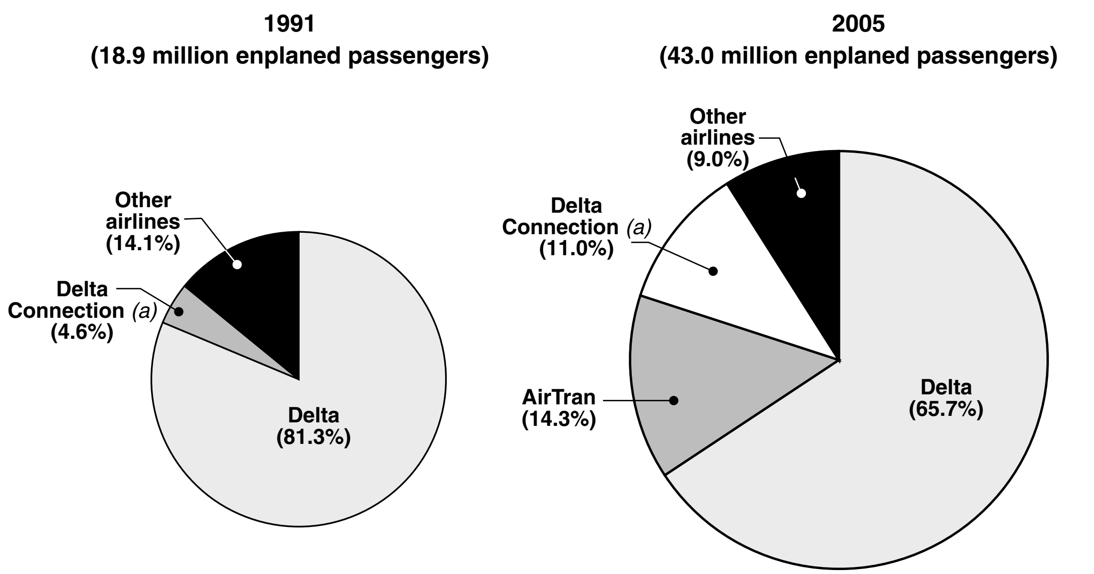
(a) Includes Song beginning in 2003.
(b) ValuJet in 1997.
(c) Includes American Eagle in 2005.
(d) Includes Air Wisconsin beginning in 2002.
(e) Includes Chautauqua beginning in 2004 and Mesa beginning in 2005.
(f) Effective September 2005, America West operates as part of US Airways.

Source: City of Atlanta, Department of Aviation records.

Figure 5

AIRLINE SHARES OF ENPLANED PASSENGERS

Hartsfield-Jackson Atlanta International Airport



Note: Areas of circles are proportional to numbers of enplaned passengers.

(a) Atlantic Southeast and Comair.

Source: City of Atlanta, Department of Aviation records.

ATL572 F-0005.fh11

Airline Service

Tables 23 and 24 present data on passenger airline service from Atlanta to domestic and international destinations, respectively.

As of January 2006, the airlines serving the Airport provided an average of 1,127 daily departures to 162 domestic destinations, including all major U.S. cities. International service was provided to 57 destination airports, mostly in Europe and Latin America. Delta served 96 domestic destinations nonstop with 466 average daily departures; Delta Connection served 115 domestic destinations nonstop with 324 average daily departures; and AirTran served 45 domestic destinations nonstop with 202 average daily departures. Delta has announced that, by late 2006, it will provide service to 26 new international destinations from Atlanta.

Table 23

SCHEDULED DOMESTIC AIRLINE SERVICE

Hartsfield-Jackson Atlanta International Airport

Airline	January 2005 Average daily departures	January 2005 Average daily seats	January 2005 Number of cities served nonstop *(a)*	January 2006 Average daily departures	January 2006 Average daily seats	January 2006 Number of cities served nonstop *(a)*
Major and national						
Delta	572	90,511	101	466	73,701	96
AirTran	166	19,800	41	202	24,454	45
American	21	2,788	3	21	2,997	4
Northwest	13	1,562	3	13	1,675	3
Continental	11	1,345	2	12	1,371	2
United	8	1,039	3	7	843	3
America West	5	716	2	5	663	2
Frontier	2	260	1	3	383	1
Independence Air	7	366	1	1	31	1
Midwest	2	162	1	2	176	1
US Airways	5	708	2	--	--	--
Song	1 *(b)*	26	1	--	--	--
	815	119,283	107	732	106,294	104
Regional						
Atlantic Southeast (Delta Connection)	294	17,081	99	324	17,787	111
US Airways Express	7	421	3	15	932	3
Comair (Delta Connection)	35	2,150	27	16	955	15
Mesa *(c)*	7	428	5	11	666	5
American Eagle	5	231	2	6	338	2
Continental Express	5	231	2	6	313	3
United Express	4	190	2	1	61	1
Chautauqua *(d)*	3	118	1	13	599	8
Trans States *(e)*	6	277	2	2	90	1
Northwest Airlink	2	114	2	1 *(b)*	7	1
	368	21,241	118	395	21,748	118
Airport total	1,183	140,524	151	1,127	128,042	162

Note: Columns may not add to totals shown because of rounding.

(a) Numbers of cites served nonstop are not additive because some cities are served by more than one airline.
(b) Less than one departure per day.
(c) Operates for both United and US Airways.
(d) Operates for both American and US Airways.
(e) Operates for both American and Delta.

Source: Official Airline Guides, Inc., *Official Airline Guide,* for months shown.

Passenger Origins and Destinations

Table 25 and Figure 6 present data on domestic passengers for the top 30 origin and destination markets to and from Atlanta in 2004. Also shown are the numbers of scheduled departures and seats to each destination city airport for July 2004 and July 2005. The top five markets—New York; Washington, D.C.; Miami; Chicago;

Table 24

SCHEDULED INTERNATIONAL AIRLINE SERVICE
Hartsfield-Jackson Atlanta International Airport

		July 2004 Scheduled weekly		July 2005 Scheduled weekly		January 2005 Scheduled weekly		January 2006 Scheduled weekly	
Destination	Airline	Departures	Seats	Departures	Seats	Departures	Seats	Departures	Seats
EUROPE									
Amsterdam, Netherlands	Delta	7	1,428	7	1,428	7	1,428	7	1,428
	KLM	--	--	7	1,540	7	1,540	6	1,391
Barcelona, Spain	Delta	7	1,428	7	1,428	--	--	--	--
Brussels, Belgium	Delta	7	1,428	7	1,428	7	1,428	7	1,428
Dublin, Ireland	Delta	3	847	3	599	3	645	3	599
Frankfurt, Germany	Delta	14	3,304	14	3,304	12	2,843	13	3,166
	Lufthansa	7	1,729	7	1,729	6	1,506	7	1,673
London, England (Gatwick)	British Airways	7	1,589	7	1,589	7	1,589	7	1,589
	Delta	28	5,712	28	5,712	21	4,686	17	3,484
Madrid, Spain (Barajas)	Delta	7	1,428	7	1,428	7	1,428	7	1,382
Manchester, England	Delta	7	1,428	7	1,428	7	1,428	7	1,428
Milan, Italy (Malpensa)	Delta	7	1,876	7	1,876	7	1,428	7	1,428
Moscow, Russia (Sheremetyevo)	Delta	--	--	7	1,428	--	--	4	783
Munich, Germany	Delta	14	2,856	7	2,856	7	1,428	7	1,428
Paris, France (DeGaulle)	Air France	14	3,514	14	3,514	11	2,774	12	3,006
	Delta	14	3,304	14	3,752	14	3,304	14	3,752
Rome, Italy (Fiumicino)	Delta	7	1,428	14	2,856	7	1,428	6	1,106
Shannon, Ireland	Delta	4	1,029	4	829	4	783	4	783
Stuttgart, Germany	Delta	7	1,428	7	1,428	7	1,428	7	1,428
Zurich, Switzerland	Delta	7	1,428	7	1,428	7	1,428	7	1,336
		168	37,184	182	40,152	148	32,522	148	32,617
LATIN AMERICA									
Bogota, Colombia	Delta	7	1,281	7	1,281	7	1,281	7	1,281
Belize City, Belize	Delta	--	--	1	169	1	169	6	948
Buenos Aires, Argentina (Ezeiza)	Delta	--	--	7	1,428	7	1,428	7	1,428
Cancun, Mexico	AeroMexico	7	884	11	1,469	8	1,117	0	56
	Delta	14	2,478	16	2,817	15	2,647	7	1,070
	TransMeridian	--	--	3	559	--	--	--	--
Caracas, Venezuela	Delta	7	1,050	7	1,050	7	1,050	6	948
Cozumel, Mexico	Delta	--	--	2	339	--	--	1	135
Guadalajara, Mexico	Delta	7	1,050	7	1,050	7	1,050	11	1,660

Table 24 *(page 2 of 3)*

SCHEDULED INTERNATIONAL AIRLINE SERVICE

Hartsfield-Jackson Atlanta International Airport

		July 2004 Scheduled weekly		July 2005 Scheduled weekly		January 2005 Scheduled weekly		January 2006 Scheduled weekly	
Destination	Airline	Departures	Seats	Departures	Seats	Departures	Seats	Departures	Seats
LATIN AMERICA *(continued)*									
Guatemala City, Guatemala	Delta	7	1,281	7	1,281	7	1,338	7	1,303
Liberia, Costa Rica	Delta	6	915	7	1,162	6	881	8	1,416
Lima, Peru	Delta	7	1,995	7	1,995	7	1,995	8	2,179
Los Cabos, Mexico	Delta	--	--	--	--	7	1,050	7	1,152
Managua, Nicaragua	Delta	--	--	--	--	--	--	7	1,050
Mexico City, Mexico (Juarez)	AeroMexico	14	2,144	14	2,087	14	2,142	7	1,191
	Delta	14	2,562	14	2,562	14	2,562	21	3,351
Monterrey, Mexico	Atlantic Southeast *(a)*	21	1,050	14	1,050	28	1,377	16	790
	Comair	7	350	--	--	--	--	--	--
Panama City, Panama	Delta	7	1,050	7	1,050	7	1,050	7	1,281
Puerto Vallarta, Mexico	Delta	--	--	--	--	--	--	3	474
Rio de Janeiro, Brazil (Galeão)	Delta	--	--	--	--	--	--	7	1,428
San Jose, Costa Rica	Delta	7	1,428	14	2,562	14	2,709	14	2,685
San Salvador, El Salvador	Delta	7	1,050	7	1,050	7	1,050	7	1,146
Santiago, Chile	Delta	7	1,428	7	1,428	7	1,428	10	2,027
Sao Paulo, Brazil (Guarulhos)	Delta	7	1,428	14	2,856	14	2,856	14	2,856
		153	23,424	174	28,894	184	29,181	188	31,857
CARIBBEAN									
Antigua, West Indies	Delta	--	--	--	--	--	--	2	305
Aruba, Aruba	Delta	8	1,488	6	1,492	8	1,488	8	1,405
Bridgetown, Barbados	Delta	--	--	--	--	--	--	3	440
Bermuda, Bermuda	Delta	7	1,428	7	1,281	7	1,286	7	1,281
Grand Cayman Island, West Indies	Delta	8	1,219	7	1,050	8	1,219	7	1,050
Freeport, Bahamas	AirTran	7	819	7	819	7	819	7	819
	Atlantic Southeast	14	700	8	406	14	700	6	431
Montego Bay, Jamaica	Air Jamaica	20	3,015	7	1,309	12	1,920	7	1,309
	Delta	7	1,050	7	1,428	7	1,050	7	1,428
Nassau, Bahamas	Delta	14	2,562	14	2,567	14	2,567	14	2,063
Provinciales, Turks & Caicos Islands	Delta	--	--	1	207	1	207	1	165
	Atlantic Southeast	--	--	6	411	6	411	6	411
Punta Cana, Dominican Republic	Delta	--	--	--	--	--	--	7	1,050
Santo Domingo, Dominican Republic	Delta	--	--	--	--	--	--	6	1,276
St. Lucia, West Indies	Delta	2	271	5	779	2	339	7	1,050
St. Maarten, Netherlands Antilles	Delta	1	207	1	207	3	579	5	992
		88	12,758	79	11,956	89	12,583	100	15,475

Table 24 *(page 3 of 3)*

SCHEDULED INTERNATIONAL AIRLINE SERVICE

Hartsfield-Jackson Atlanta International Airport

		July 2004 Scheduled weekly		July 2005 Scheduled weekly		January 2005 Scheduled weekly		January 2006 Scheduled weekly	
Destination	Airline	Departures	Seats	Departures	Seats	Departures	Seats	Departures	Seats
CANADA									
Montreal, Quebec (Trudeau)	Delta	14	1,400	14	1,400	14	1,937	14	1,988
	Atlantic Southeast	7	350	21	1,050	21	1,039	20	994
	Comair	14	700	--	--	--	11	--	--
Ottawa, Ontario	Atlantic Southeast	14	700	14	700	14	700	14	700
Toronto, Ontario (Pearson)	Air Canada	33	1,648	34	1,806	33	1,626	29	1,675
	Delta	14	1,400	14	1,400	14	1,400	14	1,400
	Atlantic Southeast	--	--	28	1,400	21	1,050	20	994
	Comair	35	1,750	--	--	14	700	7	350
Vancouver, British Columbia	Delta	7	1,305	7	1,347	--	--	3	440
		138	9,253	132	9,104	131	8,463	122	8,540
ASIA									
Tokyo, Japan (Narita)	Delta	7	1,876	7	1,876	7	1,876	7	1,876
Seoul, Korea (Incheon)	Korean Air	5	1,908	7	2,688	5	1,807	7	2,444
		12	3,784	14	4,564	12	3,683	14	4,320
AFRICA									
Johannesburg, South Africa	South African	7	2,219	7	2,219	7	2,219	7	2,219
		7	2,219	7	2,219	7	2,219	7	2,219
Airport total		566	88,622	588	96,889	579	90,674	588	97,836

Notes: Atlantic Southeast and Comair operate as Delta Connection.
Columns may not add to totals shown because of rounding.

Source: Official Airline Guides, Inc., *Official Airline Guide*.

Table 25

DOMESTIC PASSENGER ORIGINS AND DESTINATIONS
Hartsfield-Jackson Atlanta International Airport

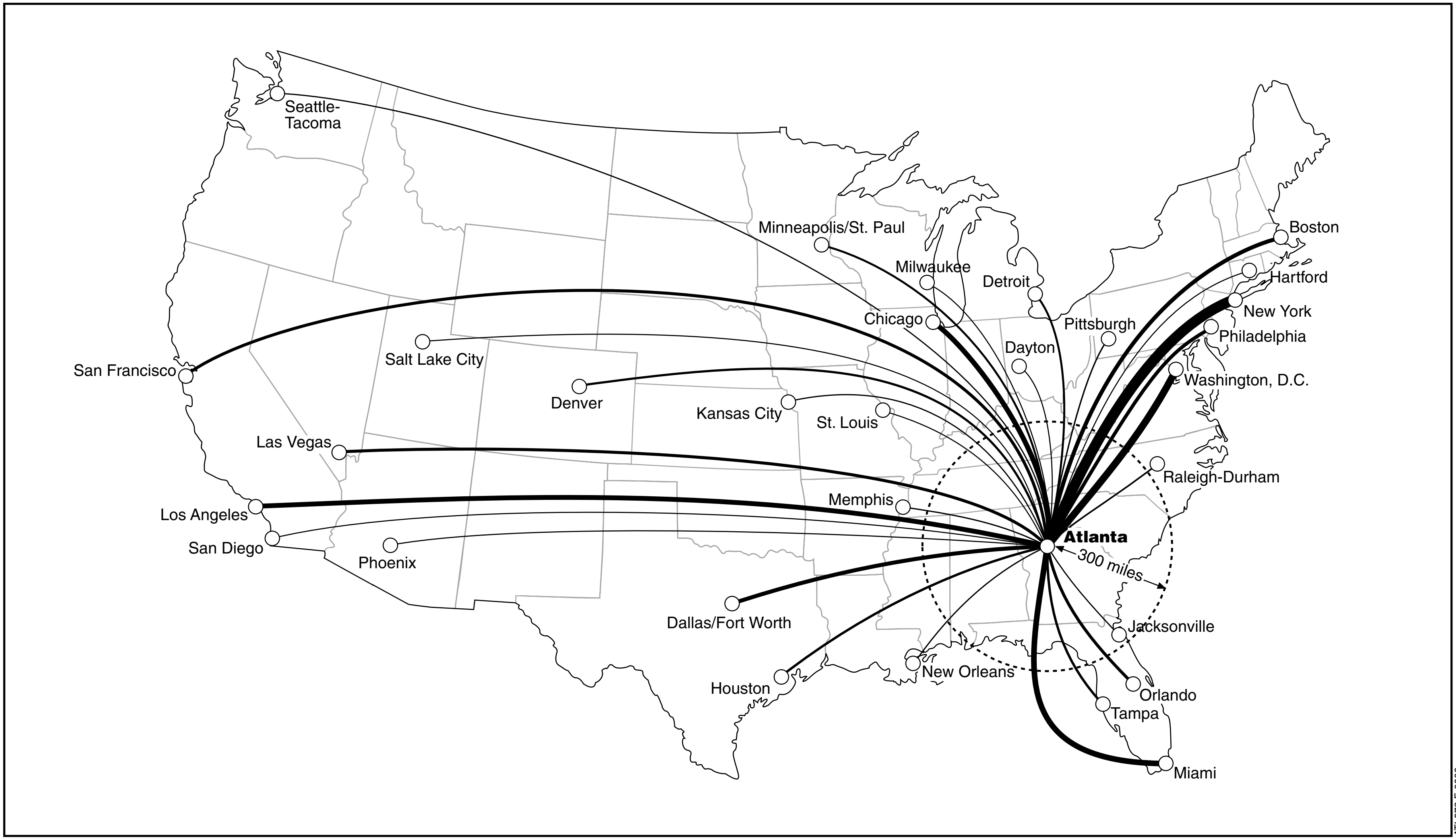
2004 Passenger rank	Principal city of origin or destination/airport	Air miles from Atlanta	2004 *(a)* O&D passengers	2004 *(a)* Percent of O&D passengers	July 2004 *(b)* Average daily scheduled departures	July 2004 *(b)* Average daily scheduled seats	July 2005 *(b)* Average daily scheduled departures	July 2005 *(b)* Average daily scheduled seats
1	New York							
	LaGuardia	761	1,425,240	5.6%	24	3,879	28	4,104
	Newark Liberty	745	998,760	3.9	23	3,122	26	3,275
	Kennedy	760	158,120	0.6	8	861	7	879
	White Plains	780	33,420	0.1	3	150	2	100
	MacArthur (Islip)	795	19,360	0.1	3	150	4	200
	Subtotal		2,634,900	10.3%	61	8,162	67	8,558
2	Washington, D.C.							
	Dulles	533	580,120	2.3%	35	3,126	27	2,544
	Baltimore/Washington	576	553,620	2.2	19	2,697	20	2,729
	Reagan National	547	640,020	2.5	20	2,512	22	2,874
	Subtotal		1,773,760	6.9%	74	8,335	69	8,147
3	Miami							
	Fort Lauderdale-Hollywood	581	589,300	2.3%	17	3,413	19	3,624
	Miami	595	516,580	2.0	19	2,964	20	3,269
	Palm Beach	545	260,520	1.0	12	1,811	13	2,095
	Subtotal		1,366,400	5.3%	48	8,188	52	8,988
4	Chicago							
	O'Hare	606	804,700	3.1%	25	2,929	25	2,954
	Midway	590	398,840	1.6	13	1,682	12	1,334
	Subtotal		1,203,540	4.7%	38	4,611	37	4,288
5	Los Angeles							
	Los Angeles	1,946	803,100	3.1%	13	2,815	13	2,822
	John Wayne	1,919	207,700	0.8	5	885	4	726
	Ontario	1,900	120,900	0.5	2	387	4	741
	Long Beach	1,933	16,840	0.1	--	--	--	--
	Bob Hope	1,941	9,320	-- *(c)*	--	--	1	183
	Subtotal		1,157,860	4.5%	20	4,087	22	4,472
6	Dallas							
	Dallas/Fort Worth	732	952,020	3.7%	32	4,624	31	4,557
	Love Field	721	1,340	-- *(c)*	--	--	--	--
	Subtotal		953,360	3.7%	32	4,624	31	4,557
7	Boston							
	Logan	946	755,300	2.9%	16	2,610	16	2,321
	T. F. Green (Providence)	903	104,740	0.4	5	710	6	893
	Manchester	952	57,860	0.2	3	334	3	334
	Subtotal		917,900	3.6%	24	3,654	25	3,548

Table 25 *(page 2 of 2)*
DOMESTIC PASSENGER ORIGINS AND DESTINATIONS
Hartsfield-Jackson Atlanta International Airport

2004 Passenger rank	Principal city of origin or destination/airport	Air miles from Atlanta	2004 *(a)* O&D passengers	2004 *(a)* Percent of O&D passengers	July 2004 *(b)* Average daily scheduled departures	July 2004 *(b)* Average daily scheduled seats	July 2005 *(b)* Average daily scheduled departures	July 2005 *(b)* Average daily scheduled seats
8	Philadelphia	665	783,900	3.1%	26	3,353	27	3,034
9	San Francisco							
	San Francisco	2,139	473,040	1.8%	11	2,024	10	1,850
	Oakland	2,130	105,420	0.4	3	483	3	510
	Mineta San Jose	2,116	105,460	0.4	3	483	3	450
	Subtotal		683,920	2.7%	17	2,990	16	2,810
10	Orlando	403	613,260	2.4	22	3,783	25	4,374
11	Las Vegas	1,747	594,500	2.3	11	2,315	12	2,366
12	Houston							
	Bush Intercontinental	689	322,160	1.3%	16	1,713	18	1,765
	Hobby	696	249,240	1.0	14	1,669	11	1,288
	Subtotal		571,400	2.2%	30	3,382	29	3,053
13	Tampa	406	568,640	2.2	20	3,372	20	3,448
14	Denver	1,199	548,620	2.1	20	2,808	19	2,720
15	Detroit	594	459,800	1.8	15	1,949	16	2,042
16	Minneapolis/St. Paul	906	420,560	1.6	17	2,059	17	2,106
17	Raleigh/Durham	356	383,720	1.5	16	2,247	16	2,140
18	Pittsburgh	526	328,040	1.3	17	1,815	16	1,732
19	New Orleans	425	307,200	1.2	14	1,972	15	2,199
20	Kansas City	692	305,720	1.2	14	1,887	14	1,789
21	Seattle-Tacoma	2,182	298,500	1.2	5	1,140	6	1,318
22	Memphis	332	292,780	1.1	16	2,010	17	2,036
23	Jacksonville	270	286,160	1.1	15	2,424	15	2,542
24	Phoenix	1,587	273,200	1.1	9	1,309	10	1,615
25	Dayton	432	255,500	1.0	13	1,748	10	1,117
26	Milwaukee	669	229,580	0.9	13	1,050	13	1,299
27	Salt Lake City	1,589	229,040	0.9	9	1,702	9	1,758
28	St. Louis	483	227,240	0.9	13	1,066	14	1,088
29	Hartford	857	223,000	0.9	7	1,148	8	1,239
30	San Diego	1,891	202,780	0.8	5	887	7	1,302
	Cities listed		19,094,780	74.4%	641	90,077	654	91,685
	Other cities		6,579,270	25.6	571	53,150	627	59,678
	Airport total		25,674,050	100.0%	1,212	143,227	1,281	151,363

Note: Columns may not add to totals shown because of rounding.

(a) Source: U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*.
(b) Source: Official Airline Guides, Inc., *Official Airline Guide*.
(c) Less than 0.1%.



Note: Origin-destination data are for cities with 1% or more of total inbound and outbound passengers (on scheduled airlines) at Hartsfield-Jackson Atlanta International Airport in a 10% sample for the 12 months ended December 31, 2004. The width of the line corresponds to the relative share of origin-destination passengers in each market.

Source: U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*, 12 months ended December 31, 2004.

Figure 6

DOMESTIC PASSENGER ORIGIN-DESTINATION PATTERN

Hartsfield-Jackson Atlanta International Airport

LEIGH FISHER ASSOCIATES

and Los Angeles—accounted for 31.7% of total origin and destination passengers in 2004. Daily nonstop flights from the Airport are provided to all of the cities listed.

Originating Passengers and Airfares

Table 26 presents a comparison of domestic originating passengers, average domestic airline yields (average fare for revenue passengers expressed in cents per passenger-mile), and average itinerary lengths for flights at the Airport and in the United States as a whole. The data presented in Table 26 illustrate the historical generally inverse relationship between changes in originating passenger numbers and changes in airline yields. The average airline yield at the Airport decreased an average of 5.4% per year between 1992 and 1996, when ValuJet established a sizable presence at the Airport. That yield decrease coincided with an 11.9% per year average increase in originating passengers. Over the 10 years 1990 to 2000, the average yield at the Airport decreased an average of 0.6% per year, compared with an average increase of 0.8% per year nationwide. Between 2000 and 2005, the average airline yield at the Airport decreased an average of 3.5% per year (compared with an average decrease of 3.3% per year nationwide) as a result of airfare competition.

The relatively high historical average yields at the Airport (approximately 31% higher than the national average in 2005) are attributable, in part, to the shorter average itinerary length of airline flights from the Airport (approximately 24% shorter than the national average) and, in part, to the status of the Airport as a connecting hub, with Delta dominating service in many travel markets.

Air Cargo

According to data compiled by Airports Council International, in 2004, the Airport ranked as the tenth busiest cargo airport in the United States, measured in terms of total cargo weight enplaned and deplaned. The airlines providing all-cargo service at the Airport are listed in Table 27. Table 28 presents historical data on air cargo at the Airport. Between 1990 and 2000, cargo weight (carried by all-cargo aircraft and as belly cargo in passenger airline aircraft) increased an average of 3.9% per year.

Between 2000 and 2002, cargo weight decreased 18% in the aftermath of the September 2001 attacks. Between 2002 and 2005, cargo weight fluctuated (and increased 4.4% overall), largely as a result of the decisions of individual all-cargo operators to increase or decrease service at the Airport.

Table 26

HISTORICAL DOMESTIC ORIGINATING PASSENGERS, AIRLINE YIELDS, AND ITINERARY LENGTHS

Hartsfield-Jackson Atlanta International Airport

	1990	1992	1994	1996	1998	2000	2002	2004	2005 *(a)*	Average annual increase (decrease) 1990-2000	Average annual increase (decrease) 2000-2005
Originating passengers (thousands)											
Atlanta	6,589	6,748	9,144	10,568	12,309	13,627	11,781	12,821	13,051		
Average annual increase (decrease)	--	1.2%	16.4%	7.5%	7.9%	5.2%	(7.0%)	4.3%	1.8%	7.5%	(0.9%)
United States	285,755	279,799	326,216	363,636	387,268	427,617	386,608	427,218	444,113		
Average annual increase (decrease)	--	(1.0%)	8.0%	5.6%	3.2%	5.1%	(4.9%)	5.1%	4.0%	4.1%	0.8%
Average airline yield (cents per revenue-passenger-mile)											
Atlanta	20.9	19.7	18.0	15.8	18.6	19.7	16.6	15.7	16.5		
Average annual increase (decrease)	--	(2.9%)	(4.4%)	(6.3%)	8.5%	2.9%	(8.2%)	(2.8%)	5.1%	(0.6%)	(3.5%)
United States	13.8	13.5	13.4	12.9	14.4	14.9	12.8	12.4	12.6		
Average annual increase (decrease)	--	(1.1%)	(0.4%)	(1.9%)	5.7%	1.7%	(7.3%)	(1.6%)	1.6%	0.8%	(3.3%)
Average itinerary length (miles)											
Atlanta	818	873	821	839	821	829	857	889	890		
Average annual increase (decrease)	--	3.3%	(3.0%)	1.1%	(1.1%)	0.5%	1.7%	1.9%	0.1%	0.1%	1.4%
United States	1,046	1,069	1,039	1,053	1,069	1,092	1,143	1,177	1,166		
Average annual increase (decrease)	--	1.1%	(1.4%)	0.7%	0.7%	1.1%	2.3%	1.5%	(0.9%)	0.4%	1.3%

(a) Based on data through June 2005.

Source: U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*, for years noted.

Table 27

AIRLINES PROVIDING ALL-CARGO SERVICE AT THE AIRPORT
January 2006

ABX Air	FedEx
Air France	Japan Airlines Cargo
Air Transport International	Kitty Hawk
British Airways	Korean Air Cargo
Cathay Pacific Cargo	Lufthansa German Airlines
China Airlines	Martinair Holland
DHL Worldwide	Polar Air Cargo
EVA Airways	UPS Air Cargo

Source: City of Atlanta, Department of Aviation records.

Aircraft Operations

Table 29 presents historical data on aircraft operations (landings and takeoffs). The approximate distribution of operations in 2005 was air carrier 71%, air taxi and commuter 28%, and general aviation 1%. Most general aviation operations are by jet aircraft. Military operations account for a negligible percentage of Airport operations.

Table 28

HISTORICAL AIR CARGO
Hartsfield-Jackson Atlanta International Airport

Year	Weight of cargo enplaned and deplaned *(a)* (1,000-lb units)	All-cargo aircraft departures	Landed weight of all-cargo aircraft (1,000-lb units)
1990	1,345,812	3,834	940,000
1991	1,233,871	4,063	911,000
1992	1,431,450	4,374	n.a
1993	1,607,948	5,163	n.a
1994	1,776,042	6,098	1,412,000
1995	1,700,624	4,762	1,129,000
1996	1,764,097	5,388	1,314,000
1997	1,906,875	5,910	1,449,000
1998	2,000,052	5,080	1,426,000
1999	1,946,953	5,199	1,359,000
2000	1,971,969	5,136	1,576,000
2001	1,631,258	5,098	1,657,000
2002	1,618,374	5,250	1,709,000
2003	1,760,394	5,004	1,635,000
2004	1,690,357	5,400	1,697,000
2005	1,689,373	5,970	1,872,000
	Average annual percent increase (decrease)		
1990-2000	3.9%	3.0%	5.3%
2000-2002	(9.4)	1.1	4.1
2002-2005	1.4	4.4	3.1

n.a. = not available.

(a) On all-cargo and passenger airline aircraft.

Source: City of Atlanta, Department of Aviation records.

Table 29

HISTORICAL AIRCRAFT OPERATIONS
Hartsfield-Jackson Atlanta International Airport

Year	Air carrier	Air taxi/ commuter	General aviation	Military	Total operations
1990	581,742	185,857	21,508	1,395	790,502
1991	420,596	146,088	19,181	3,605	589,470
1992	446,723	149,142	21,085	4,415	621,365
1993	487,101	158,271	23,393	3,905	672,670
1994	533,419	155,235	23,916	3,350	715,920
1995	578,221	149,897	23,307	2,683	754,108
1996	580,558	154,622	23,180	2,651	761,011
1997	604,544	164,018	23,564	2,495	794,621
1998	637,541	182,959	23,212	3,169	846,881
1999	668,175	211,855	26,002	3,879	909,911
2000	686,228	205,047	21,948	2,231	915,454
2001	669,481	206,484	13,409	1,120	890,494
2002	652,800	218,773	16,624	1,769	889,966
2003	657,527	240,957	11,914	1,325	911,723
2004	698,360	254,139	11,192	1,513	965,204
2005	692,210	275,504	10,783	1,889	980,386
	Average annual percent increase (decrease)				
1990-2000	1.7%	1.0%	0.2%	4.8%	1.5%
2000-2002	(2.5)	3.3	(13.0)	(11.0)	(1.4)
2002-2005	2.0	8.0	(13.4)	2.2	3.3

Source: City of Atlanta, Department of Aviation records.

Aircraft Landed Weight

Table 30 presents historical aircraft landed weight, which generally correlates closely with airline aircraft departures. Until 1998, the ratio of landed weight to departures gradually increased as larger aircraft types replaced smaller aircraft. Since 1998, the ratio has decreased as large numbers of regional jet aircraft have been introduced into service at the Airport. In 2005, approximately 99% of landed weight was accounted for by airlines signatory to Airport Use Agreements or Airport Use License Agreements.

Table 30

HISTORICAL AIRCRAFT LANDED WEIGHT
Hartsfield-Jackson Atlanta International Airport

Year	Signatory airlines *(a)*	Nonsignatory airlines	Total	Annual percent increase (decrease)
2000	62,650,000	758,000	63,408,000	--%
2001	61,901,000	649,000	62,550,000	(1.4)
2002	61,286,000	120,000	61,406,000	(1.8)
2003	57,963,000	263,000	58,226,000	(5.2)
2004	60,522,000	665,000	61,187,000	5.1
2005	61,775,000	356,000	62,131,000	1.5

Note: Landed weight figures are in 1,000-pound units.

(a) Data are for airlines signatory to Airport Use Agreements or Airport Use License Agreements.

Source: City of Atlanta, Department of Aviation records.

KEY FACTORS AFFECTING FUTURE AIRLINE TRAFFIC

Besides the economy of the Airport service region, discussed in the earlier section "Airport Service Region," key factors that will affect airline traffic at Hartsfield-Jackson Atlanta International Airport include:

- Economic and political conditions
- Aviation security concerns
- Financial health of the airline industry
- Airline service and routes
- Airline competition and airfares
- Airline consolidation and alliances
- Availability and price of aviation fuel

- Capacity of the national air traffic control system
- Capacity of the Airport

Economic and Political Conditions

Historically, airline passenger traffic nationwide has correlated closely with the state of the U.S. economy and levels of real disposable income. With globalization and the increased importance of international trade and tourism, airline travel demand has become more closely tied to worldwide economic, political, and social conditions. As a result, international economics, currency exchange rates, political relationships, public health concerns, and hostilities are now important influences on passenger traffic at major U.S. airports. Sustained future increases in domestic and international passenger traffic will depend on both growth in the U.S. economy and stable international conditions.

Aviation Security Concerns

Concerns about the safety of airline travel influence passenger travel behavior and airline travel demand. Anxieties about safety and the inconveniences and delays associated with security screening procedures lead to both the avoidance of travel and the switching from air to surface modes for short-haul trips.

Safety concerns in the aftermath of the terrorist attacks in September 2001 were largely responsible for the steep decline in airline travel nationwide in 2002. In early 2003, safety concerns were again heightened by the beginning of hostilities in Iraq and the perceived threat of retaliatory terrorist attacks.

Since September 2001, government agencies, airlines, and airport operators have upgraded security measures to guard against attacks and maintain confidence in the safety of airline travel. These measures include strengthened aircraft cockpit doors, changed flight crew procedures, increased presence of armed sky marshals, federalization of airport security functions under the Transportation Security Administration (TSA), and more intensive screening of passengers and baggage.

Historically, airline travel demand has recovered after temporary decreases stemming from terrorist attacks, hijackings, aircraft crashes, and international hostilities. Provided that intensified security precautions serve to maintain confidence in the safety of commercial aviation without imposing unacceptable inconveniences for airline travelers, it can be expected that future demand for airline travel at the Airport will depend primarily on economic, not security, factors.

Financial Health of the Airline Industry

Increases in passenger traffic at the Airport will depend partly on the profitability of the U.S. airline industry and the associated ability of the industry and individual airlines, particularly Delta, to make the necessary investments to increase service.

The 1990-1991 economic recession, coupled with increased operating costs and security concerns during the Gulf War, generated then-record financial losses in the airline industry. These losses put particular pressures on financially weak or highly indebted airlines, forcing many to seek bankruptcy protection, sell productive assets, lay off workers, reduce service, or discontinue operations in the early 1990s. Eastern Airlines, which in the late 1980s accounted for approximately 40% of passenger traffic at the Airport, ceased operations in January 1991.

Between 1995 and 2000, the airline industry as a whole was profitable, but as a result of the 2001 economic recession, the disruption of the airline industry that followed the September 2001 attacks, high fuel and other operating costs, and intense price competition, the industry has again experienced huge financial losses. In 2001 through 2005, the major U.S. passenger airlines collectively recorded net losses of approximately $40 billion.

To mitigate these losses, all of the major legacy airlines have restructured their route networks and flight schedules and negotiated with their employees, lessors, vendors, and creditors to cut costs, either under Chapter 11 bankruptcy protection or the threat of such. In addition to Delta (discussed below), US Airways filed for Chapter 11 protection twice, in August 2002 and September 2004, before emerging in September 2005 following its merger with America West. In 2004, US Airways drastically reduced service at its Pittsburgh hub. United filed for Chapter 11 protection in December 2002 and emerged from bankruptcy in February 2006. In 2003, American avoided filing for bankruptcy protection only after it obtained labor cost concessions from its employees and drastically reduced service at its St. Louis hub. In September 2005, at the same time as Delta, Northwest filed for bankruptcy protection. In 2005, Delta eliminated its Dallas/Fort Worth hub and downsized its Cincinnati hub. Among smaller airlines, Hawaiian Airlines filed for Chapter 11 protection in March 2003 (emerged June 2005), ATA Airlines in October 2004 (emerged March 2006), Aloha Airlines in December 2004 (emerged February 2006), and Independence Air in November 2005 (ceased operations January 2006).

Continuing losses could force airlines to retrench, seek bankruptcy protection, discontinue marginal operations, or liquidate. The further restructuring or liquidation of one or more of the large network airlines could drastically affect air service at many connecting hub airports, present business opportunities for the remaining airlines, and change air travel patterns throughout the U.S. aviation system.

Delta reported cumulative net losses of $12.3 billion in 2002 through 2005. During 2004, the airline's credit rating was downgraded, largely because of a cost structure then much higher than that of other airlines, and its market valuation was drastically reduced. As discussed in the earlier section, "Delta Transformation Plan," in early 2005, Delta implemented plans to cut costs and restructure its route network, flight schedules, fares, and services. The airline also reduced staff, cut compensation for nonunionized staff, and negotiated with its pilots and other unionized staff as well as vendors and lessors to achieve additional cost savings. In October 2004, Delta announced an agreement with its pilots' union for pay cuts in return for an ownership stake in the airline and other concessions. The airline also announced new financing arrangements and, in August 2005, raised cash through the sale of Atlantic Southeast. Notwithstanding the financial relief afforded by these initiatives, Delta filed for Chapter 11 bankruptcy protection in September 2005 and, as discussed in the earlier section, "Delta Restructuring Plan," is pursuing further cost savings and productivity gains in bankruptcy. In April 2006, Delta and the union representing its pilots announced that they had reached a tentative agreement, averting a potential strike by the pilots. The tentative agreement is subject to ratification by a vote of the pilots and approval by the U.S. Bankruptcy Court.

Airline Service and Routes

The Airport serves both as a gateway to the Atlanta region and as a connecting hub. The number of origin and destination passengers depends on the intrinsic attractiveness of the Atlanta region as a business and leisure destination and the propensity of its residents to travel. The number of connecting passengers, on the other hand, depends on the airline service provided at the Airport.

Most major airlines have developed nationwide systems of hubs that allow them to offer high-frequency service in many city-pair markets. Because most connecting passengers have a choice of airlines and intermediate airports, connecting traffic at an airport depends on the route networks and flight schedules of the airlines at that airport and at other competing hub airports.

As discussed in the earlier section, "Airport's Role as a Connecting Hub," Atlanta is the most important hub in both Delta's and AirTran's systems. As a result, much of the passenger traffic at the Airport results from the route networks and flight schedules of Delta and AirTran rather than the economy of the Airport service region. If either or both of these airlines were to reduce connecting service at the Airport, such flights would not necessarily be replaced by other airlines, although reductions in service by any airline would create business opportunities for others.

Some industry analysts have questioned the economic viability of the hub-and-spoke business model of the legacy network airlines. In recent years, low-cost airlines have increased market share and gained acceptance by passengers. However, not all low-cost airlines have been profitable. Recent failures include

Independence, Midway, National, and Vanguard. Some low-cost airlines, such as JetBlue and Southwest, concentrate on point-to-point service; others, such as AirTran and Frontier, have adopted a hub-and-spoke model.

The large network airlines have improved the productivity of their hub operations, and most industry analysts consider that the service and revenue advantages of the hub-and-spoke system will ensure the continued importance of major connecting hub airports. The long-term viability of the large network airlines, such as Delta, will depend on their ability to exploit the revenue advantages of their hub systems while bringing their operating costs closer to those of their low-cost competitors.

Airline Competition and Airfares

Airline fares have an important effect on passenger demand, particularly for relatively short trips, where the automobile and other travel modes are potential alternatives, and for price-sensitive "discretionary" travel. Airfares are influenced by labor, fuel, and other airline operating costs; taxes, fees, and other charges assessed by governmental and airport agencies; debt burden; passenger demand; capacity and yield management; market presence; and competitive factors. Increases in passenger traffic at the Airport will depend on the continued availability of competitive airfares and service.

In an attempt to stimulate passenger traffic and remain competitive, the airlines reduced airfares early in 2001 and, following September 2001, reduced airfares further. Largely because of overcapacity in the industry, yields continued to decline through 2004. In mid-2005, the average domestic yield for U.S. airlines was 12.6 cents per passenger-mile, compared with 14.9 cents in 2000. Industry analysts have expressed concern about the sustainability of the "revenue model" of the legacy network airlines, which has historically involved charging uneconomically low discount fares to some travelers and high walk-up fares to others. The ability of consumers to book flights easily via the Internet, and the associated transparency of airline pricing, creates additional downward pressures on airfares. The network airlines have recently introduced simplified fare structures designed to rationalize their revenue model. Widespread adoption of such rationalized fare structures, along with controls on airline seat capacity, are seen as keys to the industry regaining and sustaining profitability.

In many airline travel markets nationwide, price competition is provided by new entrant and other airlines with lower cost structures. In Atlanta, AirTran, America West (now US Airways), Frontier, and Spirit provide such competition. In recent years, most of the low-cost airlines have greatly increased their systemwide seat capacity, with the result that the share of U.S. airline domestic revenue-passenger-miles carried by the low-cost airlines (by one definition) increased from approximately 9% in 2000 to approximately 14% in 2005.

Airline Consolidation and Alliances

In response to competitive pressures, the U.S. airline industry has consolidated. In April 2001, American completed its acquisition of failing Trans World Airlines. In August 2001, merger plans for United and US Airways were proposed, but rejected by the U.S. DOT as a result of concerns about reduced airline competition. In September 2005, US Airways and America West merged. The distressed condition of the airline industry could persuade government regulators to permit further airline consolidation.

Alliances provide airlines with many of the advantages of mergers. Such alliances typically involve marketing, code-sharing, and scheduling arrangements to facilitate the transfer of passengers between the airlines. In May 2004, US Airways joined the United-led Star Alliance. In September 2004, Continental and Northwest joined the Delta-led SkyTeam alliance.

Availability and Price of Aviation Fuel

There has been no shortage of aviation fuel since 1974, but the price of aviation fuel continues to be an important and uncertain factor affecting airline operating economics. Fuel prices are particularly sensitive to worldwide political instability. The invasion and occupation of Iraq, political unrest in other oil-producing countries, and other factors influencing the demand for and supply of oil caused fuel prices to increase sharply between 2003 and 2005. In January 2006, average fuel prices were approximately twice what they were in January 2004. These high fuel prices have been a major contributor to recent airline industry losses. While fuel prices have not generally affected the ability of airlines to provide service, continued high fuel prices will affect airline service, airfares, and passenger numbers.

Capacity of the National Air Traffic Control System

Demands on the national air traffic control system have, in the past, caused delays and operational restrictions affecting airline schedules and passenger traffic. The FAA is gradually automating and enhancing the computer, radar, and communications equipment of the air traffic control system and enhancing the use of runways through improved air navigation aids. Air traffic delays have decreased as a result of the reduction in aircraft operations since 2001. However, as demand returns to and exceeds 2001 levels, flight delays and restrictions are again likely.

Capacity of the Airport

In addition to any future constraints that may be imposed by the capacity of the national air traffic control and airport systems, future growth in airline traffic at the

Airport will depend on the provision of increased capacity at the Airport itself. Completion of the airfield, terminal, and access facilities in the Capital Improvement Plan in accordance with the proposed schedule may be necessary to accommodate forecast increases in aircraft operations and enplaned passengers.

According to an airport capacity benchmark report released by the FAA in April 2001, the Airport was one of eight airports that experienced significant delays in 2000. As discussed in the later section "Capital Improvement Plan," the fifth runway will provide for the simultaneous use of three runways for aircraft arrivals in all weather conditions and is expected to reduce delays greatly for arriving and departing flights. According to the FAA benchmark report, the new runway, in combination with technological and procedural improvements, is expected to increase the Airport's runway capacity approximately 36%. Planned additions to terminal, ground access, and other facilities are also intended to ensure that Airport capacity will be available to meet forecast passenger demand.

FORECAST ASSUMPTIONS

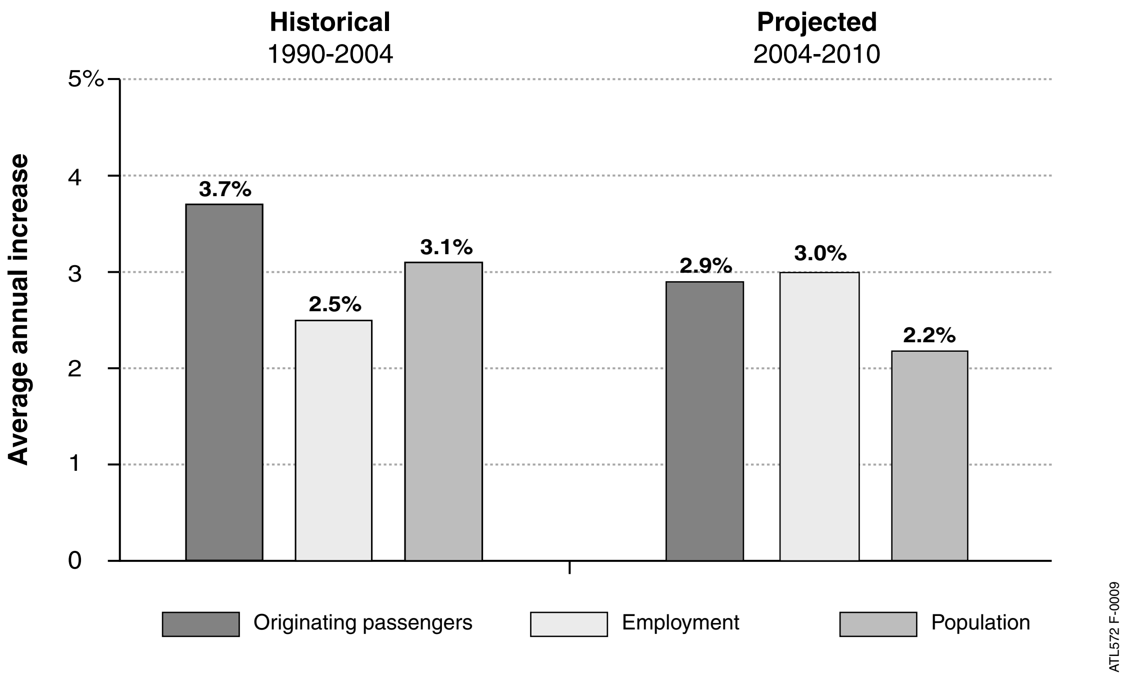
Forecasts of airline traffic at the Airport were prepared taking into account analyses of the economic basis for airline traffic, trends in historical airline traffic, and key factors likely to affect future airline traffic, all as discussed in earlier sections. Forecasts prepared by the FAA for the Airport were also taken into account.

Figure 7 presents historical and projected comparative growth rates for employment and population in the Atlanta MSA and originating passengers at the Airport. The growth rates for employment and population were projected by the National Planning Association, as noted in the earlier section "Airport Service Region."

Figure 7

COMPARATIVE GROWTH RATES

Hartsfield-Jackson Atlanta International Airport and Atlanta MSA



As shown, the forecast rate of increase in the number of originating passengers in relation to the projections of population and employment, is generally consistent with historical relationships.

In developing the forecasts, it was assumed that airline traffic at the Airport will increase as a function of growth in the population and economy of the Airport service region and, for the baseline forecast, the continued operation of the Airport as an international gateway and connecting hub for Delta and AirTran. It was assumed that airline service at the Airport will not be constrained by the availability of aviation fuel, limitations in the capacity of the air traffic control system or the Airport, charges for the use of aviation facilities, or government policies or actions that restrict growth.

Two forecasts were developed, a baseline forecast and a low passenger forecast (discussed later), as presented in Table 31. The forecasts are presented graphically on Figure 8.

Table 31

AIRLINE TRAFFIC FORECASTS

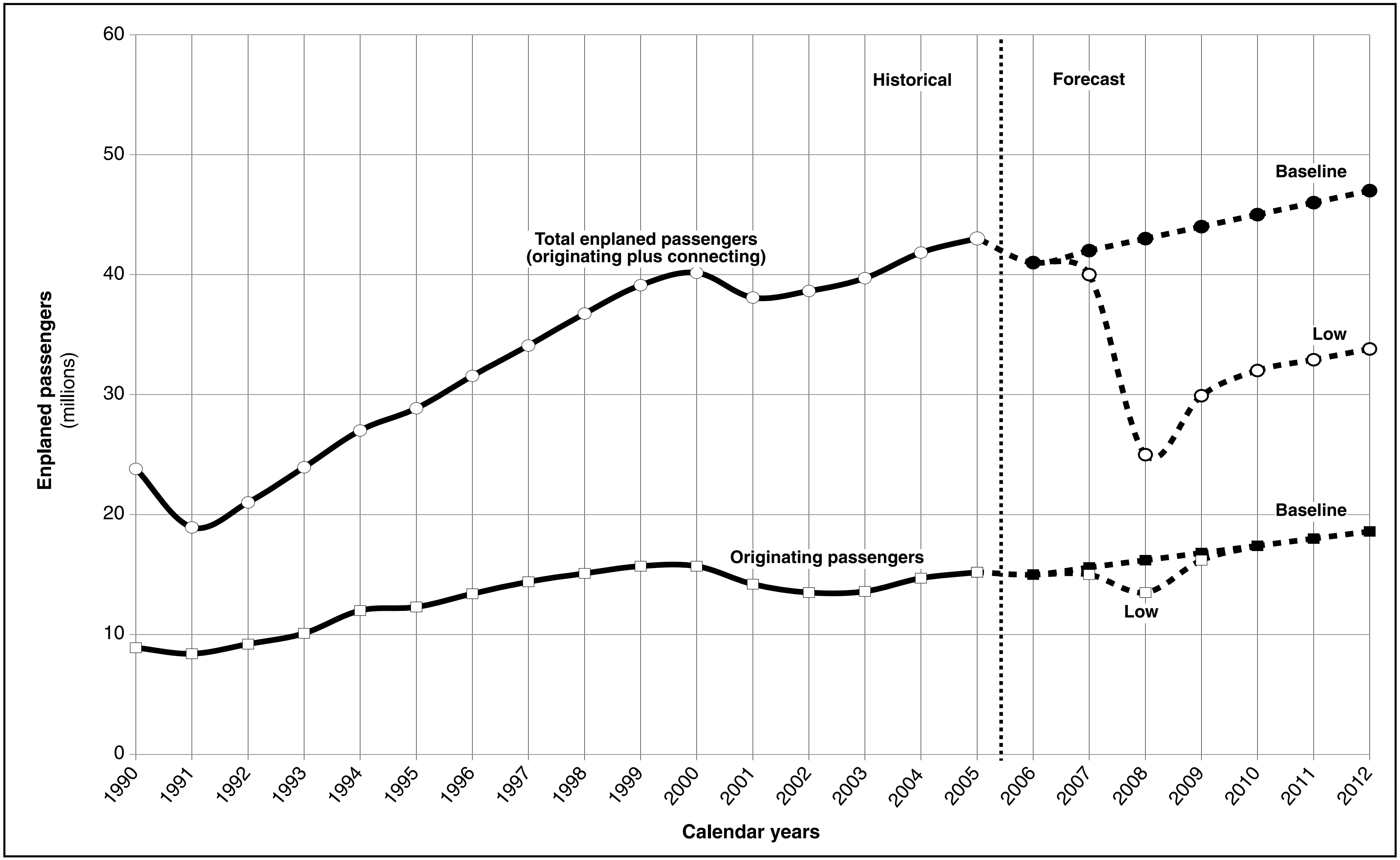
Hartsfield-Jackson Atlanta International Airport

The forecasts presented in this table were prepared using the information and assumptions described in the accompanying text. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Historical						Forecast							Average annual increase
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2006-2012
BASELINE FORECAST														
Enplaned passengers (millions)														
Domestic	37.2	35.3	35.8	36.9	38.7	39.7	37.2	38.0	38.8	39.6	40.4	41.2	42.0	2.0%
International	2.9	2.8	2.9	2.8	3.1	3.4	3.8	4.0	4.2	4.4	4.6	4.8	5.0	4.7
Total	40.2	38.1	38.6	39.7	41.8	43.0	41.0	42.0	43.0	44.0	45.0	46.0	47.0	2.3%
Percentage annual increase (decrease)	--%	(5.2%)	1.3%	2.9%	5.3%	2.9%	(4.7%)	2.4%	2.4%	2.3%	2.3%	2.2%	2.2%	
Originating	15.7	14.2	13.5	13.6	14.7	15.2	15.0	15.6	16.2	16.8	17.4	18.0	18.6	3.7%
Connecting	24.5	23.9	25.1	26.1	27.1	27.8	26.0	26.4	26.8	27.2	27.6	28.0	28.4	1.5
Total	40.2	38.1	38.6	39.7	41.8	43.0	41.0	42.0	43.0	44.0	45.0	46.0	47.0	2.3%
Percent originating	39.1%	37.3%	35.0%	34.3%	35.2%	35.3%	36.6%	37.1%	37.7%	38.2%	38.7%	39.1%	39.6%	
Landed weight (millions of pounds)														
Signatory airlines														
Passenger aircraft	61,401	60,610	59,577	56,332	58,825	59,903	57,700	59,300	60,900	62,500	64,200	66,000	67,700	
All-cargo aircraft	1,249	1,291	1,709	1,631	1,697	1,872	1,700	1,800	1,800	1,800	1,900	1,900	1,900	
Subtotal	62,650	61,901	61,286	57,963	60,522	61,775	59,400	61,100	62,700	64,300	66,100	67,900	69,600	
Nonsignatory airlines	758	648	121	264	665	356	500	500	500	500	500	500	500	
Total landed weight	63,408	62,550	61,407	58,227	61,187	62,131	59,900	61,600	63,200	64,800	66,600	68,400	70,100	1.7%
LOW PASSENGER FORECAST														
Enplaned passengers (millions)														
Domestic							37.2	36.2	24.0	28.3	30.2	31.0	31.8	
International							3.8	3.8	1.0	1.6	1.8	1.9	2.0	
Total							41.0	40.0	25.0	29.9	32.0	32.9	33.8	
Originating							15.0	15.0	13.5	16.2	17.4	18.0	18.6	
Connecting							26.0	25.0	11.5	13.7	14.6	14.9	15.2	
Total							41.0	40.0	25.0	29.9	32.0	32.9	33.8	
Percent originating							36.6%	37.5%	54.0%	54.2%	54.4%	54.7%	55.0%	
Percent of baseline							100.0%	95.2%	58.1%	68.0%	71.1%	71.5%	71.9%	

Note: Columns of historical numbers may not add to totals shown because of rounding.

Source: Historical—City of Atlanta, Department of Aviation records.
Forecast—Leigh Fisher Associates, November 2005.



The forecasts presented on this figure were prepared using the information and assumptions described in the accompanying text. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will differ from those forecast, and those differences could be material.

Sources: Historical—City of Atlanta, Department of Aviation records.
Forecast—Leigh Fisher Associates, November 2005.

Figure 8

ANNUAL ENPLANED PASSENGERS

Hartsfield-Jackson Atlanta International Airport

LEIGH FISHER ASSOCIATES

Assuming a reduction in Delta's Atlanta flight schedule in early 2006 consistent with the airline's recent public announcements, an approximate 10% reduction in Delta's passenger numbers was forecast for 2006. (See the earlier section "Delta Restructuring Plan.") It was assumed that passenger numbers for AirTran and the other airlines will collectively increase approximately 13% from 2005 levels, partially offsetting Delta's reduction. Overall, the number of enplaned passengers forecast for 2006, 41.0 million, represents a 4.7% decrease from the number enplaned in 2005. Most of the decrease is forecast to be from reduced numbers of connecting passengers.

Beginning in 2007, and through the remainder of the forecast period, passenger numbers were forecast to increase at average rates lower than those experienced during the 1990s on the basis of the following assumptions:

1. The U.S. economy will experience sustained growth averaging approximately 2.5% per year.

2. The economy of the Airport service region will increase at a similar rate to that of the United States as a whole.

3. The airlines serving the Airport will return to profitability and be able to add the seat capacity required to accommodate additional demand.

4. Competition among airlines serving the Airport will ensure the continued availability of competitive airfares comparable to those now available.

5. A generally stable international political environment and enhanced passenger and baggage screening procedures will ensure airline traveler confidence in aviation security without imposing unreasonable inconveniences.

6. There will be no major disruption of airline service or airline travel behavior as a result of international hostilities or terrorist acts or threats.

7. Additional airfield and passenger terminal capacity will be developed generally in accordance with the schedule discussed in the later section "Capital Improvement Plan."

BASELINE FORECAST

For the baseline forecast, it was assumed that the successful implementation of Delta's restructuring plan, together with a moderation of fuel prices, will allow Delta to emerge from bankruptcy protection and regain profitability. It was assumed that Delta will continue to develop the Airport as its primary domestic hub and international gateway and that the range of destinations served and the frequency of flights from the Airport will increase incrementally from estimated 2006 levels. It was also assumed that AirTran will continue to develop the Airport as a connecting hub.

As the airlines deemphasize lower-yield connecting passenger traffic and add point-to-point flights bypassing the Airport, the share of connecting passengers at the Airport is forecast to decrease from 65% of enplaned passengers in 2005 to 60% in 2012. The number of connecting passengers is not forecast to increase materially during the forecast period from the number connecting in 2005. The number of international passengers is forecast to increase at a higher rate than the number of domestic passengers, increasing the international share of all passengers from 7.8% in 2005 to 10.6% in 2012.

Overall, the number of enplaned passengers is forecast to increase from 41.0 million in 2006 to 47.0 million in 2012, an average annual increase of 2.3%. In its most recent *Terminal Area Forecast* for the Airport, the FAA forecasts an average annual increase of 2.9% over the same period.

LOW PASSENGER FORECAST

The low forecast was developed to provide the basis for a sensitivity test of the Airport's forecast financial results to a hypothetical cessation of service by Delta if the airline were to be unsuccessful in its restructuring and be liquidated. For the purposes of this hypothetical scenario, Delta was assumed to cease all service at the Airport effective January 2008. Replacement service by other airlines was then assumed to be introduced over the 2 years 2008 and 2009.

Specifically, it was hypothesized that:

- Major network airlines such as American, Continental, Northwest, and United would gradually increase service to meet originating passenger demand, with a combination of nonstop service and service through other connecting hub airports, but no major airline would operate a connecting hub at the Airport comparable to the current Delta operation.

- The Airport would continue to be AirTran's principal connecting hub and a regional transfer point for the southeastern United States. Long-haul service at the Airport would be reduced to a level commensurate with originating passenger demand, but would still provide some opportunities for convenient connections.

- Low-fare airlines such as JetBlue, Southwest, and US Airways would provide service in selected travel markets at competitive airfares, stimulating air travel demand.

- Some of the Delta international routes to Europe, the Caribbean, and Latin America would be served by other U.S. airlines, but most international passenger traffic would be carried by foreign-flag airlines, and overall international passenger numbers would be much reduced.

- In the transition years of 2008 and 2009, as airlines adjust their flight schedules and the City recaptures terminal facilities and reconfigures them to accommodate the new mix of airlines, overall numbers of enplaned passengers would be 42% and 32% lower, respectively, relative to the baseline forecast.

- By 2010, when new airline service patterns and operating arrangements have stabilized, enplaned passenger numbers would be 29% lower than the baseline forecast. Relative to the baseline forecast, originating passengers would be the same, connecting passengers would be 47% lower, and international passengers would be 61% lower.

In the low passenger forecast, the overall number of enplaned passengers decreases to 33.8 million in 2012 versus 47.0 million in the baseline forecast. Connecting passengers would account for 45% of the total versus 60% in the baseline forecast.

The hypothesized drastic decrease in passengers beginning in 2008 allows a sensitivity test of the forecast financial results under a “worst case” scenario in which most elements of the Capital Improvement Plan, including the new international terminal (but not the new south terminal), would be committed to and financed before the loss of passenger traffic.

LANDED WEIGHT

In the baseline forecast, aircraft landed weight is forecast to increase from 62,131 million pounds in 2005 to 70,100 million pounds in 2012. The forecast growth rate for landed weight is lower than that for enplaned passengers, reflecting an assumed increase in the average size of aircraft in use at the Airport. Corresponding assumptions were made for the low passenger forecast.

FINANCIAL ANALYSIS

FRAMEWORK FOR THE AIRPORT'S FINANCIAL OPERATIONS

Hartsfield-Jackson Atlanta International Airport is owned by the City of Atlanta and operated by the Department of Aviation as a self-supporting enterprise fund of the City under the direction of the Aviation General Manager with a staff of approximately 850, including fire and police department employees. Certain accounting, budgeting, bond financing, treasury, and related functions are accomplished through the City's Department of Finance.

Bond Ordinance

The financial operations of the Airport are governed in large part by the Bond Ordinance authorizing the issuance of Airport Revenue Bonds, which provides for Bonds to be secured by various categories of Airport Revenues. Hybrid Bonds, secured by more than one category of Revenues, may also be issued.

In the Rate Covenant of the Bond Ordinance, the City undertakes to prescribe and collect rates, fees, and charges for the Airport services and facilities furnished by the City so as to ensure that annual Net Revenues (Revenues less Operating Expenses) will enable the City to (1) meet at least 120% of the Debt Service Requirements of all outstanding General Revenue Bonds, including the 1977 Ordinance Bonds (without considering any amounts in the General Revenue Enhancement Subaccount); (2) meet at least 100% of the Debt Service Requirements of all other outstanding Bonds payable from related Revenues; (3) meet at least 100% of the Debt Service Requirements of any outstanding Bonds payable from PFC Revenues (without considering any amounts in the PFC Revenue Enhancement Account); (4) make all required payments on any Other Airport Obligations; and (5) make any other payments required under the Bond Ordinance.

The Bond Ordinance also prescribes the application of Airport Revenues to the funds and accounts established under the Bond Ordinance, as described in the later section "Application of General Revenues."

Accounts within the Airport enterprise fund are maintained as required by the Bond Ordinance. In this report, the operating revenues and expenses of the Department of Aviation are presented on a cash basis in conformance with the requirements of the Bond Ordinance.

Airline Agreements

The City and the airlines that account for most of the passengers and landed weight at the Airport have entered into Airport Use Agreements and central passenger terminal complex (CPTC) Leases, extending to 2010, that establish procedures for calculating rentals, fees, and charges for airline use and occupancy of Airport facilities.

The City has not yet determined what form of use and lease agreements will succeed the existing airline agreements. For the purposes of this report, it was assumed that the rate-making provisions of the existing agreements will continue in effect through the end of the forecast period.

Airport Use Agreements. Under the Airport Use Agreements, as amended, governing the use of the airfield, the Signatory Airlines agree to pay landing fees calculated to recover airfield costs. Such costs include certain airfield operating and maintenance expenses and amounts to recover the amortized capital costs plus 20% coverage of approved airfield improvements financed with General Revenue Bonds.

Landing fees are calculated according to the cost-recovery formula described in the later section "Airline Landing Fees."

Since 2001, the City has not entered into Airport Use Agreements with new entrant airlines, but instead has entered into Airport Use License Agreements that provide for substantially the same airline rights as provided under the Airport Use Agreements (other than participation in majority-in-interest votes) and require payment of landing fees at the Signatory Airline rate. The Airport Use License Agreements have a term of 5 years and may be terminated by the City or the airline with 30 days advance notice.

Passenger Terminal (CPTC) Leases. Under the CPTC Leases, as amended, governing the lease and occupancy of the central passenger terminal complex, the Contracting Airlines agree to pay rentals and other charges calculated to recover certain CPTC costs. Such costs include certain CPTC operating and maintenance expenses and amounts to recover the amortized capital costs plus 20% coverage of approved terminal improvements financed with General Revenue Bonds.

Terminal rentals and other charges are calculated according to a modified compensatory formula, as described in the later section "Airline Terminal Rentals and Charges."

CAPITAL IMPROVEMENT PLAN

Between 1996 and 1999, the City prepared a master plan to guide the long-term development of the Airport. The master planning process involved the development of aviation activity forecasts, the determination of Airport facility requirements, and the evaluation of development concepts with regard to their operational, environmental, and other effects as well as their financial feasibility. The master planning process culminated in the adoption of a Capital Improvement Plan and a 1999 agreement with the airlines serving the Airport regarding funding for the Plan. The Plan has subsequently been modified and supplemented with various other projects and is now expected to be implemented, as demand warrants, through approximately 2012.

The elements of the Capital Improvement Plan and their estimated sources of funds are summarized in Exhibit A.* As discussed in the later section "Airline Approvals," the scope and estimated costs of certain elements of the Capital Improvement Plan have changed from those agreed upon in 1999 and the sources of funding for some of those changes have yet to receive airline concurrence. Descriptions of the projects and their estimated completion dates are provided in the following sections.

The actual timing of construction or implementation of individual projects in the Capital Improvement Plan will depend on the achievement of forecast demand or other justification of need, the receipt of all required environmental and other regulatory approvals, and, in certain cases, agreement with the airlines regarding the sources of funding.

Runway 10-28

A 9,000-foot-long fifth runway was constructed parallel to and 4,200 feet south of Runway 9R-27L. The fifth runway is designated Runway 10-28 and has a full-length parallel taxiway. North-south taxiways provide access to and from the existing airfield and terminal complex. The opening of Runway 10-28 increased airfield capacity and reduced aircraft delays by allowing the simultaneous use of three runways for aircraft arrivals in virtually all weather conditions.

The runway was constructed on land formerly in residential and commercial uses in College Park and Clayton County. The project involved property acquisition; relocation of electrical power lines, roadways, and other facilities; completion of major earth-moving and site-preparation work; construction of trunk drainage and sewerage facilities; construction of structures over I-285 for the runway and parallel taxiway; construction of a fifth aircraft rescue and firefighting (ARFF) station; and construction of a new Airport traffic control tower to provide improved lines of sight to all runways. The structures carrying the runway and associated taxiways

---

*All financial exhibits are presented at the end of this report.

over I-285 span 16 traffic lanes and are the largest of their kind in the world. Between 1995 and 2003, the City acquired all property required for the runway, including the Georgia International Convention Center. A replacement convention center was opened west of the Airport in early 2003.

Completed: 2006

Other Airfield

Runway 9R-27L Reconstruction. Runway 9R-27L and connecting taxiways, originally constructed in 1972, were reconstructed to current standards for strength and geometry. As part of the project, parallel Taxiway R was equipped and used as a temporary runway to minimize aircraft delays during reconstruction.

Completed: 1999

Surface Movement Guidance and Control System (SMGCS). In-pavement taxiway lighting, surveillance, and other systems are being upgraded to expedite aircraft and vehicle movements in low visibility conditions and to comply with FAA standards.

Planned completion: 2006

Airfield Lighting System. The lighting system for runways and taxiways has been replaced and upgraded to improve reliability and safety and comply with FAA standards.

Completed: 2006

Taxiway Connectors and Intersections. Taxiways were constructed to reduce delays to aircraft crossing or landing on Runway 9L-27R. The fillets at the intersections of various taxiways were enlarged to allow the maneuvering of large aircraft.

Completed: 2003

Runway 8R-26L Reconstruction. Runway 8R-26L and associated taxiways, most recently reconstructed in 1969, is to be reconstructed. Underdrains, deteriorated concrete pavement, and centerline and edge lights are to be replaced.

Planned completion: 2006

Apron Pavement Replacement. Various other taxiways, taxilanes, and aprons adjacent to the terminal concourses have exceeded their 20-year design lives and are being reconstructed.

Planned completion: 2000-2010

Taxiway L Extension. Taxiway L, paralleling Runway 9L-27R, is being extended to the east end of the runway. The project includes construction of an aircraft holding apron at the east runway end.

Planned completion: 2009

Runway 8R End-Around Taxiway. A taxiway, to be designated Taxiway V, is to be constructed around the west end of Runway 8R-26L to reduce the need for aircraft to cross that runway when taxiing to and from Runway 8L-26R.

Planned completion: 2007

Runway Safety Areas. Regrading, removal of navigational aids, and other improvements are being implemented to bring the safety areas at the ends of all runways into compliance with FAA standards

Planned completion: 2007

Other Airfield Projects. Other planned airfield improvements include the upgrading of lighting and electrical systems and the construction of various connecting taxiways.

Planned completion: 2002-2012

Existing Terminal (CPTC)

Near-Term Projects. Near-term improvements to the existing terminal complex have included the upgrading of fire protection, electrical, communications, and computer systems; modifications to elevators and escalators; upgrades to baggage systems; and various other modification, repair, and replacement projects.

Completed: 2005

In-Line Baggage Screening Facilities. New space was constructed beneath the terminal curbside roadways to accommodate infrastructure and facilities to allow the screening of checked baggage using explosives detection system (EDS) equipment installed "in-line" with the Airport's baggage handling system. The new baggage screening facilities have allowed EDS equipment to be removed from the terminal check-in lobbies.

Completed: 2006

Security Checkpoint Reconfiguration. The main passenger security screening checkpoint was expanded and reconfigured to provide additional space for the screening of passengers and their carry-on baggage and to reduce congestion and delays.

Completed: 2004

Security Access Control System. A new security system was installed to monitor and control the access of people and vehicles to all areas of the CPTC. The security access system incorporates the latest biometric and other technologies and is integrated with other Airport security and safety systems.

Completed: 2006

Pedestrian Bridges and Canopies. Pedestrian bridges are to be constructed over the curbside roadways between the north and south parking garages and the landside terminal building. Access to the bridges will be provided from new vertical circulation cores to be constructed at the garages and the terminal building. The removal of pedestrians from the roadways will increase the effective capacity of the roadways. The bridges are to be supported by canopies spanning the roadways.

Planned completion: 2009

Concourse C ASA Project. The north half of Concourse C is being reconfigured to provide facilities custom-designed for the loading and unloading of Atlantic Southeast Airlines' regional jet aircraft. The project is to provide escalator access between the concourse and apron levels as well as covered walkways to approximately 25 aircraft parking positions.

Planned completion: 2007

Check-in Lobby Reconfiguration. The south check-in lobby at the east end of the landside terminal building is to be reconfigured and remodeled to increase passenger processing capacity and improve service levels.

Planned completion: 2007

Passenger Security Screening Capacity. As the first phase of a planned expansion of the landside terminal building to the west, a second passenger screening checkpoint is to be constructed. Subsequent phases of building expansion will accommodate additional check-in, baggage claim, baggage handling, concession, and other facilities.

Planned completion: 2011

Other CPTC Improvements. Various other improvements and upgrades to facilities are being implemented throughout the landside terminal, at AGTS stations, and in the inter-concourse transportation mall.

Planned completion: 2004-2012

Secondary Central Utilities Plant. A second central utilities plant is to be constructed to the west of the landside terminal building to provide heating, ventilation, and air-conditioning capacity for the enlarged building.

Planned completion: 2010

Concourse D Common Use Facilities. Three additional common-use gates are being constructed at Concourse D, providing common-use terminal equipment (CUTE), holdrooms, concessions, restrooms, and airline operations space. Passenger check-in and baggage claim facilities are also being converted for airline common use.

Planned completion: 2006

Concourses C and D Midpoint Expansion. Space is to be constructed at the midpoints of Concourses C and D, similar to the space at the midpoints of Concourses A and B, to accommodate additional circulation, concessions, and other passenger service facilities.

Planned completion: 2009

Other Concourse Improvements. Other improvements and upgrades to all concourses include additional restroom capacity and other passenger amenities.

Planned completion: 2005-2008

Other Upgrades and Replacements. Other terminal improvements include the addition of various concessions and passenger services; the upgrading and replacement of heating, ventilation, air-conditioning, electrical, and communications systems; and other modification, repair, and replacement projects.

Planned completion: 2002-2010

AGTS Upgrades. Five new AGTS vehicles were purchased to increase system capacity, and older vehicles were overhauled or replaced. Other improvements to the AGTS involve replacement of the automated train control system.

Completed: 2006

AGTS Extension and West Station. The AGTS is to be extended to the west and a new station constructed. The new station will serve passengers entering and leaving the terminal building at the west end, including those using MARTA and the CONRAC APM, and will provide for passenger transfer to the future people-mover system to serve the planned south terminal complex. The station will be accessed from the new west security screening checkpoint.

Planned completion: 2011

International Terminal

A new international terminal, to be called the Maynard Holbrook Jackson, Jr., International Terminal, is to be constructed east of Concourse E. The current design would provide 10 additional gates and aircraft parking aprons for widebody aircraft (or up to 14 gates for narrowbody aircraft) and approximately 1.2 million square feet of terminal space on four levels for concourse, ticketing, baggage handling, federal inspection services (FIS), and other facilities. The design calls for the AGTS to be extended to provide passenger access to and from the international terminal, the other concourses, and the landside building.

As part of the international terminal project, four additional widebody aircraft gates were constructed on Concourse E in 2001 to provide a total of 28 gates capable of accommodating arriving international flights. Concourse E and the new international terminal would together provide 38 widebody gates and associated facilities.

Construction of the terminal has required the demolition or relocation of air cargo, airline support, and U.S. Postal Service facilities in the central terminal support area (CTSA). The FAA Airport traffic control tower is to be demolished; a replacement tower became operational in May 2006. Aviation Boulevard is to be reconfigured and upgraded to provide ground access to the terminal from I-75 and a two-level curbside roadway is to be constructed. Approximately 1,100 public automobile parking spaces are to be constructed adjacent to the terminal and approximately 4,400 public parking spaces are to constructed remote from the terminal.

In November 2000, the FAA issued a Finding of No Significant Impact (FONSI) in connection with the City's environmental assessment of the effects of international terminal development.

In August 2005, the City terminated the contract of the team responsible for designing the terminal. The City in the process of selecting a new design team and is reevaluating the design and construction schedule.

Planned completion: 2011 (subject to design reevaluation)

South Terminal

In the longer term, a new domestic passenger terminal is planned for an approximately 350-acre site south of the Airport between Runway 9R-27L and Runway 10-28.

As currently conceived, the first phase of south terminal development would involve the construction of concourses connected to the existing landside building by automated people mover (APM) and baggage transfer systems. The first phase of development would provide up to approximately 40 gates, apron areas, and associated terminal facilities. Subsequent phases would provide additional concourses with up to approximately 70 gates. Ticketing, baggage check-in and claim, and other terminal functions would be accommodated by expanding the existing landside terminal. Additional automobile parking, curbside, ground transportation, and other facilities would be constructed at the existing terminal to support the south concourses.

The City has not yet begun the detailed planning and environmental studies that will be required to confirm the scope of the project and allow it to proceed. Only the costs of planning, design, property acquisition, site preparation, and initial taxiway and apron development for the south terminal are expected to be incurred before 2012, as summarized in Exhibit A.

Planned completion: After 2012

Consolidated Rental Car Center

The CONRAC Project being financed in part with proceeds from the sale of the 2006AB CFC Bonds is to provide consolidated facilities to accommodate all Airport rental car operations. The consolidated center is being constructed on an approximately 70-acre site west of I-85 that has been acquired by the City. The consolidated center will provide approximately 8,200 spaces for ready and return car parking and associated service, maintenance, and storage facilities for up to 3,900 vehicles.

Roadways are to be constructed or improved to provide rental car access to and egress from the rental car center and an APM is to be constructed to transport passengers to and from the existing landside building. An intermediate APM station will serve the new Georgia International Convention Center. The rental car roadways and APM guideway will require the construction of bridges over I-85, the CSX railroad tracks, and MARTA tracks. The roadways and APM system constitute the Landside Access Project being financed in part with proceeds from the sale of the 2004JK PFC Bonds. The CONRAC Project includes the provision of Airport parking spaces to replace those lost from construction of the APM guideway and the buyout of improvements at the existing rental car sites.

In July 2003, the FAA issued a FONSI in connection with the City's environmental assessment of the effects of CONRAC development.

Planned completion: 2009

Other Projects

Various other Airport facilities are to be improved or expanded through 2012:

Airport Support and Utilities: Fueling, water supply, sewerage, other utilities, and facilities required to support Airport operations and maintenance functions.

Command and Control Center: A new command and control facility to accommodate equipment, systems, and personnel needed for day-to-day and emergency safety and security operations.

Other Safety and Security: Aircraft rescue and fire fighting (ARFF) stations and training facilities, perimeter security fences, and other airfield security systems.

Signage and Graphics: Roadway directional signs, flight information display systems, and other terminal information systems.

Air Cargo: Cargo buildings and handling facilities.

Environmental: Projects to abate and mitigate aircraft noise as included in the City's Airport Noise Compatibility Program, water pollution control projects, and other environmental monitoring, mitigation, and control projects.

Southwest Parking Garage: A new eight-level parking garage, providing approximately 8,000 spaces, immediately southwest of the landside terminal building.

Other Parking Projects: Improvements to public parking and commercial ground transportation facilities, including structural rehabilitation of the existing garages, construction of additional spaces in garages and lots, and upgrading of electrical and revenue control systems.

Roadway Projects: Various geometric and capacity enhancements to public roadways and widening and strengthening of nonlicensed-vehicle roadways.

Airline Approvals

In August 1999, majorities-in-interest of the Signatory Airlines and the CPTC Contracting Airlines approved the projects in the Capital Improvement Plan as then envisioned, their then-estimated project costs, and a funding plan (August 1999 MII Approval). For projects planned for later years, the Capital Improvement Plan was defined in general terms, both with regard to the scope of the projects and their funding sources. The August 1999 MII Approval sets forth a collaborative process whereby the City, in consultation with the airlines, accomplishes the detailed planning, scheduling, design, construction, and financing of individual projects.

At the time of the August 1999 MII Approval, the projects in the Capital Improvement Plan were estimated to cost $5,417 million, and it was agreed that airline-supported General Revenue Bonds would be issued in an aggregate amount to fund project costs up to $1,274 million.

The planned sources of funding for the Capital Improvement Plan were estimated assuming the receipt of future federal grants-in-aid and PFC Revenues. The August 1999 MII Approval sets forth the agreement between the City and the airlines regarding how projects would be funded if grants and PFC Revenues were not to be received in the amounts assumed, as follows:

Airfield Projects: Unfunded amounts to be 100% funded from airline-supported General Revenue Bonds.

All Other Projects: Unfunded amounts to be 50% funded from airline-supported General Revenue Bonds and 50% funded from City sources.

Exhibit A summarizes the estimated costs of the projects in the Capital Improvement Plan and their estimated funding sources. The Capital Improvement Plan, as supplemented by the addition of some projects and the deletion or deferral of other projects (in particular, most elements of the south terminal complex), is now estimated to cost $5,377 million and to be completed through approximately 2012.

The City expects to reach agreement with the airlines to transfer General Revenue Bond funding from the south terminal to the existing terminal so as to maintain the overall $1,274 million MII-approved amount.

For purposes of this report and Exhibit A, the Capital Improvement Plan and the August 1999 MII Approval were assumed to encompass the reconstruction of Runway 9R-27L and associated projects (project cost $53 million, airline-supported Bond-funded cost $29 million) that were approved by an MII vote in February 1999, and the Concourse C ASA Project (project cost $30 million, all being funded with airline-supported Bonds). The addition of these two projects increases the amount of airline-approved Bond-funded project costs from $1,274 million to $1,333 million.

The costs of projects funded or to be funded with the proceeds of outstanding General Revenue Bonds total $904 million, leaving $429 million of future project costs that may be Bond-funded under the August 1999 MII Approval and supplemental agreements. Such approvals and agreement permit the amortized capital costs plus 20% coverage of Bond-funded projects to be included in the calculation of airline rentals, fees, and charges.

Through 2010, the expiration date of the Airport Use Agreements and CPTC Leases, the debt service requirements of PFC Revenue Hybrid Bonds were assumed to be paid entirely from PFC Revenues. However, under the terms of an October 2004 MII approval, the airlines signatory to the Airport Use Agreements and the CPTC Leases have agreed to pay supplemental rates and charges if PFC Revenues are not sufficient to pay PFC Bond debt service. Such supplemental payments would be made to ensure 130% coverage of PFC Bond debt service by PFC Revenues for PFC Revenue Bonds used to finance up to $2,000 million of project costs.

Interim Financing

Exhibit A shows the expected eventual sources of project funding. Certain of the amounts shown were interim financed with the proceeds of the variable-rate 2004DE PFC Bonds and the variable-rate 2004I Bonds, as discussed in later sections.

In May 2004, the State of Georgia adopted legislation permitting the City to issue commercial paper for its interim financing needs. In August 2005, the City put in place a commercial paper program providing up to $350 million of interim funding secured by General Revenue Bonds (the 2005A Notes) and up to $200 million of interim funding secured by Hybrid PFC Revenue and General Revenue Bonds (the 2005B Notes). As of April 1, 2006, the City had no 2005A Notes outstanding and approximately $27 million of 2005B Notes outstanding.

The City expects that it will continue to interim finance certain projects with commercial paper to be redeemed periodically by the issuance of General Revenue Bonds or PFC Revenue Hybrid Bonds. The commercial paper notes may also be redeemed directly using General Revenues or PFC Revenues. Interest payable on commercial paper borrowings is considered Other Airport Obligations under the Bond Ordinance. The estimated issuance costs for future Bond issues (as shown in Exhibit B) include allowances for the capitalization of accrued interest on commercial paper notes issued for interim financing.

NON-BOND SOURCES OF FUNDS

FAA Grants-in-Aid

The City is eligible to receive FAA grants-in-aid under the Airport Improvement Program for up to 75% of the costs of airfield and other approved projects (80% for aircraft noise compatibility projects). Some of these grants are received as “entitlement” grants, the annual amount of which is calculated on the bases of the number of enplaned passengers and landed weight of all-cargo aircraft at the Airport. Other, “discretionary,” grants are awarded on the basis of the FAA’s determination of the priorities for projects at the Airport and at other airports. The City has received letters of intent (LOIs) from the FAA documenting the FAA’s intention to obligate funds from future budget authority for discretionary grants totaling $179,000,000 for the Runway 10-28 project.

Historical and forecast FAA grant funding for the Capital Improvement Plan is shown in Table 32. All forecast grants were assumed to be for airfield, safety, security, and environmental projects. In aggregate, the historical and forecast grants equal approximately 25% of the costs of such projects (compared with their approximate 75% eligibility).

The City financed certain of the costs of the Runway 10-28 project with the proceeds of the variable-rate 2004E PFC Bonds and intends to retire such Bonds with the FAA LOI funds as they are received through 2011.

TSA Contributions

The TSA has undertaken to reimburse the City for $93,750,000 of the costs of the infrastructure and baggage handling system modifications required to accommodate EDS equipment in the landside terminal and Concourse E. These amounts are shown in Exhibit A under “Tenant, TSA, and other funds.” The City expects to receive the TSA reimbursement amount under a memorandum of agreement and associated LOI documenting the TSA’s intention to pay the amount from future budget authority over the 4 years 2004 through 2007. The City financed the costs of the in-line baggage screening project with the proceeds of the variable-rate 2004D PFC Bonds and intends to retire such Bonds with the TSA LOI funds as they are received through 2007. Through April 1, 2006, the City has requested and received $13,221,000 in TSA reimbursements.

Table 32

AIRPORT IMPROVEMENT PROGRAM GRANTS-IN-AID
Capital Improvement Plan
Hartsfield-Jackson Atlanta International Airport

	Entitlement	LOI *(a)*	Other discretionary	Total
Historical				
Through				
FFY 1999	$ 13,330,000	$ --	$ 9,990,000	$ 23,320,000
2000	10,633,000 *(b)*	9,071,000	12,603,000	32,307,000
2001	14,603,000 *(b)*	9,998,000	27,249,000	51,850,000
2002	8,134,000 *(b)*	10,178,000	14,135,000	32,447,000
2003	7,943,000 *(b)*	20,708,000	12,698,000	41,349,000
2004	8,331,000 *(b)*	19,982,000	65,480,000 *(c)*	93,793,000
2005	8,435,000 *(b)*	20,368,000	24,100,000	52,903,000
Forecast				
FFY 2006	7,910,000 *(b)*	19,368,000	6,000,000	33,278,000
2007	7,500,000	18,308,000	13,000,000	38,808,000
2008	7,500,000	14,308,000	13,000,000	34,808,000
2009	7,500,000	16,711,000	8,500,000	32,711,000
2010	7,500,000	10,000,000	13,000,000	30,500,000
2011	7,500,000	10,000,000	5,485,000	22,985,,000
Total grants	$116,819,000	$179,000,000	$225,240,000	$521,059,000

(a) LOI ASO 97-01 totaling $75,000,000 and LOI ASO 02-02 totaling $104,000,000.
(b) Funding for Runway 10-28 project.
(c) Includes $42,250,000 for in-line baggage screening projects.

PFC Revenues

The City has approval from the FAA to impose a passenger facility charge per eligible enplaned passenger at the Airport. Between July 1997 and March 2001, the PFC was $3.00; effective April 2001, the PFC was increased to $4.50. Through December 2005, PFC Revenues received by the City, including investment earnings, totaled $1,199,499,000, of which $715,406,000 had been expended, $679,442,000 for project costs (on a "pay-as-you-go" basis) and $35,964,000 for financing and interest expenses.

Under approvals received from the FAA through February 2005 (applications #1 through #7), the City is authorized to impose the PFC and use up to $3,092,538,000 of PFC Revenues on approved projects. Such approved projects include property acquisition for and construction of Runway 10-28; other airfield improvements; the international terminal and associated roadways; other roadway improvements; in-line baggage screening facilities; and other security improvements. The City has also received FAA approval to use PFC Revenues for the Landside Access Project, either to pay debt service on Bonds or to pay project costs pay-as-you-go.

In February 2006, the City submitted to the FAA application #8 for authority to impose and use an additional $186,328,000 of PFC Revenues, all on a pay-as-you-go basis, to fund the reconstruction of Runway 8R-26L, runway safety area improvements, the new command and control center, and site preparation for southside aircraft parking aprons and taxiways.

As shown in Exhibit A, an estimated total of $2,517,022,000 in PFC Revenues is to be used to fund the costs of the projects in the Capital Improvement Plan in 1999 through 2012, assuming continued imposition of a $4.50 PFC. Of the total, $1,527,846,000 is estimated to be pay-as-you-go funding and $989,176,000 is estimated to be from the proceeds of Bonds paid in whole or in part from PFC Revenues. (See the later section "PFC Revenue Bonds" for a summary of financing assumptions.) Exhibit F presents estimated sources and uses of PFC Revenues year by year. No PFC Revenue Bonds are assumed to be issued through 2012. Future PFC Revenue financing capacity would be available for future projects, including development of the south terminal.

Renewal and Extension Fund

Amounts accumulated in the Renewal and Extension Fund may be used to pay for capital improvements to the Airport. In the funding plan shown in Exhibit A, it was assumed that a total of $503,456,000 of Renewal and Extension Fund moneys will be used for projects in the Capital Improvement Plan, mainly for improvements to the existing terminal complex; parking, roadway, and other ground transportation projects; Airport support facilities and utilities; safety and security projects; and environmental mitigation. The City has used $39,712,000 of Renewal and Extension Fund moneys to pay the costs of land acquisition and site development for the consolidated rental car center. The City has provided interim financing for certain of the costs of these projects from the proceeds of the variable-rate 2004I Bonds. Such Bonds were assumed to be retired with future Renewal and Extension Fund balances through 2008.

The amount of Renewal and Extension Fund moneys assumed to be dedicated to projects in the Capital Improvement Plan averages approximately $43,500,000 per year in 2000 through 2012. This amount is less than the average of the annual amounts forecast to be deposited into the fund, as shown in Exhibit G. Excess amounts would be dedicated to other Airport purposes and future capital improvements not identified in the Capital Improvement Plan.

Tenant and Other Funds

In the funding plan shown in Exhibit A, tenant and other funds were assumed to pay $408,382,000 of project costs: $244,719,000 for the CONRAC Project and $163,663,000 for air cargo projects. The cargo projects were assumed to be funded with airline or third-party funds. It was assumed that the costs of funding these projects will have no effect on Bond Debt Service Requirements and that their operation will have no material effect on the Airport's Net Revenues.

The City is funding $220,332,000 of the costs of the CONRAC Project with the proceeds of the proposed 2006AB CFC Bonds. The 2006AB CFC Bonds are to be secured and paid entirely from revenues derived from a customer facility charge paid by rental car customers (CFC Revenues). The CFC is being collected at a rate of $4.00 per rental car transaction-day. Such CFC Revenues are defined as Released Revenues under the Bond Ordinance. As such, CFC Revenues are excluded from General Revenues and will be in addition to the rental car revenues included in General Revenues (as shown in Exhibit E). The remaining costs of the CONRAC Project are being paid from CFC Revenues used pay-as-you-go ($16,387,000 for Airport parking and the buyout of existing rental car site improvements) and a contribution from the City of College Park ($8,000,000 for the APM station serving the Georgia International Convention Center).

Operating expenses for the consolidated rental car center and associated APM system, as well as offsetting payments expected to be received from CFC Revenues, are included in the financial forecasts shown in Exhibits D and E.

AIRPORT REVENUE BONDS

Exhibit B presents the estimated sources and uses of Bond funds for the Capital Improvement Plan. Future series of General Revenue Bonds were assumed to be issued in 2007 through 2010. Estimates of sources and uses of Bond funds are as provided by Public Resources Advisory Group, the City's financial advisor.

The City may, in addition, issue Refunding Bonds. However, for the purposes of this report, no such refundings were assumed.

General Revenue Bonds

The estimated sources of General Revenue Bond funds are: (1) proceeds from the sale of the Bonds and (2) investment earnings on available amounts in Construction Funds and Capitalized Interest Accounts during construction.

The estimated uses of Bond funds are: (1) payment of project costs (deposits to the Construction Funds, reimbursements to the Renewal and Extension Fund, and refunding of any outstanding 2005A Notes); (2) deposits to the Capitalized Interest Accounts to pay interest during construction (including additional interest on the 2000 Bonds paid from the proceeds of the 2004FG Bonds); (3) payment of Bond insurance premiums; (4) deposits to the Debt Service Reserve Account or payment of the costs of sureties to meet Debt Service Reserve Requirements; and (5) payment of Bond discount, financing, legal, and other issuance costs.

An allowance was also made for the funding, from the proceeds of future General Revenue Bond issues, of additional capitalized interest that may be required to meet the debt service requirements of the 2004AB Bonds and 2004FG Bonds issued for the international terminal. (At the time of issuance, interest on the 2004AB Bonds and the 2004FG Bonds was capitalized through mid-2008; the international terminal is not now expected to be completed before 2011.)

PFC Revenue Bonds

All PFC Revenue Bonds have been issued as Hybrid Bonds secured by a senior lien on PFC Revenues and a subordinate lien on General Revenues.

The estimated sources of PFC Revenue Bond funds are: (1) proceeds from the sale of the Bonds and (2) investment earnings on available amounts in Construction Funds during construction. All interest earnings on moneys in the PFC Revenue Fund are to be retained for pay-as-you-go project costs, debt service, or other FAA-approved costs.

The estimated uses of PFC Revenue Hybrid Bond funds are: (1) payment of project costs (deposits to the Construction Funds, reimbursements to the Renewal and Extension Fund, and refunding of any outstanding 2005B Notes); (2) payment of Bond insurance premiums; (3) deposits to the Debt Service Reserve Account or payment of the costs of sureties to meet Debt Service Reserve Requirements; and (4) payment of Bond discount, financing, legal, and other issuance expenses. The proceeds of the 2004CD PFC Bonds were also used to fund accrued interest and other financing costs for the 2003 Notes. It was assumed that interest during construction will be paid from annual PFC Revenues and that no interest will be capitalized.

Annual PFC Revenues not used to pay Bond debt service would be used for pay-as-you-go project costs. (See Exhibit F.)

The Seventh Supplemental Bond Ordinance adopted in connection with the issuance of the 2004CDE PFC Bonds defines the test of coverage of PFC Bond debt service by annual PFC Revenues that is required to be demonstrated to allow the issuance of additional PFC Revenue Hybrid Bonds. Demonstration of debt service coverage of 130% (without considering any amounts in the PFC Revenue Enhancement Account) is required. In calculating such debt service coverage, any portion of the Debt

Service Requirements of PFC Revenue Hybrid Bonds that is expected to be paid from subordinate General Revenues is deducted from the denominator of the calculation.

DEBT SERVICE REQUIREMENTS

Exhibit C presents historical and forecast Bond Debt Service Requirements. The amounts shown for each year are payable into the Sinking Fund during the year beginning January 2 of that year and ending January 1 of the following year, i.e., the amounts required to be accumulated during each calendar year to pay annual debt service due on July 1 of that year and January 1 of the following year.

The forecast Bond Debt Service Requirements of future Bond issues were estimated using the following assumptions, as provided by Public Resources Advisory Group, the City's financial advisor.

	General Revenue Bonds
Approximate effective interest rate:	6.0%
Interest only to be paid through:	Construction
Interest to be capitalized through:	Construction
Principal amortization over remainder of:	30 years
Debt Service Reserve Requirements met from sureties	
Level annual debt service during principal amortization period	

The debt service requirements of variable-rate Bonds were forecast assuming an interest rate of 4.0%. For the variable-rate 2004DE Bonds, most principal was assumed to be repaid from FAA funds and TSA LOI funds in 2004 through 2007; only estimated interest payments are shown in Exhibit C. For the outstanding variable-rate 2004I Bonds, principal was assumed to be repaid from Renewal and Extension Fund balances in 2006 through 2008; only estimated interest payments are shown in Exhibit C.

OPERATING EXPENSES

Exhibit D presents historical and forecast Operating Expenses. Data for 2001 through 2005 are from the unaudited annual reports of the Airport Revenue Fund. Operating Expenses exclude most CPTC operating and maintenance expenses, which are paid directly by the CPTC Contracting Airlines, as discussed in the later section "Airline Terminal Rentals and Charges."

Operating Expenses were forecast, using actual 2005 expenses as the base, taking into account assumed increases in unit costs as a result of inflation, forecast aircraft and passenger activity, planned facility development, and other assumptions about Airport operations. In particular, the following assumptions were adopted for the forecast period.

1. The unit costs of salaries, wages, fringe benefits, materials, services, and supplies will increase an average of 3.0% per year to account for inflation.

2. In addition to inflation-related increases, the costs of operating, maintaining, and administering airfield, terminal building, and other facilities for which the Department of Aviation is responsible will increase as a function of the forecast increases in passenger and aircraft activity presented in Table 31 in the earlier section "Forecast Assumptions."

3. Airfield, terminal, and other facilities will be developed as contemplated in the Capital Improvement Plan, and operating and maintenance expenses will increase accordingly. In particular, expenses will increase in 2006 to reflect the opening of Runway 10-28, in 2009 to reflect the opening of the CONRAC; in 2011 to reflect the opening of the international terminal; and in 2012 to reflect the expansion of the existing terminal.

Operating and maintenance expenses for the APM system connecting the consolidated rental car center and the passenger terminal, as estimated by Department of Aviation staff, are shown in Exhibit D as part of the Operating Expenses of the Airport beginning in 2011. (Such APM operating and maintenance expenses were assumed to be paid entirely from CFC Revenues, as shown in Exhibit E.) Operating expenses for the consolidated rental car center itself and any busing operations between the center and the future international terminal were assumed to be the responsibility of the CONRAC tenants and are not included in Operating Expenses in Exhibit D. (Under the terms of the draft agreements between the City and the rental car companies expected to occupy the CONRAC, such operating expenses will be paid directly by the rental car companies and therefore are also not shown as revenues to the City in Exhibit E).

As discussed in the later section, "Other Revenues," Northwest and Delta have rejected their leases for airline maintenance facilities at the Airport, and the City has assumed the costs of maintaining those facilities. Allowances for such expenses are included in building maintenance expenses in Exhibit D.

GENERAL REVENUES

Exhibit E presents historical and forecast General Revenues. Data for 2001 through 2005 are from the unaudited annual reports of the Airport Revenue Fund. The distribution of Revenues by major category in 2005 was as follows:

	Revenues	Share
Airline revenues		
Landing fees	$ 27,401,000	9.5%
Terminal rentals	60,549,000	20.9
Reimbursed expenses	16,544,000	5.7
Subtotal	$104,494,000	36.1%
Inside concession revenues	50,522,000	17.5
Parking and ground transportation revenues	102,440,000	35.4
Other revenues	31,876,000	11.0
Total	$289,332,000	100.0%

Individual components of Revenues shown in Exhibit E were forecast by taking into account historical results through 2005, allowances for price inflation at 2.0% per year, planned facility development, and the provisions of the various leases and agreements between the City and the airlines and other users and tenants of the Airport.

Revenues from sources related to passenger numbers, such as concession and parking revenues, and from sources related to aircraft movements, such as landing fees, were forecast to change as a function of the forecasts shown in Table 31 in the earlier section "Forecast Assumptions." The specific assumptions underlying individual components of Revenues are described in the following sections.

AIRLINE REVENUES

Airline Landing Fees

Under the terms of the Airport Use Agreements, the Signatory Airlines pay landing fees per 1,000 pounds of certificated gross aircraft landed weight to allow the City to recover certain of the operating, maintenance, and capital costs of runways, taxiways, and other airfield facilities. The landing fees payable are the sum of a basic landing fee and landing fees for successive airfield improvement programs (AIP). Airlines that operate under Airport Use License Agreements pay landing fees at the Signatory Airline rate.

Basic Landing Fee: A landing fee of $0.16 per 1,000 pounds of landed weight is assessed to recover operating and maintenance expenses. The fee is subject to change only by mutual agreement between the City and the Signatory Airlines and has been set at the current rate since the Airport Use Agreement was executed in 1967. The basic landing fee does not allow the full recovery of airfield operating and maintenance expenses and the City intends to increase the fee in the future to reflect actual expenses more closely. For the purposes of this report, it was assumed that an additional fee of $0.25 per 1,000 pounds, will be assessed, beginning in 2011 following the expiration of the Airport Use Agreement.

Runway 10-28 Landing Fee*:* The City and most of the Signatory Airlines have agreed that, following the opening of Runway 10-28 (effective July 2006), a supplementary landing fee is to be assessed at a rate sufficient to recover $5,000,000 in 2006 (increasing gradually to $5,400,000 in 2010) to pay for the estimated incremental operating and maintenance expenses of the runway. As part of the Runway 10-28 landing fee agreement, the City is to pay, in 2006 and 2007, certain of the debt service requirements of Bonds issued to pay the costs of the runway.

AIP Landing Fees*:* Amounts to recover annual debt service plus coverage on Bonds issued for airfield investments are assessed as follows:

AIP #2: Runway 8L-26R (1983-1984)

AIP #3: Concourse E taxiways (1994-1995)

AIP #4: Taxiway improvements (1997)

AIP #5: Runway 9R-27L and taxiway reconstruction (2000)

AIP #6: Roadway widening and Runway 9L-27R grooving (2001)

AIP #7: Taxiway extensions and repairs (2002)

AIP #8: Taxiway repairs (2002)

AIP #9: Alternative fuel supply and airfield lighting (2002)

AIP #10: Pavement repair and joint seal (2005)

AIP #11: Runway 10-28 (effective July 2006)

AIP landing fees are adjusted each year effective May 1 (and January 1 for AIP #2) to reflect landed weight forecast for the following year, thereby ensuring the full recovery of airfield capital investments. In 2005, the Signatory Airline landing fee rate (basic and AIP landing fees combined) was $0.44 per 1,000 pounds of landed weight.

Airlines that are not signatory to an Airport Use Agreement or an Airport Use License Agreement pay a landing fee (currently $0.94 per 1,000 pounds of landed weight) that is set in relation to the Signatory Airline rate. In 2005, landing fees totaled $27,401,000, approximately 99% of which was paid at the Signatory Airline rate.

Exhibit E-1 presents the calculation of historical and forecast landing fees. AIP landing fees currently in effect were forecast in accordance with their annual recovery amounts. Additional AIP landing fees for future Bond-financed airfield improvements were calculated to equal the estimated recovery of amortized capital costs plus 20% coverage.

Aggregate landing fees were calculated by multiplying the sum of the applicable landing fee rates in each year by the forecast landed weight presented in Table 31 in the earlier section "Forecast Assumptions."

Airline Terminal Rentals and Charges

Terminal Rentals. Under the terms of the CPTC Leases, as amended, the Contracting Airlines pay terminal facilities rentals, on a modified compensatory basis, to allow the City to recover the amortized capital costs, plus 20% coverage, of facilities financed with Airport General Revenue Bonds. Generally, 100% of the capital costs of terminal facilities and 50% of the capital costs of the AGTS are recoverable.

Rentals are paid for (1) the CPTC buildings (landside terminal, concourses, and mechanical building), (2) the aircraft parking apron, and (3) tenant facilities (finishes, equipment, and systems). In 2005, such terminal rentals totaled $82,220,000 (before the inside concession credit).

Also included in terminal rentals are amounts received for airline use of the City's common-use facilities (check-in counters, baggage claim facilities, and gates on Concourse D). The City currently has seven common-use gates on Concourse D and is constructing another three gates, which will be in operation in mid-2006. The common-use facilities are operated for the City by TBI Airport Management.

Credits against Rentals. The CPTC Leases provide for credits against terminal rentals for (1) a portion of the revenues received by the City from food, beverage, retail, and other terminal concessions and services (referred to as the inside concession credit) and (2) amounts paid by rental car companies and other ground transportation providers for the use of terminal facilities (referred to as the outside concession credit). Only the inside concession credit is shown separately in Exhibit E. In 2005, this credit totaled $21,672,000.

The Contracting Airlines are credited with 50% of inside concession revenues after such revenues are adjusted to account for certain AGTS costs and for operating and maintenance expenses associated with concession space.

Reimbursed Expenses. The Contracting Airlines also pay operations charges to reimburse the City for certain expenses related to (1) AGTS operation and maintenance, (2) fire protection services, (3) police protection services, (4) security checkpoint and other operations and services, and (5) insurance premiums for public liability, fire, and extended coverage provided by the City. In 2005, such reimbursed expenses totaled $16,544,000.

The CPTC Leases require that the Contracting Airlines reimburse the City for 60% of the direct operating and maintenance expenses for the AGTS. The City absorbs the remaining 40% of such expenses. The airlines also reimburse the City for certain indirect costs allocable to the AGTS.

Airline-Paid Expenses. Each airline is responsible for maintaining its exclusive leased premises and for paying its pro rata share of the costs of maintaining joint leased premises. The CPTC is operated and maintained on behalf of the Contracting Airlines by the Atlanta Airlines Terminal Corporation (AATC), a corporation established by the airlines for that purpose. CPTC operating and maintenance expenses are paid directly by the airlines and are not recorded as Operating Expenses in Exhibit D.

Individual airlines pay their pro rata shares of the facilities rentals and operations charges according to a series of "joint lease formulas" that take into account the square footage of premises leased and the numbers of passengers enplaned as appropriate for the rental, charge, or credit in question.

International Terminal. International Concourse E and the associated FIS facilities are, for the most part, operated as common-use facilities. Amortized capital costs and operations charges allocable to the facilities are recovered from the airlines through per use charges, mostly paid on the basis of numbers of passengers enplaned or deplaned.

The City has contracted management, operation, and maintenance of the international terminal facilities to TBI Airport Management. The City recovers from TBI the amortization of capital costs and its operating and maintenance expenses according to the guidelines of the CPTC Leases. TBI pays all other operating and maintenance expenses and, in turn, recovers all the costs and expenses, plus a management fee, from the airlines through quarterly use charges. The City also receives rentals for exclusively leased airline space.

Forecast Assumptions. Rentals and charges for the existing terminal complex were forecast assuming the continued application of the principles, formulas, and procedures of the CPTC Leases. Rentals and charges for the planned international terminal were forecast assuming that Bond debt service allocable to that terminal, plus 20% coverage, would be recovered through use charges in proportion to the assumed occupancy percentages shown in Exhibit E-1. Inside concession credits were forecast to continue according to the formula specified in the CPTC Leases.

Airline Payments per Enplaned Passenger

Exhibit E-1 presents the calculation of airline landing fee rates, terminal rentals, and other charges and summarizes the total of all such airline payments per enplaned passenger. In 2005, airline payments per enplaned passenger averaged $2.41.

INSIDE CONCESSION REVENUES

Since 1992, the City has expanded and upgraded facilities for concessions and passenger services throughout the passenger terminal complex. In 1992, improvements were completed in Concourse A, increasing leasable concession space to 37,900 square feet. In 1994, similar improvements were completed in Concourse B, increasing leasable concession space to 36,900 square feet. In 1995, with the opening of Concourse E, 34,700 square feet of concession space were added. Also in 1995, the opening of the atrium in the landside building added 32,000 square feet of leasable concession space, as well as a conference center encompassing 18,800 square feet.

The passenger terminal complex now provides approximately 212,000 square feet of concession space accommodating approximately 200 concession and service outlets. Overall, these outlets generated $337,196,000 in gross revenues (sales) in 2005.

The City plans to develop additional concession space at the south half of Concourse D (5,000 square feet, to open in 2007), at Concourse T (5,000 square feet, to open in 2008), at the midpoint of Concourse C (25,000 square feet, to open in 2009), and at the midpoint of Concourse D (20,000 square feet, to open in 2010). In addition, approximately 30,000 square feet are planned in 2011 for the new international terminal.

In 2005, revenues received by the City from operators of concessions and services in the passenger terminal complex (inside concessions) totaled $49,530,000, distributed as follows:

	Inside concession revenues	Percent of total
Food and beverage	$20,668,000	41.6%
Retail merchandise	16,622,000	33.6
Advertising	4,449,000	9.0
Duty free	3,107,000	6.3
Communication services	84,000	0.2
Other	4,608,000	9.3
Total	$49,538,000	100.0%

The revenues paid to the City in 2005 were equivalent to 14.7% of gross concession revenues.

An adjustment is included in Exhibit E to reconcile the historical inside concession revenues as reported (on an accrual basis) in monthly concession business reports and as reported (on a cash basis) in the City's financial statements.

In 2002, the City extended the term of most food, beverage, and retail concession agreements for 5 years to allow the concessionaires to amortize extraordinary required investments and to reflect changes in operating conditions since the agreements were executed.

Food and Beverage

Approximately 75 food and beverage outlets are operated throughout the terminal complex. The prime food and beverage concessionaires are joint ventures of Concessions Paschal, operating in the landside building and Concourses A, B, and C; Host Taco Joy, operating in Concourses T, A, B, and D; and Host Marriott, operating in Concourse E. Many individual food and beverage outlets are operated under subcontract, typically by disadvantaged business enterprises. In 2005, gross revenues for food and beverage concessions totaled $183,779,000, or $4.27 per enplaned passenger.

The City receives from the prime concessionaires rentals calculated as a percentage of gross revenues at rates mostly between 8% and 16% against minimum annual guaranteed amounts under agreements that extend to May 2011, except for the Concourse E agreement, which extends to May 2009. The minimum guaranteed amounts are adjusted annually to reflect inflation. In 2005, the City received $20,668,000, or 11.2% of gross food and beverage revenues.

Food and beverage revenues were forecast to increase as a function of forecast increases in enplaned passengers and price inflation, with allowances for additional concession facilities to be constructed, as discussed previously.

Retail Merchandise

Approximately 80 news, gift, and other retail merchandise concession outlets are operated throughout the terminal complex. The prime retail merchandise concessionaires are Hartsfield Air Ventures, operating in the landside building and Concourse A; Host NCM, operating in Concourses T, B, C, and D; and HMS Host operating in Concourse E. Many individual outlets are operated under subcontracts, typically by disadvantaged business enterprises. In 2005, gross revenues for retail merchandise concessions totaled $96,078,000, or $2.23 per enplaned passenger.

The City receives from the prime concessionaires rentals calculated as a percentage of gross revenues at rates between 11% and 25% against minimum annual guaranteed amounts that are adjusted annually with inflation. The concession agreements extend to May 2006, except for the Concourse E agreement, which extends to September 2008. In 2005, the City received $16,622,000, or 17.3% of gross retail merchandise revenues.

Retail merchandise revenues were forecast to increase as a function of forecast increases in enplaned passengers and price inflation, with allowances for the additional concession facilities to be constructed, as discussed previously, and an increase in the rentals to the City effective mid-2007 upon the rebidding of the concession agreement.

Duty Free

A 5,300-square-foot duty free shop is operated on Concourse E by Host Duty Free under an agreement that expired in December 1999 and has since been extended month-to-month. In 2005, gross revenues for the duty free concession totaled $15,535,000, or $4.62 per international enplaned passenger. The City plans to rebid the duty free concession in 2006.

Under the current agreement, the City receives rentals calculated as 20% of gross revenues against minimum annual guaranteed amounts. In 2005, the City received $3,107,000, or 20.0% of gross duty free revenues.

Duty free revenues were forecast to increase as a function of forecast increases in enplaned international passengers and price inflation (assuming the same 20% of gross revenues as specified by the current agreement), with allowances for an increase in revenues from additional concession facilities to be constructed in the new international terminal.

Other Concessions and Services

Other concessions and passenger services from which the City derives revenues include public telephones, other communication services, advertising, currency exchange, baggage carts, a business center, a bank, and a post office.

The public telephone concessionaire, a joint venture of AT&T and other telecommunications companies, pays the City fees calculated as a percentage of revenues. In 2005, the City received $84,000 from public telephones, down from a high of $5,137,000 in 2001, as the use of public telephones has decreased dramatically since mobile phones have become common. Public telephone revenues were forecast to be negligible.

The City has begun recovering some of the lost public telephone revenues by charging for mobile telephone and other wireless communication facilities and services at the Airport. In 2005, the City executed agreements with two cellular telephone providers and three wireless Internet providers. These agreements provide for the payment of fees in exchange for the use of City cellular and WiFi infrastructure. Revenues from these agreements are forecast to be $1,600,000 per year beginning in 2006, with revenues from WiFi providers increasing thereafter as a function of forecast increases in enplaned passengers.

In 2005, revenues received by the City under various agreements for advertising and other concessions and services totaled $9,057,000. Such revenues were forecast to increase as a function of forecast increases in enplaned passengers and inflation.

PARKING AND GROUND TRANSPORTATION REVENUES

Public Parking

The City provides public parking spaces in garages adjacent to the landside building, in an Economy lot within walking distance of the terminal, and in a remote Park-Ride lot served by shuttle buses. Spaces are also provided in a Gold Reserve lot that is accessible only to patrons holding a City-issued debit card. The number of spaces and parking rates for each facility as of March 2006 are as follows:

	Spaces	Parking rates
Garages		
Hourly parking	3,310	\$1 per hour for first 2 hours \$2 per hour for next 4 hours \$28 per day
Daily parking	10,410	\$2 per hour, \$14 per day
Economy lot	8,290	\$2 per hour, \$10 per day
Park-Ride lot	8,130	\$2 per hour, \$9 per day
Gold Reserve lot	690	\$24 per day (by debit card)
Total	30,830	

Immediately following the September 2001 terrorist attacks, the FAA required that 3,030 of the garage spaces nearest the terminal building be closed as a security precaution. Effective June 2002, 1,700 spaces were reopened and, effective February 2003, the remaining 1,330 spaces were reopened. Parking spaces could again be closed during federally declared security alerts.

Parking rates were increased in January 2006. Daily parking garage rates were increased from \$12 to \$14 per day and Economy lot rates were increased from \$8 to \$10 per day. The daily rate in the hourly section of the garages was changed to \$28, an increase from the previous first day rate of \$24, but a decrease from the previous rate for subsequent days of \$48. Before that, parking rates were last increased in October 2000, when the Economy lot rates were increased from \$5 to \$8 per day and Park-Ride lot rates were increased from \$6 to \$9 per day.

The parking facilities and associated shuttle bus system are operated for the City by Parking Company of America under a management agreement that became effective in February 2002 and extends for 5 years. (A subcontract for management of the Park-Ride lot became effective in October 2003.) The parking operator receives a fixed management fee, adjusted annually for inflation.

The parking revenues shown in Exhibit E are the net revenues received by the City (gross receipts less operating expenses and management fees). In 2005, such net parking revenues totaled \$70,663,000 (gross receipts of \$89,860,000 less operating expenses of \$19,197,000 and management fees of \$683,000). The net parking revenues received by the City in 2005 equaled \$4.65 per originating passenger. As the number of originating passengers decreased between 2001 and 2003, parking revenues received by the City decreased 10.2%. With the recovery of passenger numbers between 2003 and 2005, parking revenues received by the City increased 23%.

Most of the City's parking facilities are filled to capacity much of the time. Private operators that provide shuttle bus service to and from the landside building provide an additional 17,000 off-Airport parking spaces. Off-Airport parking rates are competitive with those charged at the City's Economy and Park-Ride lots.

Parking revenues were forecast assuming the following:

1. Parking demand will increase from 2005 levels in proportion to forecast increases in originating passengers.
2. Additional parking spaces will be constructed, as contemplated in the Capital Improvement Plan, so as to provide adequate capacity to accommodate demand while maintaining approximately the current balance between on-Airport and off-Airport parking spaces.
3. The January 2006 rate increase will result in a 10% increase in overall net revenues per originating passenger in 2006.
4. Rates for short-term and long-term parking will be increased at the beginning of 2009, resulting in about an additional 10% increase in overall net revenues per originating passenger.
5. All Airport parking facilities (including those to be constructed in the future for the international terminal) will continue to be operated under management agreements with financial terms substantially the same as those of the current agreement.

Rental Cars

As of March 2006, eight "on-Airport" rental car companies provided services from counters in the landside building. All rental car ready-return and service facilities are located at sites remote from the terminal and served by shuttle buses.

The on-Airport rental car companies providing service in 2005 and their shares of gross revenues are as follows:

Hertz	$ 95,466,000	33.2%
Avis	66,781,000	23.2
National	33,530,000	11.7
Enterprise	23,595,000	8.2
Budget	20,965,000	7.3
Alamo	19,499,000	6.8
Dollar	14,477,000	5.0
Thrifty	12,967,000	4.6
Total	$287,280,000	100.0%

The on-Airport rental car companies operate under the terms of competitively bid concession agreements that became effective in 1980 and have, since 1990, been extended month-to-month by letter agreements. Under these agreements, the companies pay 10% of their gross receipts (subject to a minimum guarantee set at 85% of the prior year's payment) for the privilege of serving customers at the Airport. The on-Airport companies also pay counter rentals. The on-Airport companies accounted for approximately 98% of all rental car transactions in 2005.

Off-Airport companies, which do not maintain counters in the terminal, accounted for the remaining 2% of transactions. The off-Airport companies pay privilege fees to the City equal to 8% of their gross receipts.

In 2005, rental car revenues received by the City totaled $31,134,000, or $2.05 per originating passenger. Such revenues are forecast to increase in proportion to forecast increases in originating passengers and with inflation.

CONRAC Operations

The City has reached agreement-in-principle with the rental car companies regarding the operating, financing, and business arrangements for the consolidated rental car center and expects that all of the companies will execute agreements and relocate to the CONRAC when it opens (scheduled for the beginning of 2009). Under the contemplated business arrangements, there will be no reduction in the privilege fees to be paid to the City, which under the Bond Ordinance are included in General Revenues. The rental car companies will no longer occupy counters in the terminal.

For the purposes of this report, it was assumed that the operating and maintenance expenses of the APM system will be an obligation of the City and so these expenses are included in Operating Expenses, as shown in Exhibit D. The operating and maintenance expenses of the CONRAC itself are to be paid directly by the rental car companies under the contemplated business arrangements (and so are not included in Exhibit D). It was assumed that the operating expenses of the APM system will be fully paid from CFC Revenues (as shown in Exhibit E).

The five largest rental car companies currently lease on-Airport sites totaling 26.4 acres for their vehicle ready-return, maintenance, and storage facilities. (Rentals paid for these sites are included in Exhibit E under "land rentals.") It was assumed for the financial forecasts that, in accordance with the contemplated CONRAC business arrangements, land rentals will be paid on approximately 50 acres, at a rate calculated to allow the City to recover its investment in purchasing the land, beginning in 2009.

Other Ground Transportation

The City derives revenues from taxicab, limousine, hotel and motel shuttles, off-Airport parking shuttles, and other commercial ground transportation services. In 2005, such revenues totaled $643,000 and are forecast to increase with forecast numbers of originating passengers and inflation.

OTHER REVENUES

The City derives revenues from the lease of approximately 900 acres of Airport land. Such leased land includes that occupied by Delta's corporate headquarters, Delta's Technical Operations Center, cargo and other facilities in the CTSA, and nonaeronautical tenants such as rental car companies. Land rental revenues totaled $10,150,000 in 2005. Included in the forecasts are CONRAC base rentals offset by the loss of rentals from existing on-Airport rental car sites.

Most Airport land leases provide for a standard lease rate of $0.37 per square foot per year, subject to a 6.5% increase every 5 years. Certain leases, for land acquired in the 1970s, provide for rental rates of $0.06 per square foot per year, increasing to the standard rate upon expiration. The remaining land leases provide for fixed rental rates throughout their terms.

Building rentals, which totaled $12,915,000 in 2005, consist of rentals from cargo buildings in the north complex, south complex, and CTSA; and fixed base operator facilities. Such building rentals have historically been based on the recovery of capital costs without provision for escalation. In 2002 and 2003, certain of the CTSA buildings were demolished to allow preparation of the site for the new international terminal.

Under Chapter 11 bankruptcy protection, Northwest rejected the lease on its maintenance and operations facilities at the south of the Airport and ceased paying associated rentals of approximately $800,000 per year (retroactive to September

2005). Also under bankruptcy protection, Delta has closed its maintenance and operations facilities at the north of the Airport and ceased paying associated rentals of approximately $3,400,000 per year effective April 2006. For the purposes of this report, revenues from the re-leasing of these two facilities were assumed only in amounts equal to the City's incremental operating and maintenance expenses.

As discussed in the earlier section, "Capital Improvement Plan," the City has acquired land and other property south of the Airport to allow development of Runway 10-28 and the future south terminal. Certain of this land and property will be available for revenue-producing development. However, the forecasts of land and building rentals do not include any additional revenues that may be derived from such development.

Miscellaneous revenues are derived from various sales and recoveries of expenses, totaling $7,813,000 in 2005. Such revenues are forecast to increase only with inflation through the forecast period.

Interest income is derived from the investment of certain Department of Aviation operating funds. In 2005, such income totaled $998,000. Interest income is forecast to increase in proportion to overall Operating Expenses, in effect assuming average interest rates as were in effect in 2005.

The Bond Ordinance defines Revenues to include all investment earnings on amounts deposited in the funds and accounts established under the Bond Ordinance. As a matter of practice, the City has historically excluded from its accounting of Revenues investment earnings on amounts in the Construction Funds, the Renewal and Extension Fund, and the Debt Service Reserve Account of the Sinking Fund, as this income is retained in those funds and accounts for their respective purposes.

APPLICATION OF GENERAL REVENUES

Exhibit G presents the historical and forecast application of General Revenues.

Under the Bond Ordinance, all Airport Revenues except PFC Revenues are to be deposited into the Revenue Fund and allocated to the appropriate accounts therein (including the General Revenue Account and the Special Purpose Revenue Account). Amounts deposited into the General Revenue Account are applied or deposited into the funds, accounts, and subaccounts established under the Bond Ordinance, as follows:

Operating Expenses. Pay all expenses reasonably incurred in operating, maintaining, and repairing Airport facilities, including any facilities financed with PFC Revenue Bonds.

Sinking Fund. Make payments into the Interest and Principal Subaccounts of the Payments Account to meet all Debt Service Requirements of General Revenue Bonds.

Debt Service Reserve Account. Make any payments needed to meet the Debt Service Reserve Requirements of all outstanding General Revenue Bonds. (No such payments are forecast to be required.)

Rebate Account. Make any payments due to the U.S. government as arbitrage rebate payments. (No such payments are forecast to be required.)

Airport Renewal and Extension Fund. Amounts remaining after all other funding requirements of the Bond Ordinance have been met are retained for other Airport purposes, including:

- Fund capital improvements to the Airport
- Redeem or purchase Bonds prior to their maturities

As discussed in the earlier section, “Renewal and Extension Fund,” the City intends to redeem the variable-rate 2004I Bonds from balances in the Renewal and Extension Fund.

General Revenue Enhancement Subaccount. Amounts may also be transferred from the Renewal and Extension Fund to the General Revenue Enhancement Subaccount. Any amounts on deposit in this subaccount are accounted for as General Revenues in computing the coverage of Debt Service Requirements of General Revenue Bonds by Net Revenues. (In the forecasts presented in Exhibit G, no deposits to the subaccount were assumed.)

APPLICATION OF PFC REVENUES

Exhibit F presents the historical and forecast application of PFC Revenues.

PFC Revenue Fund. Under the Bond Ordinance, all PFC Revenues are deposited into the PFC Revenue Fund and used for the approved costs of PFC Facilities, either to pay project costs directly or to pay debt service on PFC Revenue Bonds. Under the Bond Ordinance, amounts remaining in the PFC Revenue Fund after the payment of project costs (together with any amounts in the PFC Revenue Bond Account of the Sinking Fund) must, at all times, be sufficient for all PFC Revenue Bond debt service payments to be made during the succeeding year.

PFC Revenue Enhancement Account. Amounts in the PFC Revenue Fund may also be transferred to the PFC Revenue Enhancement Account. Any amounts on deposit in this account are accounted for as PFC Revenues in computing the coverage of Debt Service Requirements of PFC Revenue Bonds by PFC Revenues. (In the forecasts presented in Exhibit F, no deposits to the account were assumed.)

DEBT SERVICE COVERAGE

General Revenue Bonds

Exhibit G presents the calculation of debt service coverage for General Revenue Bonds and PFC Revenue Hybrid Bonds expected to be paid from subordinate General Revenues.

Debt service coverage on General Revenue Bonds (Net Revenues divided by the Debt Service Requirements of all outstanding and planned General Revenue Bonds) is forecast to equal at least 192% in each year of the forecast period, exceeding the 120% requirement of the Rate Covenant of the Bond Ordinance.

General Revenues not required for the payment of operating expenses and debt service on General Revenue Bonds (i.e., amounts otherwise available for deposit to the Renewal and Extension Fund) are to be available for the payment of debt service on PFC Revenue Hybrid Bonds. It is forecast that no such payments will be required during the forecast period.

PFC Revenue Bonds

Exhibit F presents the calculation of debt service coverage for PFC Revenue Hybrid Bond Debt Service Requirements expected to be paid from PFC Revenues. Such debt service coverage is forecast to equal at least 289% in each year of the forecast period.

SENSITIVITY TEST PROJECTIONS

Exhibit H-1 summarizes forecast financial results for 2006 through 2012 as presented in Exhibits A through G and discussed in the preceding sections. Revenues and expenses were estimated assuming the baseline forecasts of enplaned passengers and aircraft landed weight presented in Table 31 in the earlier section "Forecast Assumptions."

Exhibit H-2 summarizes projected 2006 through 2012 financial results for which the estimated revenues and expenses reflect the low passenger forecasts of enplaned passengers and aircraft landed weight presented in Table 31.

For the financial results associated with the low passenger forecasts, the entire Capital Improvement Plan was assumed to be implemented on the same schedule assumed for the baseline forecasts, notwithstanding the reduction in passenger traffic beginning in 2007, and to be financed with the same sources of General Revenue Bonds and other funds.

All assumptions underlying the low passenger forecasts are the same as those for the baseline forecasts, except, in 2007 through 2012, (1) PFC Revenues are projected to be lower; (2) revenues related to connecting passengers, such as inside concession revenues, are projected to be lower (but revenues related to originating passengers, such as parking and rental car revenues, are unchanged except in 2007 through 2009); (3) terminal rental revenues are projected to be lower to reflect the assumed vacancy of some premises and limitations on per passenger charges for the International Terminal; (4) land rental revenues are projected to be lower to reflect the assumed vacancy of ex-Delta facilities; and (5) certain operating and maintenance expenses are projected to be lower to reflect the lower levels of passenger and flight activity.

Under the sensitivity test:

- General Revenue Bond debt service coverage ratios are projected to be similar to those for the baseline results and to exceed 126% (versus the 120% requirement of the Rate Covenant).

- PFC Revenue Hybrid Bond debt service coverage ratios are projected to equal at least 184%.

- Reduced annual PFC Revenues and balances in the PFC Revenue Fund are projected to be available for investment in the south terminal and other future projects

- Required airline payments per passenger are projected to increase relative to those for the baseline forecast.

Exhibit A

CAPITAL IMPROVEMENT PLAN

Hartsfield-Jackson Atlanta International Airport

(dollars in thousands)

	Project	AIP grants		Renewal and Extension	Tenant, TSA, and	PFC revenues	PFC Revenue Hybrid Bonds				General Revenue Bonds				
	costs	Entitlement	Discretionary	Fund	other funds	pay-as-you-go	2004CE	2004JK	Future	All Series	2000	2004AB	2004FG	Future	All Series
Runway 10-28															
Property acquisition	$ 391,603	$ -	$ -	$ -	$ -	$ 391,603	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Design and construction	889,075	65,989	179,000	-	-	-	329,086	-	-	329,086	315,000	-	-	-	315,000
Total fifth runway	$ 1,280,678	$ 65,989	$ 179,000	$ -	$ -	$ 391,603	$ 329,086	$ -	$ -	$ 329,086	$ 315,000	$ -	$ -	$ -	$ 315,000
Other Airfield															
Runway 9R-27L reconstruction	$ 52,554	$ 13,330	$ 9,990	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 29,234	$ -	$ -	$ -	$ 29,234
Surface movement guidance system	18,994	-	-	-	-	18,994	-	-	-	-	-	-	-	-	-
Airfield lighting system	8,702	-	-	-	-	8,702	-	-	-	-	-	-	-	-	-
Taxiway connectors and intersections	11,159	-	-	-	-	11,159	-	-	-	-	-	-	-	-	-
Runway 8R-26L reconstruction	88,345	-	-	-	-	88,345	-	-	-	-	-	-	-	-	-
Other airfield pavement replacement	109,375	-	-	-	-	49,164	32,178	-	-	32,178	28,033	-	-	-	28,033
Taxiway L extension	64,730	-	-	-	-	7,426	57,304	-	-	57,304	-	-	-	-	-
Runway 8R end-around taxiway	51,563	-	26,000	-	-	25,563	-	-	-	-	-	-	-	-	-
Runway safety areas	3,875	-	-	-	-	3,875	-	-	-	-	-	-	-	-	-
Other airfield projects	64,665	37,500	-	-	-	27,165	-	-	-	-	-	-	-	-	-
Total other airfield	$ 473,962	$ 50,830	$ 35,990	$ -	$ -	$ 240,393	$ 89,482	$ -	$ -	$ 89,482	$ 57,267	$ -	$ -	$ -	$ 57,267
Existing Terminal (CPTC)															
Near-term projects	$ 166,653	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 166,653	$ -	$ -	$ -	$ 166,653
In-line baggage screening facilities	182,000	-	42,250	-	93,750	46,000	-	-	-	-	-	-	-	-	-
Security checkpoint reconfiguration	8,000	-	-	-	-	8,000	-	-	-	-	-	-	-	-	-
Security access control system	11,000	-	-	-	-	11,000	-	-	-	-	-	-	-	-	-
Pedestrian bridges and canopies	45,700	-	-	-	-	-	-	-	-	-	-	-	-	45,700	45,700
Concourse C ASA project	30,000	-	-	-	-	-	-	-	-	-	-	30,000	-	-	30,000
Check-in lobby reconfiguration	30,000	-	-	-	-	-	-	-	-	-	-	-	-	30,000	30,000
Passenger security screening capacity	75,000	-	-	-	-	75,000	-	-	-	-	-	-	-	-	-
Other CPTC improvements	55,785	-	-	-	-	-	-	-	-	-	-	5,000	-	50,785	55,785
Secondary central utilities plant	70,000	-	-	-	-	-	-	-	-	-	-	-	-	70,000	70,000
Concourse D common use facilities	20,000	-	-	20,000	-	-	-	-	-	-	-	-	-	-	-
Concourses C and D midpoints	45,486	-	-	-	-	-	-	-	-	-	-	-	-	45,486	45,486
Other concourse improvements	29,451	-	-	-	-	-	-	-	-	-	-	12,159	-	17,292	29,451
Other upgrades and replacements	107,574	-	-	49,261	-	-	-	-	-	-	-	4,000	-	54,313	58,313
AGTS upgrades	76,769	-	-	33,039	-	-	-	-	-	-	34,481	9,249	-	-	43,730
AGTS extension and west station	84,000	-	-	42,000	-	-	-	-	-	-	-	-	-	42,000	42,000
Total existing terminal	$ 1,037,418	$ -	$ 42,250	$ 144,300	$ 93,750	$ 140,000	$ -	$ -	$ -	$ -	$ 201,134	$ 60,408	$ -	$ 355,576	$ 617,118
International Terminal															
Planning, environmental, and design	$ 21,677	$ -	$ -	$ -	$ -	$ 21,677	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Concourse E four-gate addition	32,918	-	-	-	-	-	-	-	-	-	32,918	-	-	-	32,918
Site preparation and enabling projects	250,602	-	-	-	-	-	-	99,719	-	99,719	34,646	116,237	-	-	150,883
Terminal building	539,488	-	-	-	-	248,497	-	237,528	-	237,528	-	-	31,114	22,349	53,463
AGTS extension	100,000	-	-	6,294	-	43,706	-	-	-	-	-	11,599	38,401	-	50,000
Parking projects	29,894	-	-	29,894	-	-	-	-	-	-	-	-	-	-	-
Roadway projects	96,032	-	-	-	-	96,032	-	-	-	-	-	-	-	-	-
Total international terminal	$ 1,070,611	$ -	$ -	$ 36,188	$ -	$ 409,912	$ -	$ 337,247	$ -	$ 337,247	$ 67,564	$ 127,836	$ 69,515	$ 22,349	$ 287,264

Exhibit A (page 2 of 2)
CAPITAL IMPROVEMENT PLAN
Hartsfield-Jackson Atlanta International Airport
(dollars in thousands)

	Project	AIP grants		Renewal and Extension	Tenant, TSA, and	PFC revenues	PFC Revenue Hybrid Bonds (a)				General Revenue Bonds				
	costs	Entitlement	Discretionary	Fund	other funds	pay-as-you-go	2004CE	2004JK	Future	All Series	2000	2004AB	2004FG	Future	All Series
South Terminal															
Planning, environmental, and design	$ 10,000	$ -	$ -	$ -	$ -	$ 10,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property acquisition site preparation	156,740	-	-	-	-	156,740	-	-	-	-	-	-	-	-	-
Aprons and taxiways	83,260	-	-	-	-	83,260	-	-	-	-	-	-	-	-	-
Total south terminal	$ 250,000	$ -	$ -	$ -	$ -	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Consolidated Rental Car Center															
Land acquisition and site development	$ 40,709	$ -	$ -	$ 39,712	$ 997	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental car center and garages	198,447	-	-	-	198,447	-	-	-	-	-	-	-	-	-	-
Access roadways	34,868	-	-	-	-	-	-	34,868	-	34,868	-	-	-	-	-
Airport parking and site buyouts	16,387	-	-	-	16,387	-	-	-	-	-	-	-	-	-	-
Terminal APM connector and stations	206,493	-	-	-	8,000	-	-	198,493	-	198,493	-	-	-	-	-
APM maintenance facility	20,888	-	-	-	20,888	-	-	-	-	-	-	-	-	-	-
Total consolidated rental car center	$ 517,792	$ -	$ -	$ 39,712	$ 244,719	$ -	$ -	$ 233,361	$ -	$ 233,361	$ -	$ -	$ -	$ -	$ -
Other Projects															
Airport support and utilities	$ 39,031	$ -	$ -	$ 28,546	$ -	$ -	$ -	$ -	$ -	$ -	$ 487	$ -	$ -	9,998	10,485
Command and control center	28,085	-	-	675	-	27,410	-	-	-	-	-	-	-	-	-
Safety and security	38,442	-	15,000	23,442	-	-	-	-	-	-	-	-	-	-	-
Signage and graphics	7,388	-	-	993	-	-	-	-	-	-	4,822	-	-	1,573	6,395
Air cargo	163,663	-	-	-	163,663	-	-	-	-	-	-	-	-	-	-
Environmental (noise mitigation)	240,680	-	132,000	48,136	-	60,544	-	-	-	-	-	-	-	-	-
Parking	129,846	-	-	129,846	-	-	-	-	-	-	-	-	-	-	-
Roadways	31,655	-	-	19,515	-	7,984	-	-	-	-	-	-	-	4,156	4,156
Renewal and replacement	68,087	-	-	32,103	-	-	-	-	-	-	-	-	-	35,984	35,984
Total other projects	$ 746,877	$ -	$ 147,000	$ 283,256	$ 163,663	$ 95,938	$ -	$ -	$ -	$ -	$ 5,309	$ -	$ -	$ 51,711	$ 57,020
Grand total all projects	$ 5,377,338	$ 116,819	$ 404,240	$ 503,456	$ 502,132	$ 1,527,846	$ 418,568	$ 570,608	$ -	$ 989,176	$ 646,274	$ 188,244	$ 69,515	$ 429,636	$ 1,333,669

Note: $88.0 million of the costs of the in-line baggage screening facilities, included in the $93.7 million under "Tenant, TSA, and other funds," are being paid by the TSA under an LOI and were interim financed by the 2004D variable-rate PFC Bonds. $54.3 million of the costs of various projects, shown as being funded from the Renewal and Extension Fund, were interim financed by the 2004I variable-rate General Revenue Bonds. See Exhibit B.

(a) Source: City of Atlanta, Department of Aviation and Hartsfield-Jackson Development Program, March 2006.

[THIS PAGE INTENTIONALLY LEFT BLANK]

Exhibit B

SOURCES AND USES OF BOND FUNDS
Capital improvement Plan
Hartsfield-Jackson Atlanta International Airport
(dollars in thousands)

	2000 Bonds	2004AB Bonds	2004CE Bonds	2004D Bonds	Subtotal 2004A-E Bonds	2004FG Bonds	2004I Bonds	2004JK Bonds	Subtotal 2004F-K Bonds	Future Bonds	Total
Sources of Funds											
General Revenue Bonds	$ 700,630	$ 222,820	$ -	$ -	$ 222,820	$ 128,465	$ 51,625	$ -	$ 180,090	$ 523,891	$ 1,627,431
Original issue premium (discount)	(23,226)	1,050	-	-	1,050	5,941	-	-	5,941	-	(16,235)
Net proceeds	$ 677,404	$ 223,870	$ -	$ -	$ 223,870	$ 134,406	$ 51,625	$ -	$ 186,031	$ 523,891	$ 1,611,196
PFC Revenue Hybrid Bonds	$ -	$ -	$ 439,620	$ 89,650	$ 529,270	$ -	$ -	$ 584,110	$ 584,110	$ -	$ 1,113,380
Original issue premium (discount)	-	-	(10,791)	-	(10,791)	-	-	1,615	1,615	-	(9,176)
Net proceeds	$ -	$ -	$ 428,829	$ 89,650	$ 518,479	$ -	$ -	$ 585,725	$ 585,725	$ -	$ 1,104,204
Investment earnings											
Construction Funds	$ 99,991	$ 7,974	$ 6,812	$ 2,094	$ 16,880	$ 4,095	$ 3,330	$ 33,383	$ 40,808	$ 10,033	$ 167,712
Capitalized Interest Accounts	16,453	2,176	-	-	2,176	2,300	-	-	2,300	3,571	24,500
Subtotal investment earnings	$ 116,444	$ 10,150	$ 6,812	$ 2,094	$ 19,056	$ 6,395	$ 3,330	$ 33,383	$ 43,108	$ 13,604	$ 192,212
Total sources	$ 793,848	$ 234,020	$ 435,641	$ 91,744	$ 761,405	$ 140,801	$ 54,955	$ 619,108	$ 814,864	$ 537,495	$ 2,907,612
Uses of Funds											
Project costs paid from Bond proceeds	$ 646,274	$ 188,244	$ 418,567	$ 88,000	$ 694,811	$ 69,516	$ 54,333	$ 570,608	$ 694,457	$ 429,636	$ 2,465,178
Financing costs for BANs	-	-	8,147	2,334	10,481	-	-	-	-	-	10,481
Capitalized interest											
General Revenue Bonds	$ 137,447	$ 41,608	$ -	$ -	$ 41,608	$ 20,124	$ -	$ -	$ 20,124	$ 55,231	$ 254,410
Additional for 2000 Bonds	-	-	-	-	-	49,080	-	-	49,080	-	49,080
Additional for 2004 Bonds	-	-	-	-	-	-	-	-	-	20,000	20,000
PFC Revenue Hybrid Bonds	-	-	-	-	-	-	-	-	-	-	-
Subtotal capitalized interest	$ 137,447	$ 41,608	$ -	$ -	$ 41,608	$ 69,204	$ -	$ -	$ 69,204	$ 75,231	$ 323,490
Debt Service Reserve Account	-	-	-	-	-	-	-	39,530	39,530	4,630	44,160
Debt service reserve surety	-	320	842	172	1,334	-	-	-	-	692	2,026
Bond insurance premium	2,600	2,490	5,592	808	8,890	1,281	360	5,426	7,067	11,590	30,147
Other issuance costs	7,527	1,358	2,493	430	4,281	800	262	3,544	4,606	15,716	32,130
Total uses	$ 793,848	$ 234,020	$ 435,641	$ 91,744	$ 761,405	$ 140,801	$ 54,955	$ 619,108	$ 814,864	$ 537,495	$ 2,907,612

May 24,2006

Exhibit C

DEBT SERVICE REQUIREMENTS
Hartsfield-Jackson Atlanta International Airport
(dollars in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

		Historical					Forecast						
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenue Bonds													
1977 Ordinance Bonds (a)		$ 58,648	$ 58,648	$ 57,555	$ 49,664	$ 47,591	$ 47,585	$ 18,383	$ 18,384	$ 18,378	$ -	$ -	$ -
2000 Refunding Bonds		30,336	30,335	15,959	15,960	15,882	15,882	15,962	15,957	15,958	30,333	30,331	30,332
2003RF Refunding Bonds (b) (c)		-	-	3,694	21,754	7,795	9,360	15,433	15,009	14,556	14,046	14,047	14,048
Subtotal		$ 88,984	$ 88,984	$ 77,207	$ 87,379	$ 71,268	$ 72,827	$ 49,777	$ 49,350	$ 48,892	$ 44,379	$ 44,378	$ 44,379
Bonds for Capital Improvement Plan													
2000 Bonds		$ 2,396	$ 11,724	$ 6,438	$ 7,595	$ 7,310	$ 8,940	$ 23,526	$ 25,653	$ 29,555	$ 19,226	$ 19,229	$ 19,227
2003RF Refunding Bonds (b) (d)		-	-	7,811	6,511	3,871	10,340	25,068	27,212	27,671	19,973	19,983	19,992
2004AB Bonds		-	-	-	-	-	-	1,811	3,859	3,859	5,035	16,505	16,502
2004FG Bonds		-	-	-	-	-	847	1,523	1,523	1,523	2,158	10,521	10,519
2004I Bonds (f)		-	-	-	39	1,490	2,148	1,434	691	-	-	-	-
Planned future Bonds (e)		-	-	-	-	-	-	-	5,406	9,904	25,134	35,652	39,202
Subtotal	[A]	$ 2,396	$ 11,724	$ 14,250	$ 14,146	$ 12,671	$ 22,275	$ 53,362	$ 64,343	$ 72,512	$ 71,526	$ 101,890	$ 105,442
Total General Revenue Bonds	[B]	$ 91,380	$ 100,707	$ 91,457	$ 101,524	$ 83,938	$ 95,102	$ 103,139	$ 113,694	$ 121,404	$ 115,905	$ 146,268	$ 149,821
Annual percent increase (decrease)		15.3%	10.2%	(9.2%)	11.0%	(17.3%)	13.3%	8.5%	10.2%	6.8%	(4.5%)	26.2%	2.4%

May 24, 2006

Exhibit C (page 2 of 2)

DEBT SERVICE REQUIREMENTS
Hartsfield-Jackson Atlanta International Airport
(dollars in thousands)

		Historical					Forecast						
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PFC Revenue Hybrid Bonds													
2004CDE Bonds (g)		$ -	$ -	$ -	$ 10,471	$ 20,707	$ 22,408	$ 21,669	$ 20,167	$ 19,815	$ 19,353	$ 18,141	$ 16,881
2004JK Bonds		-	-	-	1,996	35,373	37,097	37,046	37,003	36,917	36,839	36,793	36,752
Planned future Bonds (e)		-	-	-	-	-	-	-	-	-	-	-	-
Total PFC Revenue Hybrid Bonds	[C]	$ -	$ -	$ -	$ 12,467	$ 56,080	$ 59,505	$ 58,715	$ 57,170	$ 56,732	$ 56,192	$ 54,934	$ 53,633
Less: Amount paid from PFC Revenues		-	-	-	(12,467)	(56,080)	(59,505)	(58,715)	(57,170)	(56,732)	(56,192)	(54,934)	(53,633)
PFC Revenue Hybrid Bond debt service paid from General Revenues	[D]	-	-	-	-	-	-	-	-	-	-	-	-
Total debt service paid from General Revenues	[B+D]	91,380	100,707	91,457	101,524	83,938	95,102	103,139	113,694	121,404	115,905	146,268	149,821
Capital Improvement Plan debt service paid from General Revenues	[A+D]	2,396	11,724	14,250	14,146	12,671	22,275	53,362	64,343	72,512	71,526	101,890	105,442
Cost Center allocation of Capital Improvement Plan debt service paid from General Revenues													
Airfield		$ 2,396	$ 1,661	$ 1,810	$ 1,651	$ 2,119	$ 9,576	$ 30,046	$ 31,661	$ 33,236	$ 23,881	$ 24,006	$ 24,009
Existing terminal (CPTC)		-	8,267	10,482	10,679	8,257	9,693	19,741	28,052	32,413	39,594	45,915	49,466
International terminal		-	1,796	1,957	1,813	2,044	2,689	3,132	4,212	5,487	3,759	27,677	27,674
South terminal		-	-	-	-	-	-	-	-	-	-	-	-
Other projects		-	-	-	2	251	316	443	419	1,375	4,292	4,292	4,292
Total		$ 2,396	$ 11,724	$ 14,250	$ 14,145	$ 12,671	$ 22,274	$ 53,362	$ 64,343	$ 72,512	$ 71,526	$ 101,890	$ 105,442
Total Bond Debt Service Requirements	[B+C]	$ 91,380	$ 100,707	$ 91,457	$ 113,991	$ 140,018	$ 154,607	$ 161,854	$ 170,864	$ 178,136	$ 172,097	$ 201,202	$ 203,454
Annual percent increase (decrease)		15.3%	10.2%	(9.2%)	24.6%	22.8%	10.4%	4.7%	5.6%	4.3%	(3.4%)	16.9%	1.1%

(a) Series 1990 and Refunding Series 1996.
(b) The 2003RF Bonds maturing in years 2015 through 2030 are variable-rate Bonds that were hedged by the City through a swap agreement at a fixed rate of 3.02%.
(c) Bonds issued to refund Series 1994A and Series 1996 Bonds.
(d) Bonds issued to refund Series 2000A Bonds.
(e) Source for financing assumptions: Public Resources Advisory Group, March 30, 2006. See text.
(f) Interest only on 2004I variable-rate Bonds; principal to be paid from amounts in Renewal and Extension Fund.
(g) Interest only on 2004DE variable-rate Bonds; principal to be paid from FAA and TSA LOI receipts.

Source: City of Atlanta, Department of Finance, except as noted.

May 24, 2006

[THIS PAGE INTENTIONALLY LEFT BLANK]

Exhibit D

OPERATING EXPENSES
Hartsfield-Jackson Atlanta International Airport
(dollars in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Historical (a)					Forecast						
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses by type												
Personnel	$ 38,761	$ 41,680	$ 46,771	$ 49,713	$ 55,253	$ 62,160	$ 65,716	$ 69,377	$ 73,198	$ 77,298	$ 85,503	$ 91,730
Contract services	22,904	22,203	19,216	21,344	21,509	21,336	22,515	23,745	25,029	26,371	32,528	38,241
Utilities	2,316	2,378	2,255	3,173	3,140	3,458	3,654	3,857	4,069	4,295	5,055	5,669
Internal services	9,290	9,877	11,349	9,944	9,327	11,091	11,711	12,356	13,028	13,737	14,627	15,464
CONRAC APM system	-	-	-	-	-	-	-	-	5,000	5,125	5,253	5,384
Other	11,518	16,994	16,038	15,667	14,721	15,865	16,752	17,672	18,633	19,647	20,977	22,200
Total	$ 84,789	$ 93,132	$ 95,629	$ 99,841	$ 103,950	$ 113,910	$ 120,348	$ 127,007	$ 138,957	$ 146,473	$ 163,943	$ 178,688
Expenses by department												
Administration	$ 20,272	$ 22,748	$ 21,925	$ 23,045	$ 24,551	$ 24,100	$ 25,429	$ 26,815	$ 28,262	$ 29,771	$ 31,346	$ 32,988
Operations and security	4,376	6,893	6,368	6,789	7,249	7,116	7,508	7,917	8,345	8,790	10,643	11,761
AGTS maintenance	11,639	10,777	8,182	10,667	11,059	10,855	11,454	12,078	12,730	13,410	18,355	23,276
Building maintenance	3,559	3,467	3,092	3,924	4,252	4,174	4,404	4,644	4,895	5,156	6,243	6,899
CONRAC APM system	-	-	-	-	-	-	-	-	5,000	5,125	5,253	5,384
Airfield maintenance	9,478	9,466	11,759	10,618	11,643	14,914	15,793	16,688	17,623	18,648	20,071	21,324
Fire services	13,230	13,182	14,518	16,055	17,928	23,970	25,396	26,843	28,353	30,021	31,764	33,536
Police services	10,115	10,354	12,091	12,154	12,532	12,302	12,980	13,687	14,426	15,196	18,400	20,332
Other City departments	1,164	1,277	1,354	1,643	2,272	2,230	2,353	2,481	2,615	2,755	3,336	3,686
Nondepartmental	10,956	14,967	16,340	14,945	12,463	14,248	15,033	15,853	16,708	17,600	18,531	19,502
Total	$ 84,789	$ 93,131	$ 95,629	$ 99,840	$ 103,949	$ 113,909	$ 120,350	$ 127,006	$ 138,957	$ 146,472	$ 163,942	$ 178,688
Annual percent increase		9.8%	2.7%	4.4%	4.1%	9.6%	5.7%	5.5%	9.4%	5.4%	11.9%	9.0%

Note: Expenses exclude most terminal operating and maintenance expenses, which are paid by the airlines through the Atlanta Airlines Terminal Corporation (AATC).

(a) Source: City of Atlanta, Airport Revenue Fund reports (unaudited).

May 24, 2006

Exhibit E

GENERAL REVENUES
Hartsfield-Jackson Atlanta International Airport
(in thousands except per passenger rates and percentages)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Historical (a)					Forecast						
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Landing fees (b)												
Signatory Airlines (c)	$ 25,417	$ 26,527	$ 26,524	$ 27,173	$ 27,066	$ 36,002	$ 50,115	$ 60,400	$ 60,765	$ 54,107	$ 71,256	$ 71,960
Others	709	499	619	664	335	553	660	731	722	659	774	766
Subtotal	$ 26,126	$ 27,026	$ 27,143	$ 27,837	$ 27,401	$ 36,555	$ 50,775	$ 61,131	$ 61,487	$ 54,766	$ 72,030	$ 72,726
Annual percent increase (decrease)	14.2%	3.4%	0.4%	2.6%	(1.6%)	33.4%	38.9%	20.4%	0.6%	(10.9%)	31.5%	1.0%
Terminal rentals (b)												
Existing terminal (CPTC)												
Terminal building	$ 33,239	$ 33,432	$ 26,554	$ 31,989	$ 34,135	$ 34,200	$ 34,200	$ 34,200	$ 34,200	$ 34,200	$ 34,200	$ 34,200
Aircraft apron	7,540	7,337	17,917	18,780	17,966	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Tenant facilities	28,132	28,426	28,726	30,423	30,119	30,200	30,200	30,200	30,200	30,200	30,200	30,200
Future projects	-	-	-	-	-	600	2,600	11,300	15,400	31,500	39,000	43,400
Subtotal	$ 68,912	$ 69,195	$ 73,197	$ 81,192	$ 82,220	$ 83,000	$ 85,000	$ 93,700	$ 97,800	$ 113,900	$ 121,400	$ 125,800
International terminal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,909	$ 28,227
Less: Inside concession credit (d)	(18,051)	(16,502)	(17,713)	(18,922)	(21,672)	(22,203)	(24,394)	(25,666)	(27,361)	(28,936)	(31,213)	(32,659)
Subtotal	$ 50,861	$ 52,693	$ 55,484	$ 62,270	$ 60,549	$ 60,797	$ 60,606	$ 68,034	$ 70,439	$ 84,964	$ 115,096	$ 121,368
Annual percent increase (decrease)	3.9%	3.6%	5.3%	12.2%	(2.8%)	0.4%	(0.3%)	12.3%	3.5%	20.6%	35.5%	5.4%
Reimbursed expenses												
AGTS maintenance	$ 5,785	$ 6,536	$ 4,997	$ 7,100	$ 6,016	$ 5,906	$ 6,231	$ 6,570	$ 6,925	$ 7,295	$ 9,986	$ 12,662
Fire services	4,845	5,853	5,227	4,921	5,465	7,307	7,741	8,183	8,643	9,151	9,683	10,223
Police services	1,812	2,119	2,940	1,148	2,116	2,077	2,191	2,311	2,436	2,566	5,315	5,873
Other operations and services	1,807	1,982	1,440	2,233	2,005	2,045	2,085	2,127	2,169	2,213	2,257	2,302
Insurance premiums	232	229	1,879	1,405	941	960	979	999	1,019	1,039	1,060	1,081
Subtotal	$ 14,481	$ 16,719	$ 16,483	$ 16,807	$ 16,544	$ 18,295	$ 19,227	$ 20,190	$ 21,192	$ 22,264	$ 28,301	$ 32,141
Annual percent increase (decrease)	(3.3%)	15.5%	(1.4%)	2.0%	(1.6%)	10.6%	5.1%	5.0%	5.0%	5.1%	27.1%	13.6%

May 24, 2006

GENERAL REVENUES
Hartsfield-Jackson Atlanta International Airport
(in thousands except per passenger rates and percentages)

		Historical (a)					Forecast						
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Inside concessions													
Food and beverage		$ 12,760	$ 14,050	$ 15,546	$ 18,221	$ 20,668	$ 19,933	$ 20,914	$ 21,876	$ 23,225	$ 24,464	$ 25,736	$ 26,845
Retail merchandise		14,862	12,770	12,343	15,788	16,622	17,125	19,888	20,874	22,354	23,661	24,471	25,508
Duty free		2,190	2,258	2,404	2,751	3,107	3,586	3,850	4,124	4,407	4,699	6,455	6,858
Communication services		5,137	883	89	77	84	1,683	1,706	1,705	1,710	1,717	1,734	1,749
Advertising		4,045	3,799	4,667	4,317	4,449	4,302	4,495	4,687	4,885	5,089	5,206	5,324
Other		2,162	2,109	2,470	3,949	4,608	5,133	5,593	5,876	6,170	6,468	7,202	7,516
Adjustment (e)		1,517	3,311	4,215	(402)	984	-	-	-	-	-	-	-
Subtotal	[A]	$ 42,673	$ 39,180	$ 41,734	$ 44,701	$ 50,522	$ 51,762	$ 56,446	$ 59,142	$ 62,751	$ 66,098	$ 70,804	$ 73,800
Annual percent increase (decrease)		4.2%	(8.2%)	6.5%	7.1%	13.0%	2.5%	9.0%	4.8%	6.1%	5.3%	7.1%	4.2%
Enplaned passengers	[B]	38,095	38,640	39,697	41,837	43,021	41,000	42,000	43,000	44,000	45,000	46,000	47,000
Revenue per enplaned passenger	[A/B]	$1.12	$1.01	$1.05	$1.07	$1.17	$1.26	$1.34	$1.38	$1.43	$1.47	$1.54	$1.57
Parking and ground transportation													
Public parking		$ 63,858	$ 57,739	$ 57,315	$ 66,164	$ 70,663	$ 76,387	$ 77,436	$ 78,160	$ 89,162	$ 91,355	$ 92,356	$ 94,274
Rental car privilege fees		27,881	26,423	24,566	26,754	31,134	29,378	31,164	33,010	34,918	36,888	38,923	41,025
Other ground transportation		1,026	706	792	877	643	981	1,033	1,089	1,143	1,203	1,260	1,319
Subtotal	[C]	$ 92,765	$ 84,868	$ 82,673	$ 93,795	$ 102,440	$ 106,746	$ 109,633	$ 112,259	$ 125,223	$ 129,446	$ 132,539	$ 136,618
Annual percent increase (decrease)		(4.5%)	(8.5%)	(2.6%)	13.5%	9.2%	4.2%	2.7%	2.4%	11.5%	3.4%	2.4%	3.1%
Originating passengers	[D]	14,200	13,500	13,600	13,800	15,200	15,000	15,600	16,200	16,800	17,400	18,000	18,600
Revenue per originating passenger	[C/D]	$6.53	$6.29	$6.08	$6.80	$6.74	$7.12	$7.03	$6.93	$7.45	$7.44	$7.36	$7.35
Other													
Land rentals		$ 6,191	$ 6,823	$ 7,889	$ 10,444	$ 10,150	$ 10,150	$ 10,306	$ 10,306	$ 13,328	$ 13,328	$ 13,328	$ 13,487
Building rentals		19,309	18,978	13,759	12,643	12,915	8,715	8,715	8,715	8,715	8,715	8,715	8,715
CFC Revenue contribution for CONRAC APM		-	-	-	-	-	-	-	-	5,000	5,125	5,253	5,384
Miscellaneous revenues		2,946	3,450	4,714	3,757	7,813	4,081	4,163	4,246	4,331	4,418	4,506	4,596
Interest income		1,766	1,182	580	840	998	1,094	1,155	1,219	1,334	1,406	1,574	1,716
Subtotal		$ 30,212	$ 30,433	$ 26,942	$ 27,684	$ 31,876	$ 24,040	$ 24,339	$ 24,486	$ 32,708	$ 32,992	$ 33,376	$ 33,898
Annual percent increase (decrease)		6.8%	0.7%	(11.5%)	2.8%	15.1%	(24.6%)	1.2%	0.6%	33.6%	0.9%	1.2%	1.6%
Total General Revenues		$ 257,118	$ 250,919	$ 250,459	$ 273,094	$ 289,331	$ 298,195	$ 321,026	$ 345,242	$ 373,800	$ 390,530	$ 452,146	$ 470,551
Annual percent increase (decrease)		1.6%	(2.4%)	(0.2%)	9.0%	5.9%	3.1%	7.7%	7.5%	8.3%	4.5%	15.8%	4.1%

(a) Source: City of Atlanta, Airport Revenue Fund reports (unaudited).
(b) See Exhibit E-1 for detail.
(c) Airlines signatory to Airport Use Agreements or Airport Use License Agreements.
(d) Credit equal to 50% of inside concession revenues after adjustments.
(e) Adjustment to reconcile historical concession revenues as reported in detailed concession reports (accrual basis) and in financial statements (cash basis).

Exhibit E-1

CALCULATION OF AIRLINE PAYMENTS

Hartsfield-Jackson Atlanta International Airport

(in thousands except landing fee and per passenger rates and percentages)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

		Historical (a)					Forecast						
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Landing fees													
Basic		$ 10,706	$ 9,932	$ 9,302	$ 10,267	$ 10,117	$ 9,504	$ 9,776	$ 10,032	$ 10,288	$ 10,576	$ 10,864	$ 11,136
Runway 10-28 operating expense recovery		-	-	-	-	-	5,000	5,100	5,200	5,300	5,400	5,400	5,400
Additional operating expense recovery		-	-	-	-	-	-	-	-	-	-	16,975	17,400
AIP #2		8,720	8,635	8,622	8,448	8,417	8,522	8,538	8,525	8,526	8,515	8,490	8,492
AIP #3		1,292	1,278	1,116	1,151	1,186	1,264	1,266	1,264	1,264	1,263	1,259	1,259
AIP #4		236	232	234	228	227	230	230	230	230	229	229	229
AIP #5		4,333	4,285	4,283	4,210	4,192	4,235	4,243	4,236	4,237	4,232	4,219	4,220
AIP #6		130	526	522	513	510	518	519	518	518	518	516	516
AIP #7		-	1,390	1,652	1,619	1,620	1,642	1,645	1,642	1,643	1,641	1,636	1,636
AIP #8		-	219	529	522	520	518	519	518	518	517	516	516
AIP #9		-	30	264	215	242	217	217	217	217	217	216	216
AIP #10		-	-	-	-	35	34	34	34	34	34	34	34
AIP #11 (Runway 10-28)		-	-	-	-	-	4,318	18,028	27,984	27,990	20,965	20,902	20,906
Subtotal		$ 25,417	$ 26,527	$ 26,524	$ 27,173	$ 27,066	$ 36,002	$ 50,115	$ 60,400	$ 60,765	$ 54,107	$ 71,256	$ 71,960
Nonsignatory and other		709	499	619	664	335	553	660	731	722	659	774	766
Subtotal	[A]	$ 26,126	$ 27,026	$ 27,143	$ 27,837	$ 27,401	$ 36,555	$ 50,775	$ 61,131	$ 61,487	$ 54,766	$ 72,030	$ 72,726
Landed weight (pounds)	[B]	62,550	61,406	58,226	61,187	62,131	59,900	61,600	63,200	64,800	66,600	68,400	70,100
Effective landing fee rate per 1,000 pounds	[A/B]	$0.42	$0.44	$0.47	$0.45	$0.44	$0.61	$0.82	$0.97	$0.95	$0.82	$1.05	$1.04
Existing terminal (CPTC) rentals													
Existing facilities		$ 68,912	$ 69,195	$ 73,197	$ 81,192	$ 82,220	$ 82,400	$ 82,400	$ 82,400	$ 82,400	$ 82,400	$ 82,400	$ 82,400
Future projects													
Allocated Bond debt service		-	-	-	-	-	500	2,100	9,400	12,800	26,200	32,500	36,100
Coverage at 20%		-	-	-	-	-	100	500	1,900	2,600	5,300	6,500	7,300
Subtotal	[C]	$ 68,912	$ 69,195	$ 73,197	$ 81,192	$ 82,220	$ 83,000	$ 85,000	$ 93,700	$ 97,800	$ 113,900	$ 121,400	$ 125,800
Percent recovered (occupancy)	[D]	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal	[E=C*D]	$ 68,912	$ 69,195	$ 73,197	$ 81,192	$ 82,220	$ 83,000	$ 85,000	$ 93,700	$ 97,800	$ 113,900	$ 121,400	$ 125,800

May 24, 2006

Exhibit E-1 (page 2 of 2)

CALCULATION OF AIRLINE PAYMENTS
Hartsfield-Jackson Atlanta International Airport
(in thousands except landing fee and per passenger rates and percentages)

		Historical (a)					Forecast						
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
International terminal rentals													
Allocated Bond debt service		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,677	$ 27,674
Coverage at 20%		-	-	-	-	-	-	-	-	-	-	5,535	5,535
Subtotal	[F]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 33,212	$ 33,209
Percent recovered (occupancy)	[G]											75%	85%
Subtotal	[H=FxG]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,909	$ 28,227
Less: Inside concession credit (b)		(18,051)	(16,502)	(17,713)	(18,922)	(21,672)	(22,203)	(24,394)	(25,666)	(27,361)	(28,936)	(31,213)	(32,659)
Net airline terminal rentals	[I]	$ 50,861	$ 52,693	$ 55,484	$ 62,270	$ 60,549	$ 60,797	$ 60,606	$ 68,034	$ 70,439	$ 84,964	$ 115,096	$ 121,368
Reimbursed expenses	[J]	14,481	16,719	16,483	16,807	16,544	18,295	19,227	20,190	21,192	22,264	28,301	32,141
Total airline payments	[K=A+I+J]	$ 91,468	$ 96,438	$ 99,110	$ 106,914	$ 104,494	$ 115,648	$ 130,607	$ 149,355	$ 153,118	$ 161,994	$ 215,427	$ 226,235
Less: Cargo airline landing fees		($539)	($752)	($762)	($772)	($826)	($1,037)	($1,484)	($1,741)	($1,708)	($1,562)	($2,001)	($1,971)
Total passenger airline payments	[L]	$ 90,929	$ 95,686	$ 98,348	$ 106,141	$ 103,668	$114,610	$129,124	$147,614	$151,410	$160,432	$213,426	$224,264
Enplaned passengers	[M]	38,095	38,640	39,697	41,837	43,021	41,000	42,000	43,000	44,000	45,000	46,000	47,000
Airline payments per enplaned passenger	[L/M]	$2.39	$2.48	$2.48	$2.54	$2.41	$2.80	$3.07	$3.43	$3.44	$3.57	$4.64	$4.77

Note: Airline payments shown exclude most terminal operating and maintenance expenses, which are paid separately by the airlines through the Atlanta Airlines Terminal Corporation (AATC).

(a) Source: City of Atlanta, Airport Revenue Fund reports (unaudited).
(b) Credit equal to 50% of inside concession revenues after adjustments.

May 24, 2006

Exhibit F

PASSENGER FACILITY CHARGE (PFC) REVENUES
Hartsfield-Jackson Atlanta International Airport
(in thousands except per passenger rates and percentages)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

		Historical (a)					Forecast						
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Calculation of PFC Revenues													
Enplaned passengers		38,095	38,640	39,697	41,837	43,021	41,000	42,000	43,000	44,000	45,000	46,000	47,000
Percent PFC-eligible		83.0%	86.9%	85.5%	87.3%	87.4%	86.5%	86.5%	86.5%	86.5%	86.5%	86.5%	86.5%
Net PFC collection per passenger (b)		4.05	4.42	4.42	4.40	4.39	4.39	4.39	4.39	4.39	4.39	4.39	4.39
PFC collections		$ 127,872	$ 148,487	$ 150,060	$ 160,686	$ 165,116	$ 155,691	$ 159,489	$ 163,286	$ 167,083	$ 170,881	$ 174,678	$ 178,475
Investment earnings (c)		11,174	4,685	4,219	6,429	14,180	16,243	15,044	11,860	8,740	6,202	5,960	8,761
Total PFC Revenues		$ 139,046	$ 153,172	$ 154,279	$ 167,115	$ 179,296	$ 171,935	$ 174,533	$ 175,146	$ 175,824	$ 177,083	$ 180,638	$ 187,237
Expenditure of PFC Revenues													
Pay-as-you-go expenditures		$ 35,438	$ 91,073	$ 47,583	$ 23,000	$ 183,026	$ 106,800	$ 189,969	$ 225,774	$ 189,578	$ 195,435	$ 65,000	$ 34,238
PFC Revenue Hybrid Bond debt service (d)		$ -	$ -	$ -	$ 12,467	$ 56,080	$ 59,505	$ 58,715	$ 57,170	$ 56,732	$ 56,192	$ 54,934	$ 53,633
Less: Amount paid from General Revenues		-	-	-	-	-	-	-	-	-	-	-	-
Debt service paid from PFC Revenues	[A]	$ -	$ -	$ -	$ 12,467	$ 56,080	$ 59,505	$ 58,715	$ 57,170	$ 56,732	$ 56,192	$ 54,934	$ 53,633
Total expenditures		$ 35,438	$ 91,073	$ 47,583	$ 35,467	$ 239,106	$ 166,305	$ 248,684	$ 282,944	$ 246,310	$ 251,627	$ 119,934	$ 87,871
Net PFC Revenues over expenditures		$ 103,608	$ 62,099	$ 106,696	$ 131,648	$ (59,810)	$ 5,630	$ (74,151)	$(107,798)	$ (70,486)	$ (74,544)	$ 60,704	$ 99,366
PFC Revenue Fund ending balance		$ 220,647	$ 282,746	$ 389,442	$ 521,090	$ 461,280	$ 466,910	$ 392,759	$ 284,961	$ 214,474	$ 139,930	$ 200,634	$ 300,000
Calculation of debt service coverage													
PFC Revenues	[B]	$ 139,046	$ 153,172	$ 154,279	$ 167,115	$ 179,296	$ 171,935	$ 174,533	$ 175,146	$ 175,824	$ 177,083	$ 180,638	$ 187,237
PFC Revenue Hybrid Bond debt service coverage	[B/A]				1340%	320%	289%	297%	306%	310%	315%	329%	349%

(a) Source: City of Atlanta, Department of Aviation, PFC Quarterly Status Reports.
(b) PFC increased from $3.00 to $4.50 (before airline collection fee of $0.08) beginning April 2001. Collection fee increased to $0.11 effective May 2004.
(c) Assuming forecast investment earnings rate of 3.5%.
(d) Includes only interest on Series 2004DE variable-rate Bonds; principal to be paid from FAA and TSA LOI receipts.

May 24, 2006

Exhibit G

APPLICATION OF GENERAL REVENUES AND DEBT SERVICE COVERAGE
Hartsfield-Jackson Atlanta International Airport
(dollars in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

		Historical (a)					Forecast						
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenues (a)	[A]	$ 257,118	$ 250,919	$ 250,459	$ 273,094	$ 289,331	$ 298,195	$ 321,026	$ 345,242	$ 373,800	$ 390,530	$ 452,146	$ 470,551
Operating Expenses (b)	[B]	84,789	93,131	95,629	99,840	103,949	113,909	120,350	127,006	138,957	146,472	163,942	178,688
Net Revenues	[C=A-B]	$ 172,329	$ 157,788	$ 154,830	$ 173,254	$ 185,382	$ 184,286	$ 200,676	$ 218,236	$ 234,843	$ 244,058	$ 288,204	$ 291,863
General Revenue Bond Debt Service Requirements (c)	[D]	$ 91,380	$ 100,707	$ 91,457	$ 101,524	$ 83,938	$ 95,102	$ 103,139	$ 113,694	$ 121,404	$ 115,905	$ 146,268	$ 149,821
PFC Revenue Hybrid Bond Debt Service Requirements paid from General Revenues	[E]	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Service Requirements paid from General Revenues (c)	[F=D+E]	$ 91,380	$ 100,707	$ 91,457	$ 101,524	$ 83,938	$ 95,102	$ 103,139	$ 113,694	$ 121,404	$ 115,905	$ 146,268	$ 149,821
Deposit to Renewal and Extension Fund	[G=C-F]	$ 80,949	$ 57,081	$ 63,373	$ 71,729	$ 101,444	$ 89,184	$ 97,537	$ 104,543	$ 113,439	$ 128,153	$ 141,937	$ 142,042
General Revenue Bond debt service coverage	[C/D]	189%	157%	169%	171%	221%	194%	195%	192%	193%	211%	197%	195%
Coverage on all Debt Service Requirements paid from General Revenues	[C/F]	189%	157%	169%	171%	221%	194%	195%	192%	193%	211%	197%	195%

(a) See Exhibit E.
(b) See Exhibit D.
(c) See Exhibit C.

May 24, 2006

Exhibit H-1

SUMMARY OF FORECAST FINANCIAL RESULTS: BASELINE PASSENGER FORECAST

Hartsfield-Jackson Atlanta International Airport

(in thousands except landed weight, landing fee, per passenger rates, and debt service coverage)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

		Historical (a)			Forecast						
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenue Bond Debt Service Requirements	[A]	$ 91,457	$ 101,524	$ 83,938	$ 95,102	$ 103,139	$ 113,694	$ 121,404	$ 115,905	$ 146,268	$ 149,821
PFC Revenue Hybrid Bonds Debt Service Requirements paid from General Revenues	[B]	-	-	-	-	-	-	-	-	-	-
Operating Expenses	[C]	95,629	99,840	103,949	113,909	120,350	127,006	138,957	146,472	163,942	178,688
Total requirements	[D]	$ 187,086	$ 201,364	$ 187,887	$ 209,011	$ 223,489	$ 240,700	$ 260,361	$ 262,377	$ 310,210	$ 328,509
Airline landing fees	[E]	$ 27,143	$ 27,837	$ 27,401	$ 36,555	$ 50,775	$ 61,131	$ 61,487	$ 54,766	$ 72,030	$ 72,726
Airline terminal rentals	[F]	55,484	62,270	60,549	60,797	60,606	68,034	70,439	84,964	115,096	121,368
Reimbursed expenses	[G]	16,483	16,807	16,544	18,295	19,227	20,190	21,192	22,264	28,301	32,141
Inside concession revenues		41,734	44,701	50,522	51,762	56,446	59,142	62,751	66,098	70,804	73,800
Parking and ground transportation revenues		82,673	93,795	102,440	106,746	109,633	112,259	125,223	129,446	132,539	136,618
CFC Revenue contribution for CONRAC APM		-	-	-	-	-	-	5,000	5,125	5,253	5,384
Other revenues		26,942	27,684	31,876	24,040	24,339	24,486	27,708	27,867	28,123	28,514
General Revenues	[H]	$ 250,459	$ 273,094	$ 289,331	$ 298,195	$ 321,026	$ 345,242	$ 373,800	$ 390,530	$ 452,146	$ 470,551
Net Revenues	[I=H-C]	$ 154,830	$ 173,254	$ 185,382	$ 184,286	$ 200,676	$ 218,236	$ 234,843	$ 244,058	$ 288,204	$ 291,863
Enplaned passengers	[J]	39,697	41,837	43,021	41,000	42,000	43,000	44,000	45,000	46,000	47,000
Originating passengers		13,600	13,800	15,200	15,000	15,600	16,200	16,800	17,400	18,000	18,600
Landed weight (millions of pounds)	[K]	58,226	61,187	62,131	59,900	61,600	63,200	64,800	66,600	68,400	70,100
Effective landing fee rate per 1,000-pound unit of landed weight	[E/K]	$0.47	$0.45	$0.44	$0.61	$0.82	$0.97	$0.95	$0.82	$1.05	$1.04
Airline payments per enplaned passenger (a)	[(E+F+G)/J]	$2.48	$2.54	$2.41	$2.80	$3.07	$3.43	$3.44	$3.57	$4.64	$4.77
Application to Renewal and Extension Fund	[L=H-D]	$ 63,373	$ 71,729	$ 101,444	$ 89,184	$ 97,537	$ 104,543	$ 113,439	$ 128,153	$ 141,937	$ 142,042
General Revenue Bond debt service coverage	[I/A]	169%	171%	221%	194%	195%	192%	193%	211%	197%	195%
Coverage on all Debt Service Requirements paid from General Revenues	[I/(A+B)]	169%	171%	221%	194%	195%	192%	193%	211%	197%	195%
PFC Revenues	[M]	$ 154,279	$ 167,115	$ 179,296	$ 171,935	$ 174,533	$ 175,146	$ 175,824	$ 177,083	$ 180,638	$ 187,237
PFC Revenue Hybrid Bond Debt Service Requirements paid from PFC Revenues	[N]		$ 12,467	$ 56,080	$ 59,505	$ 58,715	$ 57,170	$ 56,732	$ 56,192	$ 54,934	$ 53,633
Percent of PFC Revenue Hybrid Bond Debt Service Requirements paid from PFC Revenues			100%	100%	100%	100%	100%	100%	100%	100%	100%
PFC Revenue Hybrid Bond debt service coverage	[M/N]		1340%	320%	289%	297%	306%	310%	315%	329%	349%
PFC Revenue Fund ending balance		$ 389,442	$ 521,090	$ 461,280	$ 466,910	$ 392,759	$ 284,961	$ 214,474	$ 139,930	$ 200,634	$ 300,000

(a) Excludes cargo landing fees (see Exhibit E-1)

Sources: See preceding exhibits and accompanying text.

Exhibit H-2

SUMMARY OF PROJECTED FINANCIAL RESULTS: LOW CONNECTING PASSENGER PROJECTIONS
Hartsfield-Jackson Atlanta International Airport
(in thousands except landed weight, landing fee, per passenger rates, and debt service coverage)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, Airport management, as described in the accompanying text. Inevitably, some assumptions used to develop the projections will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those projected, and the variations could be material.

		Historical (a)			Projections						
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenue Bond Debt Service Requirements	[A]	$ 91,457	$ 101,524	$ 83,938	$ 95,102	$ 103,139	$ 113,694	$ 121,404	$ 115,905	$ 146,268	$ 149,821
PFC Revenue Hybrid Bonds Debt Service Requirements paid from General Revenues	[B]	-	-	-	-	-	-	-	-	-	-
Operating Expenses	[C]	95,629	99,840	103,949	113,909	120,350	119,768	131,324	138,427	154,698	168,425
Total requirements	[D]	$ 187,086	$ 201,364	$ 187,887	$ 209,011	$ 223,489	$ 233,462	$ 252,728	$ 254,332	$ 300,966	$ 318,246
Airline landing fees	[E]	$ 27,143	$ 27,837	$ 27,401	$ 36,555	$ 50,295	$ 47,743	$ 57,807	$ 51,258	$ 62,790	$ 63,276
Airline terminal rentals	[F]	55,484	62,270	60,549	60,797	61,778	52,305	69,230	85,196	91,728	94,890
Reimbursed expenses	[G]	16,483	16,807	16,544	18,295	19,227	18,046	21,192	21,079	26,577	30,091
Inside concession revenues		41,734	44,701	50,522	51,762	53,918	34,001	44,037	48,805	50,908	53,241
Parking and ground transportation revenues		82,673	93,795	102,440	106,343	103,909	89,047	117,106	124,966	128,858	132,701
CFC Revenue contribution for CONRAC APM		-	-	-	-	-	-	5,000	5,125	5,253	5,384
Other revenues		26,942	27,684	31,876	24,040	24,339	22,317	25,535	25,690	25,934	26,281
General Revenues	[H]	$ 250,459	$ 273,094	$ 289,331	$ 297,792	$ 313,466	$ 263,459	$ 339,907	$ 362,119	$ 392,048	$ 405,864
Net Revenues	[I=H-C]	$ 154,830	$ 173,254	$ 185,382	$ 183,883	$ 193,116	$ 143,691	$ 208,583	$ 223,692	$ 237,350	$ 237,439
Enplaned passengers	[J]	39,697	41,837	43,021	41,000	40,000	25,000	29,900	32,000	32,900	33,800
Originating passengers		13,600	13,800	15,200	15,000	15,000	13,500	16,200	17,400	18,000	18,600
Landed weight (millions of pounds)	[K]	58,226	61,187	62,131	59,900	58,593	33,896	41,801	44,675	45,864	47,053
Effective landing fee rate per 1,000-pound unit of landed weight	[E/K]	$0.47	$0.45	$0.44	$0.61	$0.86	$1.41	$1.38	$1.15	$1.37	$1.34
Airline payments per enplaned passenger (a)	[(E+F+G)/J]	$2.48	$2.54	$2.41	$2.80	$3.24	$4.62	$4.87	$4.85	$5.43	$5.49
Application to Renewal and Extension Fund	[L=H-D]	$ 63,373	$ 71,729	$ 101,444	$ 88,781	$ 89,977	$ 29,998	$ 87,179	$ 107,787	$ 91,082	$ 87,617
General Revenue Bond debt service coverage	[I/A]	169%	171%	221%	193%	187%	126%	172%	193%	162%	158%
Coverage on all Debt Service Requirements paid from General Revenues	[I/(A+B)]	169%	171%	221%	193%	187%	126%	172%	193%	162%	158%
PFC Revenues	[M]	$ 154,279	$ 167,115	$ 179,296	$ 171,935	$ 166,803	$ 105,301	$ 118,564	$ 122,035	$ 123,242	$ 127,534
PFC Revenue Hybrid Bond Debt Service Requirements paid from PFC Revenues	[N]		$ 12,467	$ 56,080	$ 59,505	$ 58,715	$ 57,170	$ 56,732	$ 56,192	$ 54,934	$ 53,633
Percent of PFC Revenue Hybrid Bond Debt Service Requirements paid from PFC Revenues			100%	100%	100%	100%	100%	100%	100%	100%	100%
PFC Revenue Hybrid Bond debt service coverage	[M/N]		1340%	320%	289%	284%	184%	209%	217%	224%	238%
PFC Revenue Fund ending balance		$ 389,442	$ 521,090	$ 461,280	$ 466,910	$ 385,029	$ 207,386	$ 79,639	$ (49,953)	$ (46,645)	$ -

(a) Excludes cargo landing fees (see Exhibit E-1)
Sources: See preceding exhibits and accompanying text.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

FINANCIAL FEASIBILITY REPORT

[THIS PAGE INTENTIONALLY LEFT BLANK]

UNISON MAXIMUS
CONSULTING SOLUTIONS

May 24, 2006

Ms. Janice D. Davis
Chief Financial Officer, City of Atlanta

Mr. Benjamin R. DeCosta
Aviation General Manager, Hartsfield-Jackson Atlanta International Airport

Mr. William E. Johnson, III
City Manager, City of College Park

Ms. Cynthia King
Chief Financial Officer, City of College Park

Re: Financial Feasibility Report
City of College Park (Georgia) Taxable Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A (the "Series 2006A Bonds") and the City of College Park (Georgia) Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B (the "Series 2006B Bonds")

UNISON-MAXIMUS, INC. ("Unison") is pleased to submit the attached Financial Feasibility Report (the "Report"), which addresses the financial aspects of the proposed issuance of the above-referenced bonds (referred to in the attached Report as the "Series 2006A and B Bonds.") The Series 2006A Bonds are being issued to finance the capital costs of a Consolidated Rental Car Facility (the "CONRAC Facility"), and the Series 2006B Bonds are being issued to finance the costs of acquiring, constructing, and installing the Automated People Mover System Maintenance Facility (the "APM Maintenance Facility"). The CONRAC Facility will be located in College Park, within the boundaries of the Hartsfield-Jackson Atlanta International Airport ("ATL" or the "Airport"). The CONRAC Facility will consolidate all rental car operations at the Airport into a single facility.

Proposed Financing Structure

The City of Atlanta (the "City") and the City of College Park (the "Issuer") have entered into an Installment Purchase Agreement (the "Purchase Agreement"), whereby the Issuer has agreed to issue the Series 2006A and B Bonds to fund the capital costs of the CONRAC Facility and the APM Maintenance Facility, and to deposit the proceeds of the Series 2006A and B Bonds into the funds and accounts established under the Issuer's Master Bond

Resolution (defined below). The Issuer will sell the CONRAC Facility and the APM Maintenance Facility to the City, and the City will pay to the Issuer the purchase price in installment payments in amounts equal to the debt service on the Series 2006A and B Bonds. The Issuer has adopted a Master Bond Resolution (the "College Park Bond Resolution"), pursuant to which the Issuer has pledged all installment payments it will receive under the Purchase Agreement for the payment of the debt service on the Series 2006A and B Bonds. The City has agreed to acquire, construct, and install the CONRAC Facility and the APM Maintenance Facility on behalf of the Issuer.

The City has adopted two ordinances (the "CFC Ordinances") that require the rental car companies that rent passenger vehicles to customers at the Airport to collect and remit to the City a Customer Facility Charge ("CFC"), established at $4.00 per rental car transaction day, effective October 1, 2005. The CFC Ordinances require that the CFC be collected by all rental car companies that operate from facilities on Airport property (the "On-Airport Rental Car Companies") and all other rental car companies that serve the ATL market (the "Off-Airport Rental Car Companies"). The CFC Ordinances also permit the City to periodically adjust the level of the CFC by City resolution.

The Purchase Agreement constitutes a "Released Revenue Bond" under the City's Restated and Amended Master Bond ordinance (the "City's Bond Ordinance"). "Released Revenue Bonds" are bonds secured by a senior lien on "Released Revenues," which are excluded from the Airport's General Revenues. The City has pledged, pursuant to its Eleventh Supplemental Bond Ordinance (the "City's Supplemental Bond Ordinance"), all CFC revenues for the payment of its installment payment obligations pursuant to the Purchase Agreement. The City's Supplemental Bond Ordinance contains a provision known as the Rate Covenant, which states that as long as any Released CFC Bonds[1] remain outstanding, the City is required to set the CFC, and adjust the CFC annually (if necessary), to generate CFC Coverage Revenues in each Fiscal Year equal to at least 125% of the annual debt service requirement on all Released CFC Bonds. CFC Coverage Revenues are defined in the City's Supplemental Bond Ordinance as the sum of (1) CFC Revenues, plus (2) investment earnings on amounts deposited in certain accounts established under the City's Supplemental Bond ordinance, plus (3) the balance in the CFC Coverage Fund.

The City is negotiating to enter into a Consolidated Rental Car Facility Agreement (the "Facility Agreement") with the rental car companies that will operate in the CONRAC Facility (the "Operators"), which will govern the Operators' lease and use of the CONRAC Facility. As of the date of the attached Report, none of the rental car companies has signed the Facility Agreement. Any rental car companies that do not to enter into the Facility

[1] The City's Supplemental Bond Ordinance defines Released CFC Bonds as "Bonds secured by a Senior Lien on CFC Revenues and obligations secured by a Senior Lien on CFC Revenues…"

Agreement as of the DBO of the CONRAC Facility will be required to operate from facilities off Airport, and will thereby become "Off-Airport Rental Car Companies." Pursuant to the CFC Ordinances, all of the rental car companies serving the ATL market (both the On-Airport Rental Car Companies and the Off-Airport Rental Car Companies) are obligated to collect and remit the CFC. Further, the City has the ability to adjust the CFC periodically by City ordinance, as may be necessary, to cover eligible costs related to the CONRAC Facility, and to satisfy the Rate Covenant provision in the City's Supplemental Bond Ordinance. If one or more of the rental car companies decline to enter into the Facility Agreement as of DBO of the CONRAC Facility, the City could use a portion of the moneys deposited into the CFC Surplus Fund, and/or certain general revenues of the Airport, to cover CONRAC Facility operating costs that would have otherwise been covered through rent obligations under the provisions of the Facility Agreement.

Concurrent with the development of the CONRAC Facility and the APM Maintenance Facility, the City of Atlanta (the "City") is also designing and developing (i) the APM system for purposes of transporting rental car customers between the CONRAC Facility and the Airport's Central Passenger Terminal Complex ("CPTC"), and (ii) roadways to provide vehicle access to and from the CONRAC Facility (collectively referred to as the "Landside Access Project"). The attached Report addresses the financial feasibility of the issuance of the Series 2006A and B Bonds for the funding of the CONRAC Facility and the APM Maintenance Facility. The attached Report does not include any financial analysis of the Landside Access Project.

<u>Report Organization</u>

The attached Report is organized into the following sections:

- **Section I – Introduction:** A brief description of the proposed financing structure for the Series 2006A and B Bonds, an overview of the Airport, a description of renal car operations at the Airport, and an overview of the CONRAC Facility.
- **Section II – Description of the CONRAC Facility and the APM Maintenance Facility:** A description of the CONRAC Facility and the APM Maintenance Facility, the estimated capital costs, and the proposed sources of funding.
- **Section III – The Rental Car Industry:** An overview of the U.S. rental car industry and the rental car companies serving the Airport.
- **Section IV – Local Economic Base:** A description of the Atlanta metropolitan air service area economy, and relevant economic and demographic trends.

- **Section V – Rental Car Demand Analysis and Forecasts:** A review of the recent trends in rental car activity at the Airport and a forecast of annual rental car demand (in terms of transaction days) for the 2005 – 2012 period.
- **Section VI – Financial Analysis:** A description of the legal framework for the financing and operation of the CONRAC Facility and the APM Maintenance Facility, a discussion of the proposed funding, and projections of important financial indicators, such as the CFC level, CFC revenues, debt service coverage, and the application of CFC revenues under the City's Supplemental Bond Ordinance.

Assumptions

The Report is based on the following major assumptions:

1. The Series 2006A and B Bonds will be issued in the aggregate par amount of approximately $221.0 million and $21.5 million, respectively, with a true interest cost of 6.24% for the Series 2006A Bonds and 4.74% for the Series 2006B Bonds.[2] The principal will be amortized over 25 years, commencing on January 1, 2007.
2. The capital costs of the CONRAC Facility and the APM Maintenance Facility will total approximately $260.0 million, based on estimates prepared by the Hartsfield-Jackson Development Program ("HJDP") staff as of the date of the attached Report.
3. To forecast rental car transaction days, Unison developed a multivariate regression model that links the following explanatory variables to rental car demand at the Airport: (a) originating enplanements at the Airport; (b) the price of renting a car at the Airport[3], as measured by the average daily rental rate; and (c) the rental car customer income, as measured by the U.S. real Gross Domestic Product. Detailed descriptions of the explanatory variables and the associated assumed growth rates are contained in **Section V** of the attached Report.
4. Historical and forecast originating enplanement data used to develop the transaction day forecasts were obtained from the Airport's most recent air traffic forecasts, which include a "baseline" forecast and a "low" forecast. The two air traffic forecasts reflect alternative assumptions regarding Delta Air Lines' restructuring plans and continued presence at the Airport. The level of originating enplanements forecast under the two scenarios differ in 2007, 2008, and 2009. Therefore, we developed two rental car demand forecasts: a "base case" transaction day forecast and a "low case" transaction day forecast, based on the Airport's two originating enplanement forecasts.

---

[2] The par amount and true interest cost are estimates as of the date of the attached Report, and are subject to change.
[3] The implementation of the CFC effective October 2005 is factored into the price renting a car at the Airport.

5. Under the base case transaction day forecast, annual rental car transaction days are forecast to increase from approximately 6.1 million in 2006 to approximately 7.3 million in 2012. Under the low case transaction day forecast, the recovery in rental car demand is weakened by the projected decreases in originating enplanements, particularly in 2008. The low case projects that transaction days will decrease in 2008, and then recover in 2009 and 2010.
6. The level of the CFC is assumed to be maintained at $4.00 per transaction day throughout the forecast period.

Other important assumptions underlying the rental car demand activity and financial forecasts are set forth in **Sections V** and **VI** of the attached Report.

The analysis and forecasts contained in the attached Report are based upon certain data, estimates and assumptions that were provided by the rental car companies, the Airport, HJDP staff, Goldman Sachs & Co. (the "Underwriter"), and other sources. The Report should be read in its entirety for an understanding of the forecasts and the underlying assumptions. In our opinion, the data, estimates, and assumptions used in the attached Report are reliable and provide a reasonable basis for our forecast given the information available and circumstances existing as of the date of the Report. However, any forecast is subject to uncertainties. Inevitably, some assumptions will not be realized, and unanticipated events and circumstances may occur. Therefore, the actual results achieved may vary from the forecasts and the variations could be material.

Findings

Under the base case transaction day forecast, the minimum CFC level required to meet the Rate Covenant is projected to decrease from $3.23 in Fiscal Year ("FY")[4] 2007 (the first full Fiscal Year of CFC collections)[5] to $2.43 in FY 2012. At the current CFC level of $4.00 per transaction day, CFC revenues are projected to increase from approximately $15.2 million in FY 2006 (a partial year) to approximately $24.8 million in FY 2007, and increase each year thereafter, to approximately $28.6 million in FY 2012. The CFC Surplus Fund balance is projected to equal approximately $6.2 million at the end of FY 2012. Debt service coverage is projected to increase from 1.45 in FY 2007 to 1.86 in FY 2012, in excess of the 1.25 requirement specified in the Rate Covenant of the City's Supplemental Bond Ordinance.

[4] The City's fiscal year ends on June 30.
[5] The projections for FY 2006 represent the nine-month period from October 1, 2005 (the effective date of the CFC) through June 30, 2006. FY 2007 is the first full year during the forecast period (July 1, 2006 through June 30, 2007).

Under the low case transaction day forecast, the minimum CFC level required to meet the Rate Covenant is projected to be slightly higher than the base case in FY 2007 through FY 2010 ($3.24 in FY 2007, $2.81 in FY 2008, $2.75 in FY 2009, and $2.59 in FY 2011) – due to the lower projected transaction days in those years. The CFC Surplus Fund balance is projected to equal approximately $4.1 million at the end of FY 2012. Debt service coverage under the low case transaction day forecast is projected to be slightly lower than under the base case forecast in FY 2007 through FY 2010 – but still significantly above the 1.25 requirement.

We appreciate the opportunity to assist in the bond financing for the CONRAC Facility and the APM Maintenance Facility.

Sincerely,

UNISON-MAXIMUS, INC.

Unison-Maximus, Inc.

FINANCIAL FEASIBILITY REPORT

Consolidated Rental Car (CONRAC) Facility and Automated People Mover (APM) Maintenance Facility

Hartsfield-Jackson Atlanta International Airport

MAY 24, 2006

UNISON MAXIMUS
CONSULTING SOLUTIONS

Financial Feasibility Report
for the CONRAC Facility
Hartsfield-Jackson Atlanta International Airport

Table of Contents

May 24, 2006

LIST OF TABLES

LIST OF FIGURES

SECTION I
INTRODUCTION

The City of College Park (the "Issuer") intends to issue the *City of College Park (Georgia) Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A* (the "Series 2006A Bonds") and the City of College Park (Georgia) Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B Bonds (the "Series 2006B Bonds"), collectively referred to in this Report as the "Series 2006A and B Bonds"). The Series 2006A Bonds are being issued to finance a portion of the capital costs of a Consolidated Rental Car Facility (the "CONRAC Facility"), to be located in College Park, within the boundaries of the Hartsfield-Jackson Atlanta International Airport ("ATL" or the "Airport"). The Series 2006B Bonds are being issued to finance the costs of acquiring, constructing, and installing the Airport People Mover Maintenance Facility (the "APM Maintenance Facility"). The CONRAC Facility, which will consolidate all rental car operations at the Airport into a single facility, will be located just south of Camp Creek Parkway and west of Interstate 85.

The proposed financing structure for the Series 2006A and B Bonds is summarized in the paragraphs below. A more detailed description of the financing structure is included in **Section VI**.

- The City and the Issuer have entered into an Installment Purchase Agreement dated as of May 1, 2006 (the "Purchase Agreement"), whereby the Issuer has agreed to issue the Series 2006A and B Bonds to fund the capital costs of the CONRAC Facility and the APM Maintenance Facility, and to deposit the proceeds of the Series 2006B and C Bonds into the funds and accounts established under the Issuer's Master Bond Resolution (defined below). The Issuer will sell the CONRAC Facility and the APM Maintenance Facility to the City, and the City agrees to pay to the Issuer the purchase price in installment payments in amounts sufficient to enable the Issuer to pay the principal and interest on the Series 2006A and B Bonds when due. The City agrees to acquire, construct, and install the CONRAC Facility and the APM Maintenance Facility on behalf of the Issuer.

- The Issuer has adopted a Master Bond Resolution (the "College Park Bond Resolution"), pursuant to which the Issuer has pledged all installment payments it will receive under the Purchase Agreement, for the payment of debt service on the Series 2006A and B Bonds.

- On December 6, 2004, the City adopted an ordinance to require the rental car companies that rent passenger vehicles to customers at the Airport to collect and remit to the City a Customer Facility Charge ("CFC"), "the amount of which will be established and periodically adjusted as required by Resolution." On September 19, 2005, the City adopted an ordinance that established the CFC at $4.00 per rental car transaction day, effective October 1, 2005. Together, these two ordinances are referred to in this Report as the "CFC Ordinances."

- The Purchase Agreement constitutes a "Released Revenue Bond" under the City's Restated and Amended Master Bond Ordinance adopted on March 20, 2000 (the "City's Bond Ordinance"). The City's Bond Ordinance defines "Released Revenue Bonds" as bonds secured by a senior lien on "Released Revenues," which are excluded from the Airport's General Revenues.

- The City has pledged, pursuant to its Eleventh Supplemental Bond Ordinance, adopted on March 20, 2006 (the "City's Supplemental Bond Ordinance"), all CFC revenues remitted by the rental car companies, for the payment of its installment payment obligations pursuant to the Purchase Agreement.

- The City has acquired the land upon which the CONRAC Facility and the APM Maintenance Facility will be located. The Issuer will lease the land from the City for the purpose of developing the CONRAC Facility and the APM Maintenance Facility, pursuant to the terms of a Ground Lease Agreement between the Issuer and the City (the "Ground Lease"). The City agrees to acquire, construct, and install the CONRAC Facility on behalf of the Issuer. As components of the CONRAC Facility are completed, the Issuer will convey title of such components to the City, and upon completion of the CONRAC Facility and the APM Maintenance Facility, the Ground Lease will terminate.

In addition to the documents described above (the "Bond Documents"), the City is negotiating to enter into a Consolidated Rental Car Facility Agreement (the "Facility Agreement") with the rental car companies that will operate in the CONRAC Facility, which will govern the rental car companies' lease and use of the CONRAC Facility.[1]

The CFC revenues must be remitted by the rental car companies to the City and used by the City to pay its installment payment obligations to the Issuer pursuant to the terms of the Purchase Agreement. The Issuer will in turn use the installment payments received from the City to pay the debt service on the Series 2006A and B Bonds. As mentioned above, the City established the CFC at a rate of $4.00 per transaction day, effective October 1, 2005. The City will adjust the CFC rate from time to time by ordinance, as necessary, in order to generate CFC revenues that will be at least sufficient to pay debt service on the Series 2006A and B Bonds, and to meet other funding requirements of the Bond Documents.

---

[1] As of the date of this Report, none of the rental car companies have signed the Facility Agreement. Please see Section VI for a discussion of this issue and its implications for the bond financing.

This Report addresses the financial aspects of the CONRAC Facility and the APM Maintenance Facility, and the Series 2006A and B Bonds. Included in this Report are projections of CFC revenues; an analysis of the adequacy of such projected CFC revenues to pay the City's installment payment obligations pursuant to the Purchase Agreement; and an analysis of the adequacy of the installment payments received by the Issuer from the City, to pay the Issuer's debt service obligations on the Series 2006A and B Bonds.

A. OVERVIEW OF THE AIRPORT

With approximately 85.9 million passengers (enplaned and deplaned) in 2005, the Airport was the busiest airport in the world, according to Airports Council International ("ACI"). In the same year, the Airport ranked second to Chicago O'Hare International Airport ("O'Hare") in terms of total aircraft operations (take-off and landing).[2] Located approximately 10 miles from downtown Atlanta, the Airport encompasses approximately 4,700 acres.

According to the Airport's most recent air traffic forecast, total enplanements are forecast to increase at an average annual growth rate of 2.3% during the period 2006 through 2012, to a total of approximately 47.0 million enplanements in 2012.[3] Originating enplanements, the component of the air traffic forecast that is particularly relevant to rental car demand at the Airport, are forecast to increase at an average annual growth rate of 3.7% through 2012 – a higher rate than the forecasted rate for connecting enplanements (1.5%).[4]

The Airport's airfield facilities consist of five parallel runways, and associated taxiways and aircraft parking ramps. The central passenger terminal complex ("CPTC") consists of a landside building and atrium, six concourses, and an underground transportation mall. The six concourses collectively contain approximately 3.8 million square feet and 176 aircraft gates. The underground transportation mall contains an automated people mover and pedestrian walkways that connect the landside building and the concourses. The Airport's parking facilities collectively provide approximately 31,000 public parking spaces in garages

[2] Airports Council International, *Worldwide Traffic Report*, 2004.
[3] Leigh Fisher Associates, "Appendix A: Report of the Airport Consultant," *Official Statement for the City of College Park Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility), Series 2006A and Series 2006B*, May 24, 2006.
[4] Total passengers consist of enplanements and deplanements. The Airport's forecasts of passenger traffic are expressed in terms of enplanements, and the number and trend of enplanements typically mirror the number and trend of deplanements. The Airport's enplanement forecasts are further expressed in terms of "originating enplanements" and "connecting enplanements." Originating enplanements include passengers whose point of origin is Atlanta. The customer base of the rental car companies at the Airport is a portion of the deplanements that mirror originating enplanements – passengers who get off the plane at the Airport and whose final trip destination is Atlanta. Specifically, the customer base of the rental car companies encompasses the non-local component of deplanements (visitors) that mirror originating enplanements.

and surface lots. Cargo facilities include approximately 2.0 million square feet of building space and related aircraft parking aprons. Airline support facilities at the Airport include flight kitchens, aircraft maintenance hangars, maintenance and storage facilities for ground service equipment, fuel storage tanks, fixed base operator ("FBO") facilities, and Delta's corporate headquarters. Other facilities at the Airport include utility systems; four fire stations that provide aircraft rescue and fire fighting ("ARFF") services; airfield maintenance buildings; an FAA Airport traffic control tower; hotels; an office building; and other nonaviation facilities. The Airport's Capital Improvement Plan ("CIP") includes capital projects anticipated to increase the Airport's airfield capacity and provide additional terminal facilities required to accommodate forecasted increases in aircraft operations and passenger activity at the Airport. The CONRAC Facility is a major component of the Airport's CIP.

B. RENTAL CAR OPERATIONS AT THE AIRPORT

There are currently 12 rental car companies that serve the rental car market at the Airport. The following nine companies operate on-Airport (the "On-Airport Rental Car Companies"): Alamo, Avis, Budget, Dollar, Enterprise, EZ Rent a Car,[5] Hertz, National, and Thrifty. The following three companies operate from off-Airport facilities (the "Off-Airport Rental Car Companies"): Airport Rent a Car of Atlanta, Atlanta Rent A Car, and Payless Car Rental. Each rental car company maintains its own shuttle buses to transport its customers between the CPTC and its individual company facilities. The rental car shuttle buses pick up customers at the west curb of the CPTC.

Six of the On-Airport Rental Car Companies (Alamo, Dollar, Enterprise, Hertz, National, and Thrifty) have signed an Interim Concession Agreement, which establishes the privilege fees and rents payable by the rental car companies to the Airport until the CONRAC Facility opens. The term of the Interim Concession Agreement, which began on December 1, 2004, will expire on the earlier of November 30, 2009 or the Date of Beneficial Occupancy ("DBO") of the CONRAC Facility. Airport management anticipates that the other two On-Airport Rental Car Companies (Avis and Budget), which are currently operating on a month-to-month holdover provision from the previous concession agreement, will sign the Interim Concession Agreement within the next few months. The Off-Airport Rental Car Companies are currently operating under the Off Airport Rental Car Shuttle Permit. Each of the rental car companies is obligated to pay to the Airport a monthly privilege fee of 10% of its Gross Receipts (8% for the Off-Airport Rental Car Companies), or one-twelfth of its Minimum Annual Guarantee ("MAG"), whichever is greater. The MAG for each company is 85% of the monthly privilege fees paid by that company in the previous year. In addition, the On-Airport Rental Car Companies are required to pay (1) monthly rent for use of the counter areas in the

[5] EZ Rent a Car became an on-Airport rental car company effective January 12, 2006.

CPTC and (2) monthly land rent for ready/return and other leased areas on Airport property.[6]

Total rental car transaction days at the Airport increased from approximately 6.0 million in 1999 to approximately 6.3 million in 2000 before decreasing to 6.0 million in 2001, and 5.5 million in 2002, primarily due to the decrease in air traffic activity in those years. Total transaction days decreased slightly in 2003, to approximately 5.4 million, before increasing 7.1% in 2004, to approximately 5.8 million. The most recent data available from the rental car companies indicate that transaction days for the first eight months of 2005 totaled approximately 4.1 million, or 9.5% higher than total transaction days for the first eight months of 2004. The trends in rental car demand at the Airport are discussed in more detail in **Section V**.

C. OVERVIEW OF THE CONRAC FACILITY

The CONRAC Facility is being developed to consolidate all rental car operations at the Airport in one facility. Effective at DBO of the CONRAC Facility, the shuttle bus services currently provided by the individual rental car companies will be discontinued and replaced by the APM system. The CFC Ordinances prohibit, effective at DBO of the CONRAC Facility, any rental car company from transporting its customers between the CPTC and the CONRAC Facility by any means other than the CONRAC transportation system (the APM system). Therefore, once the CONRAC Facility is operational, any Off-Airport Rental Car Companies will be required to transport their customers between their respective off-Airport facilities and the CONRAC Facility, and their customers will be required to use the APM system to travel between the CONRAC Facility and CPTC.

Following are the anticipated benefits of the CONRAC Facility:

- Provide adequate facilities for anticipated increases in rental car demand at the Airport;
- Enhance the level of service for rental car customers at the Airport;
- Reduce congestion and pollution on the Airport roadways; and
- Free up for other uses the land areas that are currently devoted to rental car parking and servicing functions.

[6] The Interim Concession Agreement established new rates for counter rent and land rent, effective December 1, 2004. All three of the On-Airport Rental Car Companies that have not yet signed the Interim Concession Agreement (Avis, Budget, and Hertz) are obligated to pay the new rates pursuant to the month-to-month holdover provisions of the previous concession agreement. However, to date, Hertz and Avis are continuing to pay the old rates.

SECTION II
DESCRIPTION OF THE CONRAC FACILITY AND APM MAINTENANCE FACILITY

The CONRAC Facility will combine all rental car operations at the Airport into one location. This section describes the CONRAC Facility and the APM Maintenance Facility, and presents the estimated costs and funding sources.

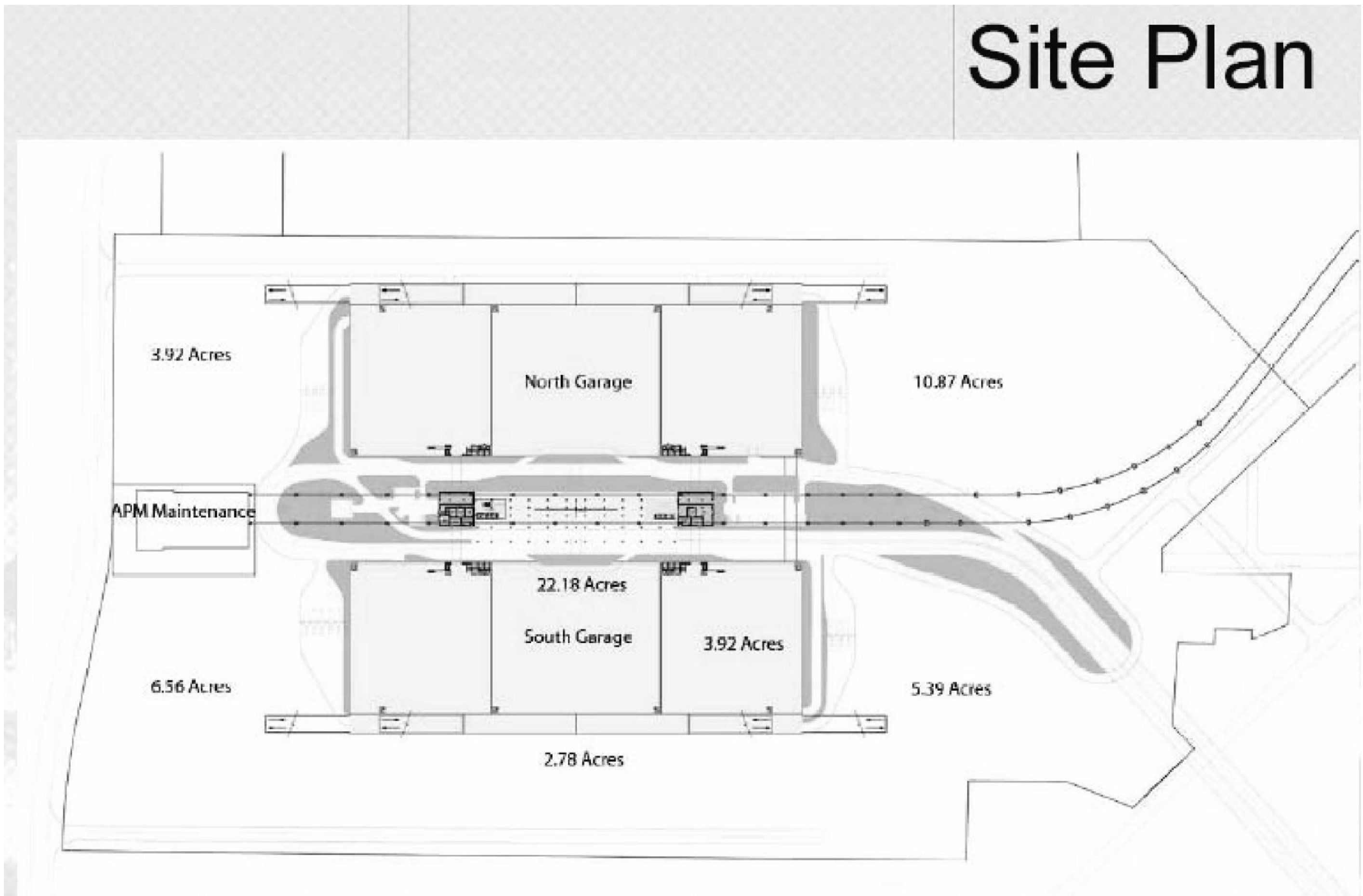
A. CONRAC FACILITY

The CONRAC Facility will be located just south of Camp Creek Parkway and west of Interstate 85 in College Park. **Figure II-1** presents the planned layout of the CONRAC Facility. The City will be responsible for the planning, procurement, design, construction, and certain common equipment of the CONRAC Facility, which will include the following major components:

- **Customer Service Center ("CSC").** The CSC, which will consist of four levels comprising approximately 139,340 square feet of enclosed space. Six open-air pedestrian bridges, comprising a total area of 8,360 square feet, will connect the CSC to the North and South Garages at the second and third levels. The first level of the CSC will contain the Central Plant including the main electrical and mechanical services for the building. The second and third levels of the CSC will include the rental car companies' rental counters and administrative offices, as well as support spaces, public circulation areas, and public restrooms. The fourth level will contain the APM station, which will be the main access point for customers going to and from the Airport passenger terminal complex. Stairs, escalators, and elevators at either end of the CSC will connect all four levels.

- **Parking Garages**. The Parking Garages (the "Garages"), which will consist of the North and the South Garages, will comprise approximately 2.8 million square feet on four levels (approximately 1.4 million square feet in each garage. The Garages will contain approximately 8,700 ready and return spaces and storage spaces. They will also include space for vehicular circulation lanes, and vehicle circulation ramps that will provide access between the levels. The ready and return spaces will be located on the first three levels, and the storage spaces will be located on the top (fourth) level. The APM system track and a vehicular roadway loop, which will provide access to the CONRAC Facility, will run between the North and South Garages.

FIGURE II-1
CONRAC FACILITY
Hartsfield-Jackson Atlanta International Airport



- **Quick Turnaround Areas ("QTA").** The site for the four QTA buildings will cover approximately 30 acres, immediately adjacent to the west, east, and south sides of the Garages. Each building will be a single-story building, with 17,400 square feet (60 feet wide by 284 feet long). The total area for the four buildings will be 69,600 square feet. The rental car companies will use the QTA to wash vehicles, perform light maintenance on vehicles, fuel vehicles, and store and stage vehicles. Each rental car company will lease a portion of the QTA for its exclusive use. Each QTA building will include six car wash bays for a total of 24 bays, four maintenance bays for a total of 16 bays, 36 fueling positions for a total of 144 positions, and areas for auto storage, staging, and circulation.

B. APM MAINTENANCE FACILITY

The APM Maintenance Facility will be located approximately 400 feet east of the APM station at the CSC. The APM Maintenance Facility will support the operation and maintenance of the APM and the APM vehicles. It will include APM vehicle maintenance areas, machine shops, electrical shops, store rooms, a central control room, train control equipment rooms, power distribution rooms, and offices for APM operation and maintenance personnel. The costs of the APM maintenance facility are being funded with the proceeds of the Series 2006C Bonds.

C. LAND ACQUISITION AND SITE DEVELOPMENT

A total of 67.5 acres of land have been acquired for the CONRAC Facility and the APM Maintenance Facility, as follows: 22.2 acres for the Garage, CSC, and APM station; 27.0 acres for the QTA; 1.3 acres for the APM Maintenance Facility, and 17.0 acres for roads and landscaping. The site development costs consist of the expenditures necessary to prepare the land parcel for the construction of the CONRAC Facility and the APM Maintenance Facility.

C. ESTIMATED CAPITAL COSTS AND FUNDING SOURCES FOR THE CONRAC FACILITY AND THE APM MAINTENANCE FACILITY

The capital costs of the CONRAC Facility and the APM Maintenance Facility, as summarized in **Table II-1**, are estimated to total approximately $260.0 million. The capital costs are being funded with (1) the proceeds of the Series 2006A Bonds, (2) the proceeds of the Series 2006B Bonds, and (3) Airport funds, which will be recovered through land rent charges to be paid by the rental car companies during the term of the Facility Agreement. It is estimated that a total of approximately $203.7 million in capital costs related to the CONRAC Facility will be funded from the proceeds of the Series 2006A, and that all of the costs of the APM Maintenance Facility (approximately $20.9 million) will be funded with the proceeds of the Series 2006B Bonds.

TABLE II-1
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
CONRAC FACILITY AND APM MAINTENANCE FACILITY
ESTIMATED CAPITAL COSTS AND FUNDING SOURCES

	Funding Sources			
Project Component	**Series 2006A Bonds [1]**	**Series 2006B Bonds [1]**	**Airport Funds**	**Total**
CSC, Garages and QTA	$198,446,780	$0	$0	$198,446,780
APM Maintenance Facility	0	20,888,688	0	20,888,688
Land Acquisition / Site Development [2]	997,222	0	39,711,622	40,708,844
Totals	**$199,444,002**	**$20,888,688**	**$39,711,622**	**$260,044,312**

[1] The Series 2006A and B Bonds will be secured by a pledge of CFC revenues.
[2] The land acquisition and site preparation costs not funded with the Series 2006A Bonds will be funded by the Airport and recovered through land rent charges paid by the Operators during the term of the Facility Agreement.

SECTION III
RENTAL CAR INDUSTRY

This section describes the U.S. rental car industry, recent market and industry developments, and the rental car companies that serve the Airport's market. It sets the context for the detailed examination of the rental car market at the Airport in **Section V**.

A. U.S. RENTAL CAR INDUSTRY

1. Background

The U.S. rental car industry has two distinct market segments: (1) the airport market and (2) the local retail and insurance replacement market. The early rental car companies in the United States operated in downtown areas, usually at hotels and train stations. The Hertz Corporation, the oldest rental car company, traces its history to 1918 with the opening of the first rental car operation, in Chicago. In 1932, Hertz expanded into the airport market when it opened a location at Chicago Midway Airport. The post-World War II economic prosperity led to enormous growth in consumer demand for a variety of goods and services, including air travel. Warren Avis opened rental car locations at Detroit's Willow Run Airport and Miami International Airport in 1947, and at airports in Chicago, Dallas, Houston, Los Angeles, New York, and Washington, D.C. in 1948. Recognizing air travelers' need for a convenient mode of ground transportation at their destinations, the rental car industry subsequently provided rental car service at all commercial airports in the United States.

To serve rental car customers at airports, rental car companies typically pay a "concession fee" or an "airport privilege fee." The concession fee is typically set as the greater of a minimum annual guarantee or a percentage of gross rental revenue earned from the airport location.

2. U.S. Rental Car Market Trends

As of 2005, the U.S. rental car industry operated a fleet of approximately 1.71 million cars (**Figure III-1**). The size of the fleet peaked at 1.83 million in 2000, and was streamlined in 2001, 2002, and 2003 – to approximately 1.62 million in 2003 – as part of the industry's efforts to manage the fleet more efficiently and to match supply with the reduction in demand following the terrorist attacks of September 11, 2001 (the "September 11, 2001 Events"). The total fleet size then increased 3.0% in 2004 and 2.9% in 2005. In **Figure III-2**, we observe a similar trend in the U.S. rental car market revenue – an expansion to approximately $19.4 billion in 2000, a reduction to $16.5 billion in 2003, and increases in 2004 and 2005. However, the revenue increases in 2004 and 2005 (7.0% and 7.4%, respectively), were larger than the increases in the industry fleet in those years. This indicates that as the rental car companies limited their fleet sizes in 2004 and 2005, they were able to implement modest price increases.

FIGURE III-1
U.S. RENTAL CAR FLEET
(In Thousands)
1992-2005

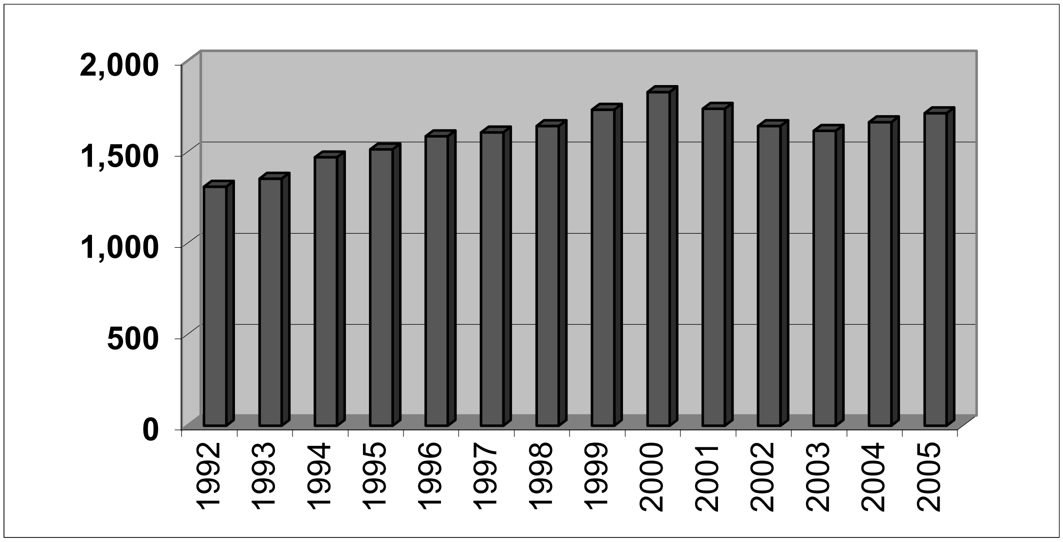
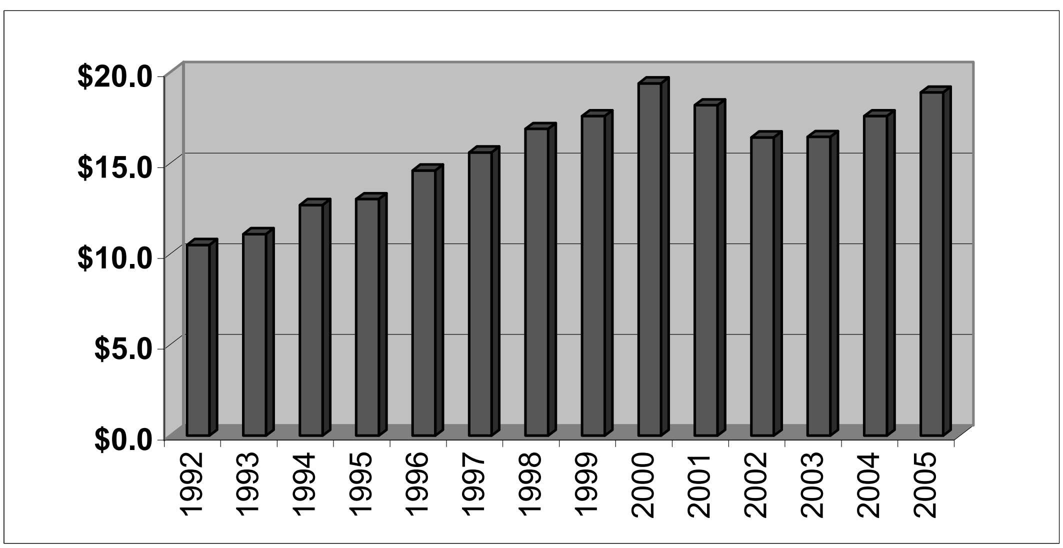


FIGURE III-2
U.S. RENTAL CAR MARKET REVENUE
(In Thousands)
1992-2005



3. Recent Changes in the U.S. Rental Car Industry[1]

A number of structural changes have been underway in the U.S. rental car industry. These changes include the following:

- ***Ownership changes and consolidation.*** In the 1980s, the three large U.S. car manufacturers acquired several rental car companies as outlets for excess new car inventory. In the mid-1990s, the car manufacturers began selling their interests in the rental car companies, and we have since seen further ownership changes and mergers as follows:

  - ANC Rental Car Corporation ("ANC"), the owner of the Alamo and National brands, spun off from AutoNation, Inc., consolidated the operations of the two brands, and implemented dual branding. In November 2001, ANC filed for Chapter 11 bankruptcy protection, and, in October 2003, ANC sold nearly all of its assets – including the Alamo and National brands ˜ to Cerberus Capital Management, a New York investment firm. After the sale, ANC was renamed Vanguard Car Rental USA Inc. ("Vanguard"). Vanguard operates Alamo and National as two brands.

  - Since purchasing interests in Avis Rent-A-Car System, Inc. ("Avis"), HFS Incorporated ("HFS") merged with CUC International to form Cendant Corporation ("Cendant"). In November 2002, Cendant acquired Budget Rent A Car Systems, Inc. (Budget), which had been under Chapter 11 bankruptcy protection since July 2002. Cendant consolidated the administrative functions of Budget and Avis. In October 2005, Cendant's Board of Directors approved a plan to separate Cendant into four, publicly-traded companies. Cendant's vehicle rental businesses (Avis and Budget) will form one company. The real estate, travel distribution and hospitality businesses will constitute the three other companies.[2]

  - Pentastar Transportation Group, Inc. ("PTG"), a subsidiary of Chrysler Corporation, acquired Dollar Rent-A-Car Systems, Inc. ("Dollar") in 1990, and then merged Dollar with Thrifty to form the Dollar-Thrifty Automotive Group, Inc. ("DTG") in 1997. DTG operated both the Dollar and Thrifty brands through the following subsidiaries: DTG Operations, Inc. ("DTG Operations"), Dollar Rent A Car, Inc. and Thrifty, Inc. Effective January 1, 2003, DTG transformed the brand-based corporate structure to a functional corporate structure, combining the management of operations and administrative functions for both the Dollar and Thrifty brands, while continuing to operate as two brands. DTG is also transforming Thrifty from a franchise to a corporate system.

---

[1] The discussion in this sub-section is based mostly on articles published in Auto Rental News.

[2] Cendant Corporation, "Cendant Corporation Board of Directors Announces Plan to Separate Cendant into Four, Publicly-Owned, Pure-Play Companies," *Press Release*, October 24, 2005.

- In July 2004, Enterprise Rent A Car Company ("Enterprise") acquired Merchants Automotive Group rental division ("Merchants"), which includes a 1,500-vehicle fleet and 17 rental locations. Merchants was one of the largest independent car rental operations in the country.

- The Hertz Corporation ("Hertz") was a wholly-owned subsidiary of the Ford Motor Company ("Ford") until December 21, 2005, when Ford completed the sale of Hertz to an investor group of private equity firms. Under the terms of the sale, Ford sold all of the shares of Hertz common stock for approximately $5.6 billion in cash.[3] The investor group that acquired Hertz is composed of Clayton Dubilier & Rice, The Carlyle Group and Merrill Lynch Global Private Equity.

- ***Increased focus on profitability.*** The changes in the ownership of rental car companies and the decline in revenue following the September 11 terrorist attacks caused rental car companies to renew focus on profitability. Rental car companies adopted market-based pricing and implemented more efficient fleet management. In **Figure III-1**, we have seen the reduction in the U.S. rental car fleet as evidence of the industry's effort to cut costs and better match supply with demand.

- ***Increased role of the Internet and technology.*** The Internet has become a very important business tool. Rental car companies have adopted e-commerce and set up websites for reservations and customer service. According to one industry source, auto rental bookings totaled approximately $6.5 billion in 2004, and are projected to increase to over $12.0 billion by 2009.[4] The use of the Internet has not only helped reduce operating costs, but has also promoted price transparency. Because customers can easily compare prices and service offerings on the Internet, rental car companies have become very competitive. To improve service offerings, rental car companies have introduced advances in vehicle tracking, information databases, and various high-tech products. They have installed mobile communication devices in their fleet, sophisticated technology for anti-carjacking, automated emergency response, among others.

- ***Market expansion.*** Rental car companies are expanding beyond their traditional markets. For example, Hertz and Avis are expanding off-airport retail and insurance replacement business. Enterprise is expanding into the airport rental car market. Advantage announced plans to expand its local retail market program. Within the airport market, the growth of regional airports has presented another area for the expansion of rental car operations.

[3] Dee-Ann Durbin, "Ford Completes Sale of Hertz Rental Car Division," *The Detroit Free Press*, December 21, 2005.
[4] JupiterResearch, "Total U.S. Online Auto Rental Booking Revenue," *Auto Rental News 2005 Fact Book*.

While structural changes have taken place within the rental car industry, changes have also taken place in the travel market. Passengers have come back to the air after a sharp decline in travel following the 2001 U.S. economic recession and the September 11, 2001 Events. However, travel patterns and preferences have changed. The Air Transport Association observed a disproportionate decline in short-haul air travel in favor of automobile travel. Heightened security at airports resulted in new taxes and fees, and longer passenger processing and wait times at airports. These added to the costs of air travel and made air travel less attractive relative to ground transportation, especially to short-haul destinations. While this trend hurt airline traffic and consequently airport car renting, it probably benefited the local market. A survey commissioned by Enterprise found that 65% of business travelers surveyed had taken a short-haul driving trip (300 miles or less) in the past year, and 44% of those who drove stated that they were taking more driving trips than in the past.[5]

B. RENTAL CAR COMPANIES SERVING THE AIRPORT[6]

It was mentioned in **Section I** that there are currently 12 rental car companies that serve the rental car market at the Airport: nine On-Airport Rental Car Companies and three Off-Airport Rental Car Companies.

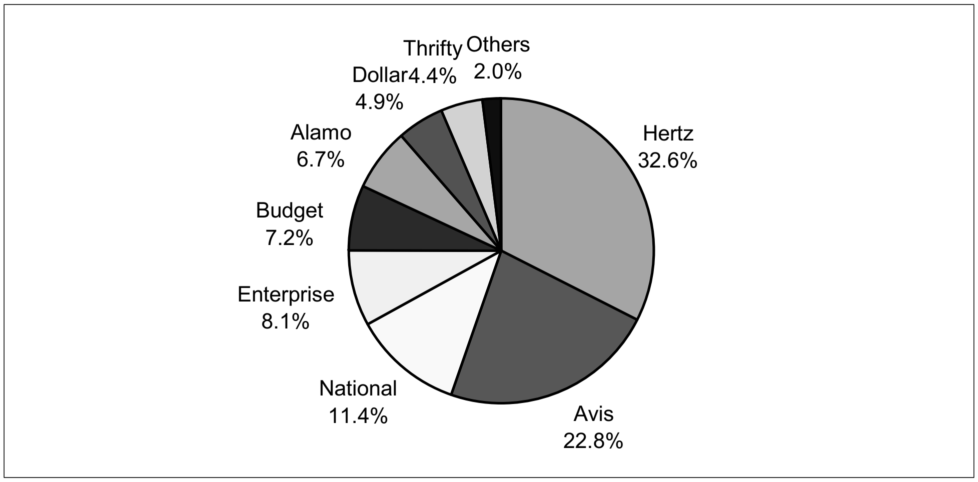
Based on data reported by the rental car companies to the Airport, their total gross revenues from their operations at the Airport amounted to approximately $293.0 million in 2005, representing a 8.9% increase over the total gross revenues of $269.1 million reported for 2004. **Figure III-3** shows the percentage distribution of gross revenues reported by the rental car companies for their operations at the Airport during 2005. Hertz held the largest share (32.6%) of gross revenues, followed by Avis (22.8%), National (11.4%), Enterprise (8.1%), Budget (7.2%), Alamo (6.7%), Dollar (4.9%), and Thrifty (4.4%). The off-Airport Rental Car Companies together accounted for approximately 2.0% of the ATL market.[7]

[5] "Study Says More Business Travelers Opting to Drive," *Auto Rental News*, December 2003, page 12. The survey, "Short-Haul Business Travel Survey", was conducted by Greenfield Online on behalf of Enterprise Rent-A-Car. A total of 520 business travelers, all of whom have taken at least four business trips in the past year, participated in the survey.

[6] The discussion in this subsection is based on information published in the individual company Internet sites and the Auto Rental News.

[7] Because EZ Rent a Car did not became an on-Airport company until January 12, 2006, it is included in the off-Airport category in 2005.

**HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
GROSS REVENUE SHARES BY COMPANY
CALENDAR YEAR 2005**



Source: Airport records. The "Others" category represents the four rental car companies that operated as Off-Airport Companies in 2005: Payless, E-Z, Airport Rent A Car, and Atlanta Rent A Car. EZ became an On-Airport Company effective January 12, 2006.

Below is a brief profile of each rental car company serving the ATL market, in order of their respective market shares at ATL during 2005.

1. The Hertz Corporation

Hertz is the oldest rental car company in the industry, tracing its beginnings to 1918, when Walter L. Jacobs opened his first car rental operation in Chicago. The company took the name of Hertz in 1923, when Jacobs sold it to John Hertz, president of Yellow Cab and Yellow Truck and Coach Manufacturing Company. Hertz became a subsidiary of the Ford Motor Company in 1994 and a publicly traded company in 1997. Hertz became a wholly owned subsidiary of Ford again when Ford reacquired the outstanding shares in 2001. On December 21, 2005, Ford completed the sale of Hertz to an investor group of private equity firms. Hertz now operates approximately 1,900 locations in the U.S. and approximately 5,100 locations abroad. As of 2004, Hertz operated a fleet of approximately 315,000 cars in the U.S, with airport locations accounting for 75% of Hertz' rental transactions.

2. Avis Rent-A-Car System, Inc.

Avis Rent-A-Car System, Inc. ("Avis") is a wholly-owned subsidiary of Cendant. It was founded in 1946 when Warren Avis began renting cars at Detroit's Willow Run Airport and Miami Airport. By 1948, Avis had expanded to locations in Chicago, Dallas, Houston, New York, Los Angeles, and Washington, D.C. As of 2003, Avis operated approximately 184,000 vehicles at 985 U.S. locations, including 332 at airports. Based on 2002 data, Avis' airport market consisted of 65% business and 35% leisure. Avis also operates abroad with 242 corporate locations and 522 licensees. The corporate ownership of Avis has changed over the years. In 1987, the company was purchased by its Employee Stock Ownership Plan and became one of the largest employee-owned companies in the United States. In 1989, General Motors Corporation acquired a 27% (later increased to 29%) ownership interest in the company. In October 1996, Avis was purchased by HFS, and then became a publicly traded company in 1997. In March 2001, Cendant, a successor in interest in HFS, acquired Avis Group Holdings, Inc., making Avis a wholly owned subsidiary of Cendant. As mentioned earlier, in October 2005, Cendant's Board of Directors approved a plan to separate Cendant into four, publicly-traded companies, one of which would be Cendant's vehicle rental businesses (Avis and Budget). As of 2004, Avis had a fleet of approximately 200,000.

3. Enterprise Rent-A-Car Company

Jack Taylor founded Executive Leasing, a vehicle leasing company, in St. Louis in 1957. The rent-a-car operation was launched in 1962, and in 1969, Executive Leasing changed its name to Enterprise Leasing and began expanding its operations outside St. Louis. Enterprise Rent-A-Car Company and its subsidiaries now operate at more than 5,400 offices in the United States and more than 600 offices in Canada, the United Kingdom, Germany and Ireland. Enterprise Rent-A-Car Company and its subsidiaries have historically focused on the local replacement market. In recent years, Enterprise has been expanding into the airport market. As of 2004, Enterprise had over 300 airport locations, which accounted for 8% of its rental car transactions.

4. National Car Rental Systems, Inc.

Twenty-four independent rental car operators established the company in 1947 and incorporated as National Car Rental Systems, Inc. ("National") in 1959. The company was based in St. Louis until 1961, when an investment group relocated the corporate headquarters in Minneapolis. The company was acquired by General Motors in 1992, and its ownership changed over the years. In January 2000, the company became a subsidiary of ANC Rental Corporation ("ANC"), which also owns Alamo. ANC implemented dual branding (selling both brands from a single counter space under a single concession agreement) and, in 2003, became Vanguard Car Rental USA Inc. ("Vanguard") upon another ownership change. Vanguard's airport market for the two brands was split equally between business and leisure customers. As of 2004, Vanguard had a fleet of approximately 209,000 vehicles.

5. Budget Rent a Car System, Inc.

Budget Rent a Car System, Inc. ("Budget") is also a wholly-owned subsidiary of Cendant Corporation. It was founded in Los Angeles in 1958 as a rental car company for the value-conscious renter. It expanded its leisure traveler segment of the airport market during the 1960s and 1970s, and, as of 2003, operated 105,000 vehicles in 933 locations across the United States, including 240 at airports. Budget also operates in 120 countries worldwide. Based on 2002 data, Budget's airport market consisted of 45% business and 55% leisure. Budget was a subsidiary of Ford Motor Company until April 1997 when it was acquired by Team Rental Group, later renamed Budget Group, Inc. In November 2002, Cendant acquired Budget and merged its administrative functions with those of Avis. In 2004, Budget had a total fleet of approximately 105,000 vehicles.

6. Alamo Rent-A-Car, LLC

A wholly owned subsidiary of Vanguard, Alamo Rent-A-Car, LLC ("Alamo") provides rental cars primarily to family and leisure travelers. Alamo began operations in 1974 at four Florida locations (Miami, Fort Lauderdale, Tampa, and Orlando), serving the local replacement market. Alamo began serving the Airport market at an off-Airport location in 1987, and moved on-Airport in 1990. Alamo has since expanded its on-airport operations nationwide. The corporate ownership of Alamo has changed over the years. In December 1996, Alamo merged with Republic Industries, Inc, which later became known as AutoNation, Inc. In January 2000, AutoNation, Inc. spun off of its rental car unit into a separate, publicly traded company, ANC Rental Corporation. ANC implemented dual branding (selling both the Alamo and National brands from a single counter space under a single concession agreement) and, in 2003, became Vanguard (see discussion for National, above). As of 2004, Vanguard had a fleet of approximately 209,000 vehicles.

7. Dollar Rent A Car Systems, Inc.

Dollar Rent A Car Systems, Inc. ("Dollar") began operating the Dollar brand in 1965 at its first location in Los Angeles, where its executive offices remained until relocating to Tulsa, Oklahoma in 1994. In 1990, Dollar was acquired by Chrysler Corporation (Chrysler), along with Thrifty Rent-A-Car System, Inc. and Snappy. Chrysler created Pentastar Transportation Group, Inc. ("PTG") to operate the rental car subsidiaries. In 1997, PTG merged into the Dollar Thrifty Automotive Group, Inc. ("DTG") and completed an initial public offering of its common stock. DTG operated the Dollar and Thrifty brands under a brand-based corporate structure until January 1, 2003 when it adopted a functional corporate structure, combining the management of operations and administrative functions for both the Dollar and Thrifty brands. The Dollar and Thrifty brands represent a value-priced rental vehicle generally appealing to leisure customers, including foreign tourists, and to small businesses and independent business travelers. As of 2004, Dollar's fleet size was approximately 79,000 vehicles. Dollar's main focus in the U.S. is operating company-owned stores located in major airports, and it derives substantial revenues from leisure and tour package rentals. Based on 2004 data, Dollar's airport business accounted for 90% of its total annual transactions. Dollar's airport market is split approximately 40% business and 60% leisure.

8. Thrifty Rent-A-Car System, Inc.

Thrifty Rent-A-Car System, Inc. ("Thrifty") was incorporated in 1950 and began car rental operations in Tulsa, Oklahoma, with a focus on off-airport locations. The Chrysler Corporation acquired Thrifty in 1989, and in 1997 Chrysler divested Thrifty in an initial public offering as part of Dollar-Thrifty Automotive Group, Inc. ("DTG"). DTG established Thrifty, Inc. in 1998, which owns Thrifty and Thrifty Car Sales, Inc. Thrifty has historically derived its revenues primarily from franchising fees and services including vehicle leasing. However, as part of a new strategy, Thrifty is now shifting to operating more company-owned stores by acquiring franchisee locations in key markets. As of 2004, Thrifty had a fleet of 60,000 vehicles, with airport transactions accounting for 70% of Thrifty's total rental transactions. Thrifty's airport market is divided into 40% business and 60% leisure.

9. Others

The four Off-Airport Rental Car Companies in 2005, which together accounted for approximately 2.0% of the ATL market in 2005, were the following:

- Payless Car Rental ("Payless"), a privately held company, was founded in 1971 in Spokane, Washington. In 1989, a Taiwanese investment group purchased Payless and expanded the brand worldwide. In 2001, Avalon Global Group, Inc., a privately held company for strategic global brands within the automotive, lodging, travel, and technology industries, was formed to serve as the parent company for Payless and other brands. In 2002, Payless formed a cooperative agreement with Sixt Rent A Car, and in 2004, Payless formed a partnership with Network Car and Truck Rentals. Through these partnerships, Payless serves over 1,500 locations worldwide. Payless is headquartered in St. Petersburg, Florida. In 2004, Payless operated a fleet of approximately 8,500 vehicles. Approximately 75% of Payless' transactions are generated in the airport market segment.

- E-Z Rent-A-Car ("E-Z") is a privately held company based in Orlando, Florida, offering rental car services to the public and the federal government. Founded in Orlando in 1994 with a fleet of nine cars, E-Z has grown to a fleet of 5,000 cars in thirteen locations in three states, namely: Florida, Georgia and Texas. EZ became an On-Airport Rental Car Company effective January 12, 2006.

- Airport Rent a Car of Atlanta is a private corporation that began serving the ATL market in November 2004 from an off-Airport location in College Park, Georgia.

- Atlanta Rent A Car was founded in 1978 to serve the local replacement and leisure market. The company began serving the ATL market in September 2005, from an off-Airport location in East Point, Georgia.

SECTION IV
THE ECONOMIC BASE OF THE AIRPORT

The demographic and economic attributes of the air service area are important determinants of air travel demand, particularly the origin and destination ("O&D") component, and airport rental car demand. This section defines the air service area of the Airport, and reviews recent demographic and economic trends in the area.

A. THE AIRPORT'S AIR SERVICE AREA

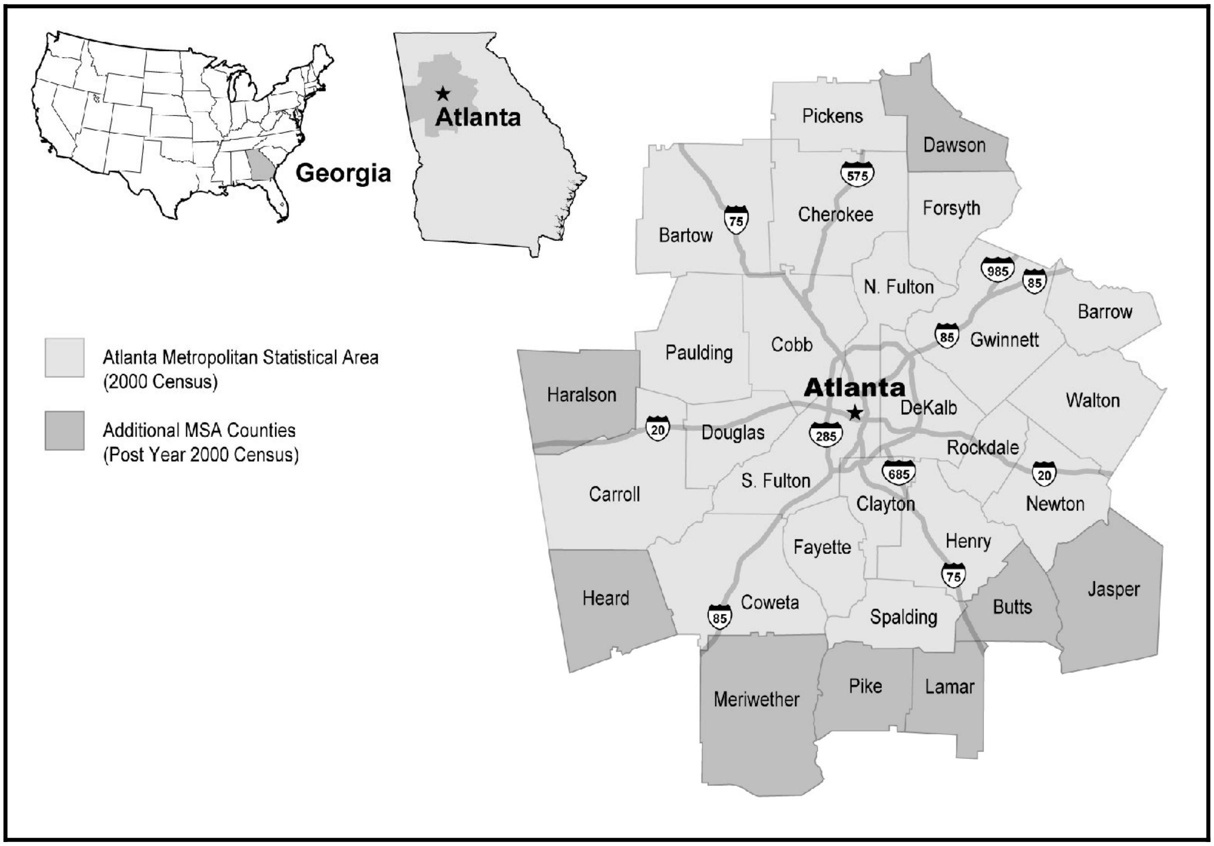
The Airport's primary air service area (the "ASA") is the Atlanta-Sandy Springs-Marietta, Georgia Metropolitan Statistical Area (the "Atlanta MSA"), which covers 8,376 square miles. As shown in **Figure IV-1,** the following 28 counties comprise the Atlanta MSA: Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Newton, Paulding, Pickens, Pike, Rockdale, Spalding and Walton. These counties are well connected by a rail system operated by the Metropolitan Atlanta Rapid Transit Authority ("MARTA"), and a network of interstate highways and state highways. Highways I-85, I-285, and I-75 provide convenient access to and from the Airport.

The Airport also serves a secondary air service area, which includes the remainder of the state of Georgia and portions of Alabama, Tennessee, North Carolina, and South Carolina. Following are the other commercial airports located nearest to ATL:

- Birmingham International Airport, Alabama (small hub; 153.7 road miles from ATL)
- Huntsville-Madison County International Airport, Alabama (small hub; 246.1 road miles from ATL)
- Columbia Metropolitan Airport, South Carolina (small hub; 212.3 road miles from ATL)
- Greenville-Spartanburg International Airport, South Carolina (small hub; 166.3 road miles from ATL)
- Charlotte-Douglas International Airport, North Carolina (large hub; 252.0 road miles from ATL)
- Nashville International Airport, Tennessee (medium hub; 253.7 road miles from ATL)
- Jacksonville International Airport, Florida (medium hub; 349.5 road miles from ATL)

The remainder of this section focuses on the demographic and economic attributes of the Airport's primary ASA – the Atlanta MSA.

FIGURE IV-1
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
PRIMARY AIR SERVICE AREA
ATLANTA METROPOLITAN STATISTICAL AREA



B. POPULATION

The Atlanta MSA provides a large and growing population base for air travel demand. Based on the 2000 Census, the Atlanta MSA, with a population exceeding 4.1 million in 2000, was the 8th largest metropolitan area in the United States. **Table IV-1** presents the population estimates of the U.S. Census Bureau for the Atlanta MSA by county in 1994 and 2004. The population of the entire MSA increased 3.2% per year, on average, from 3.4 million in 1994 to 4.7 million in 2004. The historical annual population growth rate in the Atlanta MSA surpassed the annual population growth rate in the entire state of Georgia (2.3%) and the United States (1.2%). According to data from the U.S. Census Bureau, 56% of the population change in the Atlanta MSA between April 1, 2000 and July 1, 2004 resulted from in-migration,[1]

[1] U.S. Census Bureau, *Cumulative Estimates of the Components of Population Change for Counties of Georgia: April 1, 2000 to July 1, 2003*, at www.census.gov.

driven by the influx of high-tech firms and the expansion of large corporations.[2] NPA Data Services, Inc., an economic research, forecasting and data development firm, projects that the area's population will reach 6.2 million by 2014, growing at an average rate of 2.8% annually. The projected annual population growth rate for the Atlanta MSA is higher than the annual growth rates projected for the state of Georgia (1.9%) and the United States (1.0%) during the same period.[3]

TABLE IV-1
ATLANTA MSA
POPULATION BY COUNTY
1994-2004

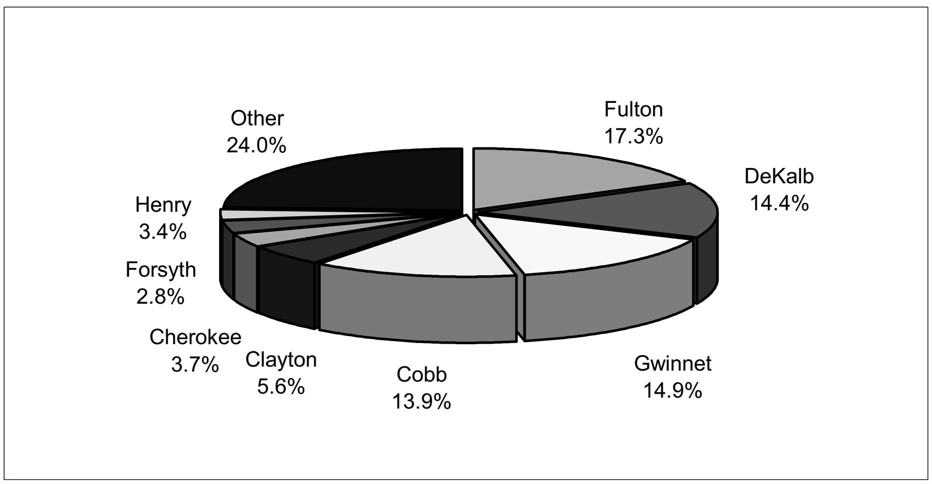
County	Population Estimates		Avg. Annual Growth Rate
	1994	2004	1994-2004
Barrow	34,440	56,418	5.1%
Bartow	61,497	86,972	3.5%
Butts	15,645	22,362	3.6%
Carroll	76,452	101,577	2.9%
Cherokee	108,930	174,680	4.8%
Clayton	194,809	264,951	3.1%
Cobb	508,747	654,005	2.5%
Coweta	67,919	105,376	4.5%
Dawson	11,317	19,064	5.4%
DeKalb	576,469	675,725	1.6%
Douglas	79,735	107,217	3.0%
Fayette	75,711	101,333	3.0%
Forsyth	56,895	131,865	8.8%
Fulton	691,155	814,438	1.7%
Gwinnet	433,710	700,794	4.9%
Haralson	22,955	28,069	2.0%
Heard	9,330	11,290	1.9%
Henry	78,890	159,506	7.3%
Jasper	8,956	12,866	3.7%
Lamar	13,709	16,410	1.8%
Meriwether	22,937	22,750	-0.1%
Newton	48,318	81,524	5.4%
Paulding	55,681	105,936	6.6%
Pickens	16,201	27,771	5.5%
Pike	10,938	15,750	3.7%
Rockdale	61,905	76,821	2.2%
Spalding	56,799	60,886	0.7%
Walton	44,811	71,941	4.8%
Atlanta MSA	**3,444,861**	**4,708,297**	**3.2%**
Georgia	**7,045,900**	**8,829,383**	**2.3%**
United States	**260,327,021**	**293,655,404**	**1.2%**

Source: U.S. Census Bureau at www.census.gov.

[2] Carter, "Atlanta," *City Overviews*, Third Quarter 2004. (Carter is a full-service commercial real estate firm with offices in Atlanta, Birmingham, Jacksonville, Orlando, Raleigh and Tampa.)
[3] NPA Data Services, Inc., "Historical Data & Projections, 1969-2030", *Final 2005 Regional Economic Projections Series Economic/Household Databases,* November 11, 2005.

Table IV-1 shows that the fastest growing counties in the Atlanta MSA are Forsyth, Henry, Paulding, and Pickens – each recorded an average annual population growth rate of at least 5.5% between 1994 and 2004. The most populous counties are Fulton, Gwinnet, DeKalb and Cobb, which together accounted for 60.4% of the Atlanta MSA population in 2004. **Figure IV-2** presents the population distribution in the Atlanta MSA in 2004.

FIGURE IV-2
ATLANTA MSA
POPULATION SHARES BY COUNTY
2004



"Other" includes the counties of Douglas, Coweta, Paulding, Fayette, Carroll, Bartow, Newton, Rockdale, Walton, Spalding, Barrow, Haralson, Pickens, Meriwether, Butts, Dawson, Lamar, Pike, Jasper and Heard.
Source: U.S. Census Bureau at www.census.gov.

C. LABOR FORCE

Trends in the labor market generally reflect the state of the local economy. **Table IV-2** presents historical data on the civilian labor force, employment and unemployment in the Atlanta MSA from 1995 to 2005. The area's work force increased from nearly 2.0 million in 1995 to approximately 2.5 million in 2005, representing an average growth rate of 2.4% per year. Over the same period, the number of employed persons also increased at an average annual rate of 2.3%, from 1.9 million in 1995 to 2.4 million in 2005. The number of unemployed increased from 84,530 in 1995 to 129,835 in 2005, rising at an average annual rate of 4.4%. In the past 10 years, the unemployment rate in the Atlanta MSA ranged from a low of 3.0 percent in 1999 and a high of 5.2 percent in 2005.

TABLE IV-2
ATLANTA MSA
LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
1995-2005

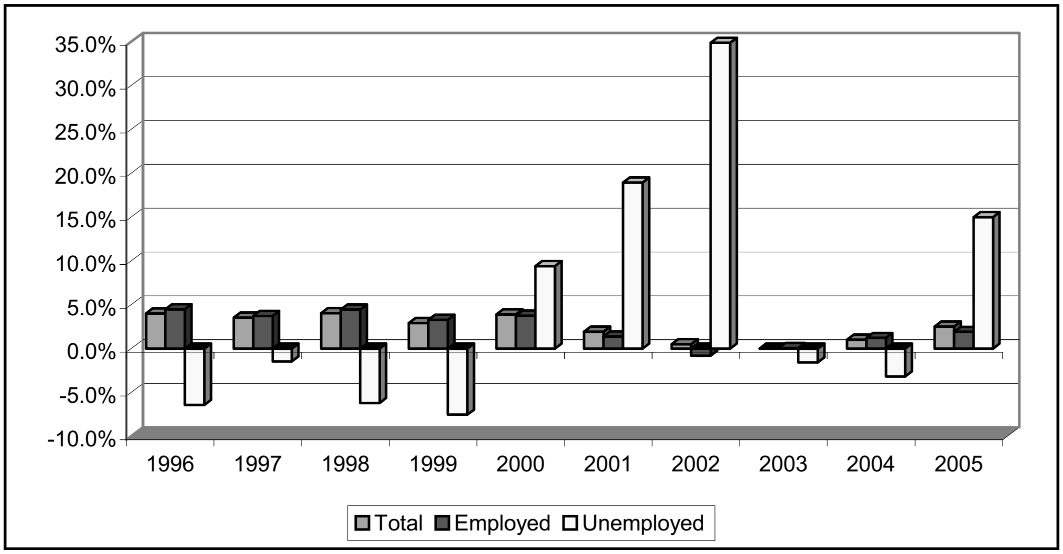
Year	Labor Force Total	Labor Force Employed	Labor Force Unemployed	Unemployment Rate
1995	1,980,694	1,896,164	84,530	4.3%
1996	2,060,117	1,981,031	79,086	3.8%
1997	2,132,489	2,054,573	77,916	3.7%
1998	2,218,642	2,145,565	73,077	3.3%
1999	2,283,336	2,215,775	67,561	3.0%
2000	2,372,493	2,298,587	73,906	3.1%
2001	2,418,289	2,330,399	87,890	3.6%
2002	2,430,129	2,311,603	118,526	4.9%
2003	2,429,742	2,313,095	116,647	4.8%
2004	2,454,111	2,341,186	112,925	4.6%
2005	2,515,632	2,385,797	129,835	5.2%
	Average Annual Growth Rate			
1995-2005	2.4%	2.3%	4.4%	

Source: U.S. Bureau of Labor Statistics at stat.bls.gov.

Figure IV-3 shows the annual growth rates in total, employed and unemployed labor force in the Atlanta MSA. Following three years of rising unemployment, the number of unemployed fell for two years in a row in 2003 and 2004, as the growth in employment exceeded the expansion of the labor force. In 2005 unemployment rose again because the growth in employment during that year did not keep pace with the growth in the labor force.

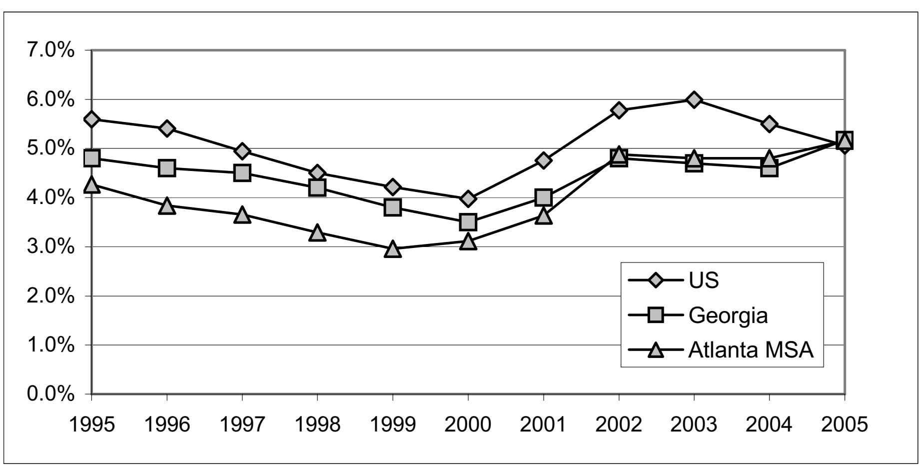
Unemployment trends in the Atlanta MSA generally followed the state and national trends **(Figure IV-4)**. The unemployment rate declined from 1994 through 2000 during the economic expansion. It increased in 2001 due to the economic recession and in 2002 due to productivity increases that resulted in a "jobless" recovery in 2002. The unemployment rate in the Atlanta MSA, however, remained significantly lower than that of the United States from 1995 through 2004. It remained lower than the unemployment rate in Georgia from 1994 through 2001 and then tracked the state unemployment rate closely from 2002 through 2005. In 2005, the unemployment rate rose in the Atlanta MSA – as it did in the entire state of Georgia – and fell nationwide. As a result, the unemployment rate in the Atlanta MSA surpassed the national average in 2005.

FIGURE IV-3
ATLANTA MSA
ANNUAL GROWTH RATES IN TOTAL, EMPLOYED AND UNEMPLOYED LABOR FORCE
1996-2005



Source: U.S. Bureau of Labor Statistics at stat.bls.gov.

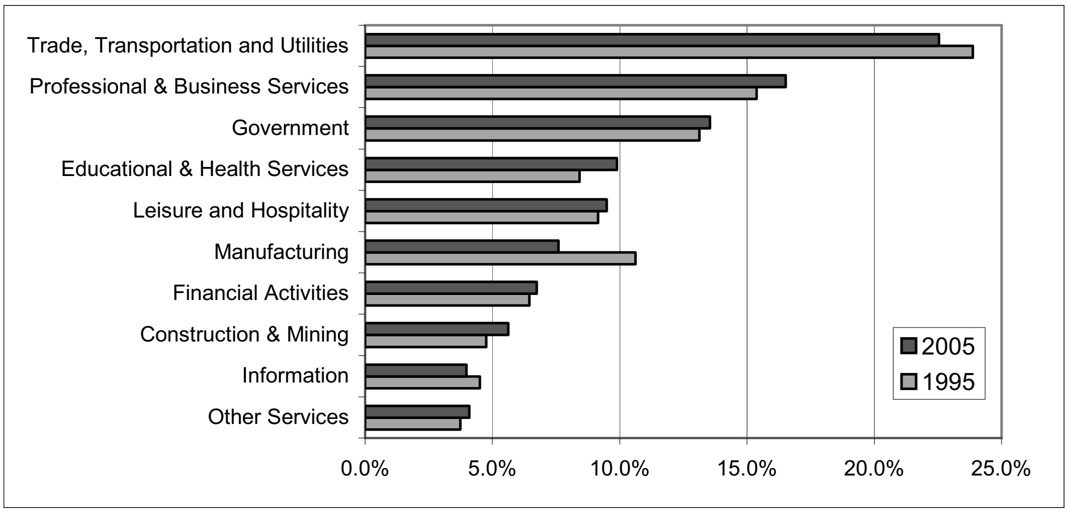
FIGURE IV-4
ATLANTA MSA, GEORGIA AND UNITED STATES
UNEMPLOYMENT RATES
1995-2005



Source: U.S. Bureau of Labor Statistics at stat.bls.gov.

Figure IV-5 shows the percentage distribution of non-farm employment in the Atlanta MSA by industry in 1995 and 2005, based on data from the U.S. Bureau of Labor Statistics. **Figure IV-5** illustrates the diversity of the local economy, with no single industry accounting for more than 23% of jobs. Trade, transportation and utilities accounted for 22.5%, the largest share in 2005, a slight decrease from 23.9% in 1995. Professional and business services accounted for the second largest share of 16.5% in 2005, a slight increase from 15.4% in 1995. The government accounted for the third largest share of 13.5% in 2005, an increase from 13.1% in 1995.

FIGURE IV-5
ATLANTA MSA NON-FARM EMPLOYMENT
PERCENTAGE SHARE BY INDUSTRY
1995 and 2005

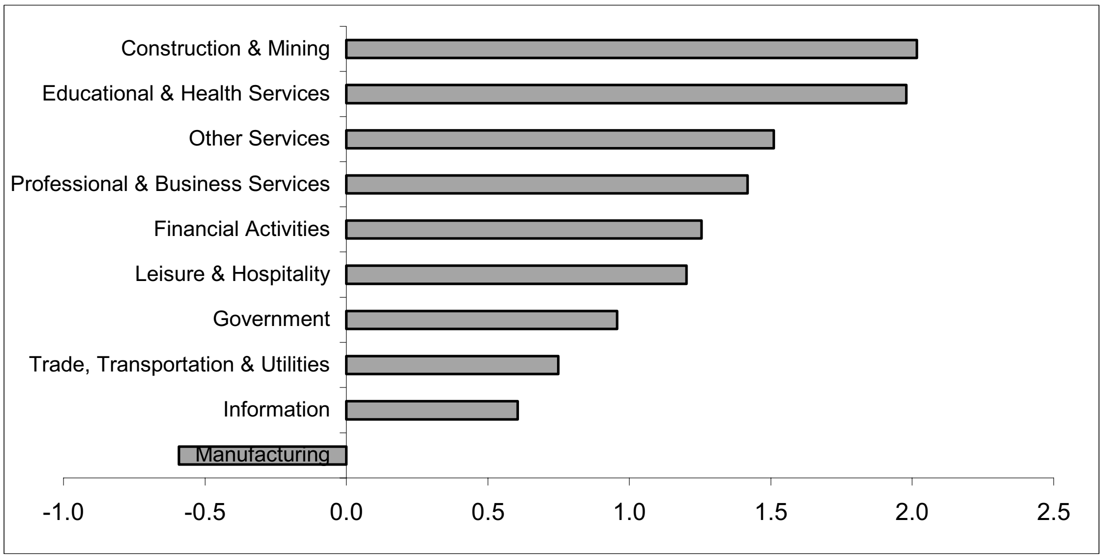


"Construction & Mining" includes "Natural Resources and Mining" which accounted for a negligible share of non-farm employment in the Atlanta MSA.
Source: U.S. Bureau of Labor Statistics at stat.bls.gov.

Figure IV-6 shows the Job Growth Index by industry in the Atlanta MSA. The Job Growth Index is the ratio of an industry's percentage change in jobs to the percentage change in total jobs within a region over a given period, in this case 1995-2005. The Job Growth Index measures how fast an industry is growing relative to overall job growth in the area. Above-average growth occurred in the following sectors: construction; educational and health services; other services; professional and business services; financial activities; and leisure and hospitality. Government; trade, transportation and utilities; and information recorded below-average job growth, and manufacturing suffered job loss.

The U.S. Bureau of Economic Analysis tracks a broader measure of total nonfarm employment that includes self-employed, military, and undocumented workers. By this measure, total nonfarm employment in the Atlanta MSA was estimated at approximately 3.0 million in 2005, an increase of 31.4% over 10 years, or 2.8% annually, from 2.3 million in 1995. NPA Data Services, Inc. projects total non-farm employment in the Atlanta MSA to reach 4.2 million by 2015, representing an average annual growth of 3.5% per year between 2005 and 2015. This is higher than the annual growth rates projected statewide (2.8%) and nationwide (1.8%).[4]

FIGURE IV-6
ATLANTA MSA
JOB GROWTH INDEX
1995-2005



"Construction & Mining" includes "Natural Resources and Mining" which accounted for a negligible share of non-farm employment in the Atlanta MSA.
The "Job Growth Index" is the ratio of an industry's percentage change in jobs to the percentage change in total jobs within a region over a given period.
Source: U.S. Bureau of Labor Statistics at stat.bls.gov.

Atlanta is a regional, national and global center for business operations of all kinds – from headquarters to life sciences, from distribution centers to traditional manufacturing. Top business magazines rank Atlanta high as a place to locate headquarters, new business and operations:

- First in *Expansion Management/Logistics Today,* “Most Friendly Logistics City in the Southeast” in 2005
- Second in *Expansion Management,* “America’s 50 Hottest Cities” for business expansion and relocation in 2005

[4] NPA Data Services, Inc., “Historical Data & Projections, 1969-2030”, *Final 2005 Regional Economic Projections Series Economic/Household Databases,* November 11, 2005.

- Third in *Fortune Magazine,* "Top Cities with the Most Fortune 500 Headquartered Firms" in 2005

- First in *Black Enterprise,* "Top Cities for Black Americans" in 2004.

Today more than 700 of the Fortune 1000 firms have operations in Atlanta. Thirteen Fortune 500 and 24 Fortune 1000 companies have headquarters in the Atlanta MSA. **Table IV-3** lists the largest private employers in the Atlanta MSA in 2005. Not in the list, the Airport is another major employment center with approximately 55,300 airline, concessionaire, City, and other jobs.[5] Many other companies continue to relocate in Atlanta. **Table IV-4** lists those companies that have moved to Atlanta in the last three years. High quality of life, low cost of living, and extensive infrastructure make Atlanta a desirable business location.

TABLE IV-3
ATLANTA MSA
LARGEST PRIVATE EMPLOYERS
2005

Employer	Industry
10,000 employees or more	
AT&T	Telecommunications
Bell South*	Telecommunications
Delta Air Lines*	Air transportation
Kroger Company	Grocery retail
Publix Super Markets	Grocery retail
Randstad Staffing Services	Staffing
United Parcel Service*	Transportation
Walmart Associates	Consumer goods retail
8,000-9,999 employees	
The Home Depot*	Home improvement
IBM	Information technology
Lockheed Martin	Aerospace
Waffle House	Food services
5,000-7,999 employees	
Bank of America	Financial services
The Coca-Cola Company*	Soft drinks
Cox Enterprises*	Cable television
General Motors Corporation	Automobiles

*Headquarters in the Atlanta MSA.
Source: Metropolitan Atlanta Chamber of Commerce.

[5] Leigh Fisher Associates, *Report of the Airport Consultant, City of Atlanta Airport General Revenue Bonds, Series 2004F, 2004G, 2004I, 2004J, and 2004K*, November 2, 2004, page A-31.

TABLE IV-4
ATLANTA MSA
COMPANIES THAT HAVE RECENTLY RELOCATED IN ATLANTA
2003-2005

Company	Type of operation	Employees	Year
Arby's LLC*	Headquarters offices	190	2005
Novelis*	International headquarters	70	2005
O'Reilly Automotive	Regional Distribution Center	225	2005
AirTran Airways	Satellite call center	220	2004
Del Monte Foods	Regional distribution center	115	2004
Fidelity & Guaranty Life*	International headquarters	50	2004
Life Therapeutics	R&D / Bio-tech	50	2004
Newell Rubbermaid*	Headquarters offices	250	2004
Rayovac*	Headquarters offices	30	2004
Schneider National	Regional logistics center	560	2004
Computer Generated Solutions	US technical support center	250	2003
New York Life	Data center	100	2003
Philips Medical Systems*	US technical support center	140	2003

*Relocation from outside Georgia.
Source: Metropolitan Atlanta Chamber of Commerce.

D. INCOME

Income is another important indicator of the state of the local economy. **Table IV-5** presents data on real personal income per capita in the Atlanta MSA, as compared to the state of Georgia and the United States, for the years 1994, 2000 and 2004. During those years, real personal income per capita was consistently higher in the Atlanta MSA than in the state of Georgia and the United States.

Between 1994 and 2000, real personal income per capita increased faster in the Atlanta MSA (3.4% per year) than in the state of Georgia (3.1% per year) and the United States (2.9% per year). Between 2000 and 2004, however, personal income per capita decreased at 0.6% per year in the Atlanta MSA, while trending flat in the state of Georgia and increasing 0.5% per year nationwide. NPA Data Services, Inc. projects that real personal income per capita will increase by 2.8% per year between 2004 and 2014 in the Atlanta MSA, the same as the rate of increase projected for the United States but lower than the 3.1% annual increase projected for the state of Georgia.

TABLE IV-5
ATLANTA MSA, GEORGIA AND THE UNITED STATES
REAL PERSONAL INCOME PER CAPITA
(In Constant 2000 Dollars)
1994, 2000 and 2004

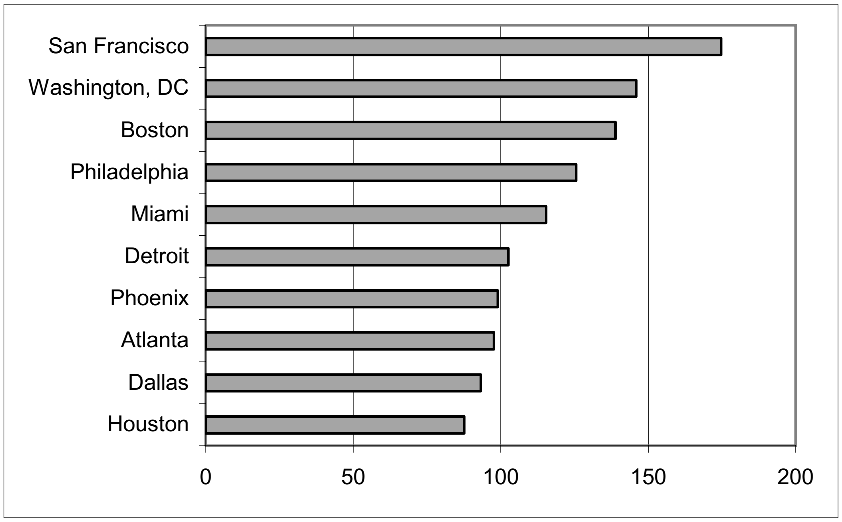
Year	Atlanta MSA	Georgia	United States
1994	$26,931	$23,279	$24,954
2000	$32,948	$27,976	$29,628
2004	$32,225	$28,028	$30,264
	Average Annual Growth Rate		
1994-2000	3.4%	3.1%	2.9%
2000-2004	-0.6%	0.0%	0.5%

Source: NPA Data Services, Inc., "Historical Data & Projections, 1969-2030", Final 2005 Regional Economic Projections Series Economic/ Household Databases, November 11, 2005.

E. COST OF LIVING

Residents in the Atlanta MSA enjoy above-average household incomes, with below-average cost of living. Based on the ACCRA Cost of Living Index for the third quarter of 2005, the cost of living in Atlanta is, on average, 2.8% lower than the cost of living in the entire country. Utilities, grocery items, and housing are particularly less expensive in Atlanta. **Figure IV-7** compares the cost of living index for the third quarter 2005 in Atlanta with the cost of living index in other U.S. metropolitan areas with populations between 3.7 million and 5.8 million. Of the selected ten metropolitan areas in **Figure IV-7**, Atlanta has the third lowest cost of living index.

FIGURE IV-7
COST OF LIVING INDEX AT SELECTED METROPOLITAN AREAS
Third Quarter 2005



U.S. Average = 100
Source: *ACCRA Cost of Living Index, Data of Third Quarter 2005*, November 2005.

F. BUSINESS ESTABLISHMENTS

According to the *Sales & Marketing Management* (S&MM) Survey of Buying Power and Media Markets, the Atlanta MSA ranked 11th among the top 300 metropolitan areas United States in the total number of business establishments in 2005 (**Table IV-6**). For that year, the S&MM Survey reported a total of 179,404 business establishments in the Atlanta MSA. We cannot compare historical data from the S&MM Survey data because of a change in the definition of business establishment in 2000 and an expansion in the county coverage of the Atlanta MSA in 2003. According to the Census database, MSA Business Patterns, the number of business establishments in the Atlanta MSA increased 6.5% between 1998 and 2001.[6]

[6] The U.S. Census Bureau does not report any more recent data.

TABLE IV-6
TOP TWENTY METROPOLITAN AREAS BY TOTAL BUSINESS ESTABLISHMENTS
2005

Rank	MSA	Establishments
1	New York-Newark-Edison, NY-NJ-PA	739,114
2	Los Angeles-Long Beach-Santa Ana, CA	522,033
3	Chicago-Naperville-Joliet, IL-IN-WI	342,780
4	Miami-Fort Lauderdale-Miami Beach, FL	245,021
5	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	218,661
6	Dallas-Fort Worth-Arlington, TX	217,925
7	Washington-Arlington-Alexandria, DC-VA-MD-WV	204,073
8	San Francisco-Oakland-Freemont, CA	203,678
9	Boston-Cambridge-Quincy, MA-NH	201,238
10	Houston-Baytown-Sugar Land, TX	199,081
11	**Atlanta-Sandy Springs-Marietta, GA**	**179,404**
12	Detroit-Warren-Livonia, MI	162,118
13	Seattle-Tacoma-Bellevue, WA	124,605
14	San Diego-Carlsbad-San Marcos, CA	118,828
15	Minneapolis-St. Paul-Bloomington, MN-WI	117,873
16	Phoenix-Mesa-Scottsdale, AZ	116,398
17	St. Louis, MO-IL	105,546
18	Riverside-San Bernardino-Ontario, CA	103,126
19	Tampa-St. Petersburg-Clearwater, FL	102,058
20	Denver-Aurora, CO	98,177

Source: Sales & Marketing Management 2004 Survey of Buying Power and Media Markets.

G. MAJOR INDUSTRY SECTORS

This sub-section describes some of the major industry sectors in the Atlanta MSA.

1. <u>Trade</u>

Trade – wholesale and retail – is a vital industry sector with 17.3% of total non-farm jobs in 2005. Employment in the trade sector increased 57.5% between 1995 and 2005, an average annual growth rate of 4.6%.[7] A popular indicator of trends in the trade sector is retail sales. Based on S&MM data on retail sales in 2005, Atlanta MSA, with total retail sales of nearly $74 billion, ranked 10th among the top 300 metropolitan areas in the United States.[8]

Atlanta is poised to become the country's gateway for commerce by becoming the headquarters of the Free Trade Area of the Americas ("FTAA"). Thirty-four countries in the western hemisphere are negotiating free trade agreements to form the world's largest free trade zone. The Metro Atlanta Chamber is working with the State of

[7] Based on employment data from the U.S. Bureau of Labor Statistics at stat.bls.gov.
[8] *Sales & Marketing Management 2005 Survey of Buying Power and Media Markets*.

Georgia and several civic partners to spearhead "Atlanta, Georgia - Gateway to the Americas," the State's efforts to locate to Atlanta the trade zone's headquarters, known as the Secretariat.[9]

2. Transportation

Atlanta has an extensive inter-modal network of air, road and rail transportation services; a convenient connection to port facilities; and a world-reaching telecommunications network that make the area the transportation hub of the Southeast and a popular global business hub.[10] The transportation industry sector accounted for 4.7% of non-farm employment in the Atlanta MSA in 2005. Employment in the sector grew 14.7% between 1995 and 2005, or 1.4% per year on average.[11]

Atlanta has grown into a leading global logistics hub due to its large cluster of headquarters that demand efficient services, vital southeast geographic location in terms of highways and rail, frequency of flights to anywhere in the world via ATL, and concentration of supply-chain software and warehousing activity. The logistics industry in the Atlanta MSA includes more than 1,140 business establishments that employ more than 84,000. Major employers include ATL, UPS, Norfolk Southern, Delta Air Lines, AirTran Airways, CSX Transportation and Federal Express. Atlanta's competitive standing in the industry is strong:[12]

- 4th in warehouse inventory
- 4th in number of freight forwarders
- 1st in Third-party Logistics Providers
- 10th among U.S. airports in air-cargo traffic[13]

9 Metro Atlanta Chamber of Commerce at www.metroatlantachamber.com.
10 Metro Atlanta Chamber of Commerce, "Logistics Industry in Metro Atlanta and Georgia," *Overview*, 2004.
11 Based on employment data from the U.S. Bureau of Labor Statistics at stat.bls.gov.
12 Metro Atlanta Chamber of Commerce, "Logistics Industry in Metro Atlanta and Georgia," *Overview*, 2004.
13 Airports Council International, "World Airport Ranking by Total Cargo", *ACI 2004 Worldwide Airport Traffic Statistics*.

3. Professional and Business Services

The professional and business services industry sector consists of the following industries:

- Professional, scientific and technical services
    - Accounting, tax preparation, bookkeeping and payroll services
    - Architectural, engineering and related services
    - Computer systems design and related services
    - Management, scientific and technical consulting services
- Management of companies and enterprises
- Administrative and support
- Waste management and remediation services
- Employment services

Over the past 10 years, the professional and business services industry sector has been the largest contributor to employment growth in the Atlanta MSA. The entire professional and business services industry sector accounted for 16.5% of total non-farm employment in the Atlanta MSA in 2005. Employment in the sector grew 30.9% between 1995 and 2005, or 2.7% per year on average.[14]

4. Educational and Health Services

The educational and health services sector consists of the following industries:

- Health care and social assistance
- Hospitals
- Social assistance

The educational and health services industry sector is another significant contributor to employment growth in the Atlanta MSA. The entire sector accounted for 9.9% of total non-farm employment in the Atlanta MSA in 2005, and employment in the sector grew 43.1% between 1995 and 2005, or 3.6% per year on average.[15]

---

[14] Based on employment data from the U.S. Bureau of Labor Statistics at stat.bls.gov.
[15] Based on employment data from the U.S. Bureau of Labor Statistics at stat.bls.gov.

5. Leisure and Hospitality

The leisure and hospitality sector consists of the following industries:

- Arts, entertainment and recreation
- Accommodation and food services
- Food services and drinking places

The entire sector accounted for 9.5% of total non-farm employment in the Atlanta MSA in 2005, and employment in the sector grew 26.2% between 1995 and 2005, or 2.4% per year on average.[16]

World-class shopping and dining, and superb recreation, sports, and cultural opportunities not only make Atlanta a great place to live and do business, but also a prime destination for visitors all over the world. Atlanta has numerous professional sports events with the Braves (Major League Baseball), Falcons (National Football League), Hawks (National Basketball Association), and the Thrashers (National Hockey League). Annual college events include the NCAA basketball playoffs and the football championships such as the Chick-fil-A Peach Bowl, Gridiron Classic and SEC Championship. Professional events include major golf tournaments such as the BellSouth Classic, PGA Golf Tournament, the Sarazen World Open, and the Chick-fil-A Charity Championship, the Fourth of July Peachtree Road Race and major competitions in auto racing such as the NAPA 500. The Imagine IT! Children's Museum of Atlanta opened in 2003; the Georgia Aquarium opened in 2005; and the construction of the new home for World of Coca-Cola will attract tourists for longer visits to Atlanta. Fundraising is underway for the construction of the $200 million Atlanta Symphony Hall, scheduled to open in 2008. Atlanta offers a variety of recreational opportunities in numerous parks, art galleries, museums, theatres, and year-round festivals.[17]

Atlanta is one of the largest convention centers in the United States. Its 3.9 million-square-foot Georgia World Congress Center has consistently ranked as one of North America's leading meeting and exhibition facilities. Atlanta hosts approximately 2,900 conventions and 3.2 million delegates each year (**Table IV-7**).

[16] Based on employment data from the U.S. Bureau of Labor Statistics at stat.bls.gov.
[17] Carter, "Atlanta," *City Overviews*, Third Quarter 2004. (Carter is a full-service commercial real estate firm with offices in Atlanta, Birmingham, Jacksonville, Orlando, Raleigh and Tampa.)

TABLE IV-7
ATLANTA MSA
CONVENTION ATTENDANCE
1995-2004

Year	Number of Conventions	Number of Delegates
1995	2,650	3,102,455
1996	2,280	2,780,000
1997	2,816	3,200,000
1998	3,057	3,423,000
1999	3,252	3,642,000
2000	3,150	3,500,000
2001	2,992	3,225,000
2002	2,900	2,934,750
2003	2,825	2,858,447
2004	3,005	3,041,387
Average	2,893	3,170,704

Source: Atlanta Convention and Visitors Bureau, Atlanta Fact Sheet, 2005.

6. Construction

Employment in the construction industry increased 44.8% between 1995 and 2005, or 3.8% per year on average. Construction accounted for 5.6% of total non-farm employment in the Atlanta MSA in 2005.

As of the third quarter of 2004, a total of 1.27 million square feet of Class A office space and 436,826 square feet of Class B office space were under construction, adding to the 163.3 million square feet of non-owner-occupied inventory in 1,865 buildings. A total of 3.60 million square feet of industrial space was under construction, adding to 488.6 million square feet of inventory in 6,091 projects.

Table IV-8 presents historical data showing that the number and value of new privately-owned housing units authorized in the Atlanta MSA each year have been increasing at average annual rates of 6.0% and 9.6%, respectively, between 1994 and 2004.

In 2004 there were 73,995 new privately-owned housing units – valued at $8.6 billion – authorized for construction in the Atlanta MSA. These put Atlanta in first place among the top twenty metropolitan areas in new housing construction authorized in 2004 (**Figure IV-8**).

TABLE IV-8
ATLANTA MSA
NEW PRIVATELY OWNED HOUSING UNITS AUTHORIZED
1994-2004

Year	No. of Housing Units	Value of Investment (Thousand)
1994	41,237	3,440,194
1995	48,277	3,888,027
1996	48,262	4,097,253
1997	49,774	4,418,909
1998	57,803	5,498,946
1999	61,046	6,124,492
2000	64,216	6,071,988
2001	65,268	6,631,805
2002	66,551	6,849,343
2003	66,377	7,352,248
2004	74,007	8,606,918
Average Annual Growth Rate		
1994-2004	6.0%	9.6%

Source: U.S. Census Bureau at www.census.gov.

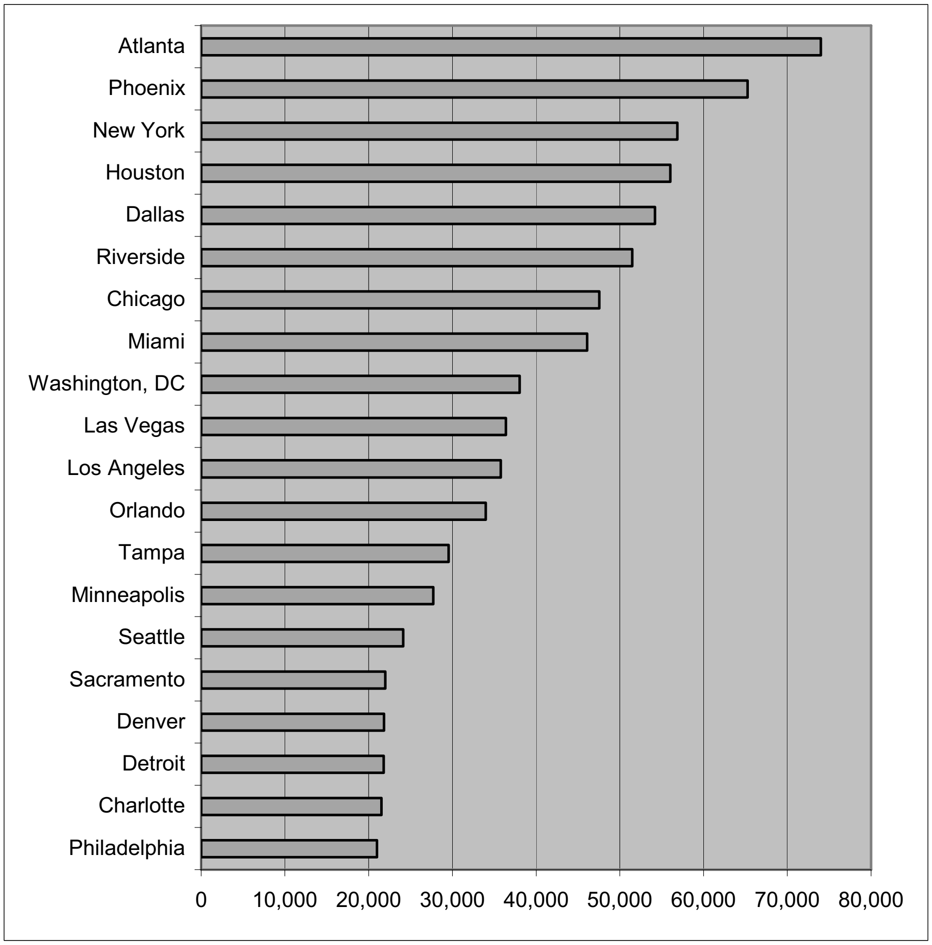
H. SUMMARY

The demographic and economic trends in the Atlanta MSA demonstrate the ability of the area to continue supporting growth in air travel and rental car demand at the Airport. The forecasting methodology presented in Section V of this report includes, as a component in the analyses, the local employment trends in the Atlanta MSA in the projections of rental car demand at the Airport. Highlights of the demographic and economic trends in the Atlanta MSA:

- **Large and growing population.** Between 1994 and 2004, the population of the Atlanta MSA increased at an average annual growth rate of 3.2% (from 3.4 million to 4.6 million), surpassing the annual growth rates of the state of Georgia (2.3%) and the U.S. (1.2%) for the same time period. A growing population represents an expanding market and is a vital factor in generating and sustaining strong consumer demand.

- **Growing workforce and employment.** The area's labor force increased from nearly 2.0 million in 1995 to approximately 2.5 million in 2005, representing an average growth rate of 2.4% per year. Over the same period, the number of employed persons increased at an average annual rate of 2.3%, from 1.9 million in 1995 to 2.4 million in 2005. However, the percentage increase in the number of employed persons in 2005 was less than the percentage increase in the total workforce, resulting in an increase in the unemployment rate.

FIGURE IV-8
TOP TWENTY METROPOLITAN AREAS
NEW PRIVATELY OWNED HOUSING UNITS AUTHORIZED
2004



Source: U.S. Census Bureau at www.census.gov.

- **Diversified employment base.** The composition of non-agricultural employment in the Atlanta MSA reflects a well-diversified local economy, with no single industry accounting for more than 23% of jobs. The three largest industry sectors are: trade; transportation and utilities; professional and business services; and government.

- **Above-average income.** Real personal income per capita has been consistently higher in the Atlanta MSA than in the entire state of Georgia and the United States.

- **Below-average cost of living.** Based on the ACCRA Cost of Living Index for the fourth quarter of 2005, the cost of living in Atlanta is, on average, 2.3% lower than the cost of living in the entire country.

- **Large number of business establishments.** According to the S&MM Survey, the Atlanta MSA ranked 11th among the top 300 metropolitan areas in the United States in total number of business establishments in 2005. According to the Census database, MSA Business Patterns, the number of business establishments in the Atlanta MSA increased 6.5% between 1998 and 2001.

SECTION V
RENTAL CAR DEMAND ANALYSIS AND FORECAST

This section contains a review of the historical trends in rental car demand at ATL during January 1999 through August 2005; forecasts of transaction days for September 2005 through December 2012; and a discussion of the factors that affect rental car demand at the Airport.

A. HISTORICAL TRENDS IN THE ATL RENTAL CAR MARKET

The historical trends presented in this sub-section reflect the market performance of the rental car companies based on the data provided to Unison by the companies. However, not all of the rental car companies provided complete data to Unison. For the purpose of developing a forecast of transaction days for the entire Airport market, Unison estimated the missing data based on the gross revenue data reported to the Airport.

Trends in rental car demand are typically measured in terms of the number of *transaction days, rental contracts* and the *average contract duration.* A transaction day is defined as the 24-hour period during which a car is rented. A rental contract is drawn up every time a car is rented. The number of days a car is rented is known as the *contract duration*. The average contract duration in a rental market is calculated by dividing the number of transaction days by the number of rental contracts. The price of renting a car per day is known as the *daily rental rate*. The average daily rental rate in a rental market is calculated by dividing gross rental revenue by the number of transaction days.

Table V-1 summarizes the annual rental car market indicators at ATL for the 1999-2004 period, and the first eight months of 2005. In general, annual rental car demand indicators fluctuated during the 1999-2004 period, partly due to the fluctuations in passenger traffic at the Airport and changes in U.S. economic activity during that period. For example, the 4.1% decrease in transaction days between 2001 and 2002 is attributable to the negative impact of the September 11, 2001 Events and the U.S. economic recession of 2001. The combined impact of these two events on air travel demand reverberated throughout the transportation industry to include demand for car rental. The level of rental car demand at ATL remained dampened through 2003. However, data for 2004 and the first eight months of 2005 suggest a gradual return to positive growth trends in rental car demand at the Airport.

Between 1999 and 2000, annual transaction days increased by 4.6%, from approximately 6.0 million to 6.28 million, before decreasing 4.1% to 6.03 million in 2001 and 9.0% in 2002, to approximately 5.48 million. Transaction days decreased an additional 0.9% in 2003, to 5.43 million. However, transaction days increased

8.7% in 2004, to approximately 5.91 million. Transaction days totaled 4.2 million during the first eight months of 2005, representing an increase of 9.7% over the same eight-month period in 2004.

TABLE V-1
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
ANNUAL INDICATORS OF RENTAL CAR ACTIVITY
1999-2005

	Demand Indicators [1]			Revenue Indicators		
Year	Transaction Days	Rental Contracts	Avg. Contract Duration (days)	Gross Rental Revenue	Avg. Nominal Rental Rate [2]	Avg. Real Rental Rate [2]
1999	6,008,737	1,785,150	3.37	$277,961,367	$46.26	$47.82
2000	6,283,640	1,854,031	3.39	$290,384,704	$46.21	$46.21
2001	6,025,316	1,695,467	3.55	$270,956,093	$44.97	$43.73
2002	5,482,539	1,539,370	3.56	$256,543,236	$46.79	$44.80
2003	5,435,128	1,541,135	3.53	$244,517,504	$44.99	$42.11
2004	5,907,899	1,616,600	3.65	$260,011,029	$44.01	$40.12
Jan-Aug. 2004	3,844,645	1,075,282	3.58	$173,543,803	$45.14	$41.33
Jan-Aug. 2005	4,217,987	1,161,482	3.63	$187,722,505	$44.51	$39.53
Average Annual Growth Rate						
1999-2004	-0.3%	-2.0%	1.7%	-1.3%	-1.0%	-3.4%

[1] The rental car demand data shown in this table include estimates for two companies that did not provide complete data to Unison. Data for one company, which accounted for 0.4% of the ATL market, were unavailable for the 1999-2001 period and for the period of September 2003 through August 2005. Data for the second company, which accounted for 0.6% of the ATL market, were unavailable for the entire historical period. Estimated market shares were based on gross revenue data obtained from the Airport.

[2] The average rental rate is calculated by dividing annual gross revenue by annual transaction days. The nominal rental rate is in current dollars, while the real rental rate is in constant 2000 dollars. There were significant discrepancies beween the gross revenues reported by one rental car company to the Airport pursuant to its concession agreement, and the gross revenues reported to Unison, which corresponded to its transaction days. The gross revenues reported to Unison were used in calculating the average daily rental rate, in order to be consistent with the corresponding transaction day data.

Sources: Rental car companies and Airport management.

The trend in the number of rental contracts was similar to the trend in transaction days, particularly through 2002. The number of rental contracts peaked at 1.85 million in 2000, representing a 3.9% increase over the level reported in 1999. The implication of the dampened air travel demand resulting from the combined impact of the September 11, 2001 Events and the 2001 U.S. economic recession is reflected in the decreases in annual rental contracts in 2001 and 2002. Annual rental contracts at ATL dropped by 8.6% in 2001, and an additional 9.2% in 2002. A gradual recovery in the number of rental contracts began in 2003, and continued through 2004. Annual rental contracts increased 0.1% in 2003 and 4.9% in 2004, to 1.62 million in 2004. The number of rental contracts totaled 1.16 million during the first eight months of 2005, representing an increase of 8.0% over the same eight-month period in 2004.

The trend in average contract duration reflects the combined trends in transaction days and rental contracts and the mix of business and leisure customers served by the rental car companies at ATL. During the 1999-2004 period, average contract duration fluctuated moderately, and ranged from 3.37 days in 1999 to 3.65 days in 2004. The average contract duration reported in the first eight months of 2005 was 3.63 days, which tracks the average duration reported in the prior six years, and the first eight-month period in 2004.

Table V-1 also presents the trends in gross revenues and the average price of renting a car at the Airport. Trends in gross revenues reported at ATL mirrored the trends in transaction days and rental contracts during 1999-2004 and the first eight months of 2005. Gross revenues amounted to approximately $290.4 million in 2000, representing a 4.5% increase over gross revenues of approximately $278.0 million in 1999. [1] However, gross revenues dropped by 6.7% in 2001, by 5.3% in 2002, and further by 4.7% in 2003. Gross revenues reported in 2004 and during the first eight months of 2005 suggest a return to positive trends in the Airport market. Gross revenues in 2004 were 6.3% higher than in 2003. The gross revenues reported at the Airport in January through August 2005 were 8.2% higher than the same eight-month period in 2004.

The average price of renting a car at the Airport fluctuated during the 1999-2004 period. In nominal terms, the average price of renting a car at the Airport decreased annually between 1999 and 2001, recovered slightly in 2002, but dipped again in 2003 and 2004. During the first eight months of 2005, the average price of renting a car remained lower than the average price reported during the first eight months in 2004. The trend in average daily rental rate is generally consistent with the trends in transaction days since 2001. The market conditions have not been conducive to sustained upward adjustment in average daily rental rate in recent years. In fact, in real (inflation-adjusted) terms, the average daily rental rate decreased by 3.4%, on average, between 1999 and 2004, which indicates that the average daily rental rate at the Airport did not keep pace with inflation during the 1999-2004 period.

An alternative approach to examining the rental car market trends is to look at the monthly variations in the three demand indicators. For example, **Table V-2** and **Figure V-1** present the recent trends in monthly transactions days at the Airport. The double-digit decreases reported in September 2001 through the fourth quarter of 2001 were primarily the result of the downward shift in passenger traffic following the September 11, 2001 Events. The monthly data show that the combined

[1] There were significant discrepancies between the gross revenues reported by one rental car company to the Airport pursuant to its concession agreement, and the gross revenues reported to Unison, which corresponded to its reported transaction days. The gross revenues reported to Unison (and shown on **Table V-1** above) were used in calculating the average daily rental rate, in order to be consistent with the reported transaction day data (also shown on **Table V-1**). The gross revenues shown in **Section III** reflect the amounts reported to the Airport, and therefore do not match the gross revenues shown on **Table V-1** above. The rental car company has not responded to repeated requests for the source of the discrepancies.

negative impact of the September 11, 2001 Events and the 2001 U.S. economic recession lingered through most of 2002 and 2003. However, the data for most of 2004 through August 2005 indicate the likely onset of sustained improvements in demand.

TABLE V-2
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
RECENT TRENDS IN MONTHLY TRANSACTION DAYS
January 2000 - August 2005

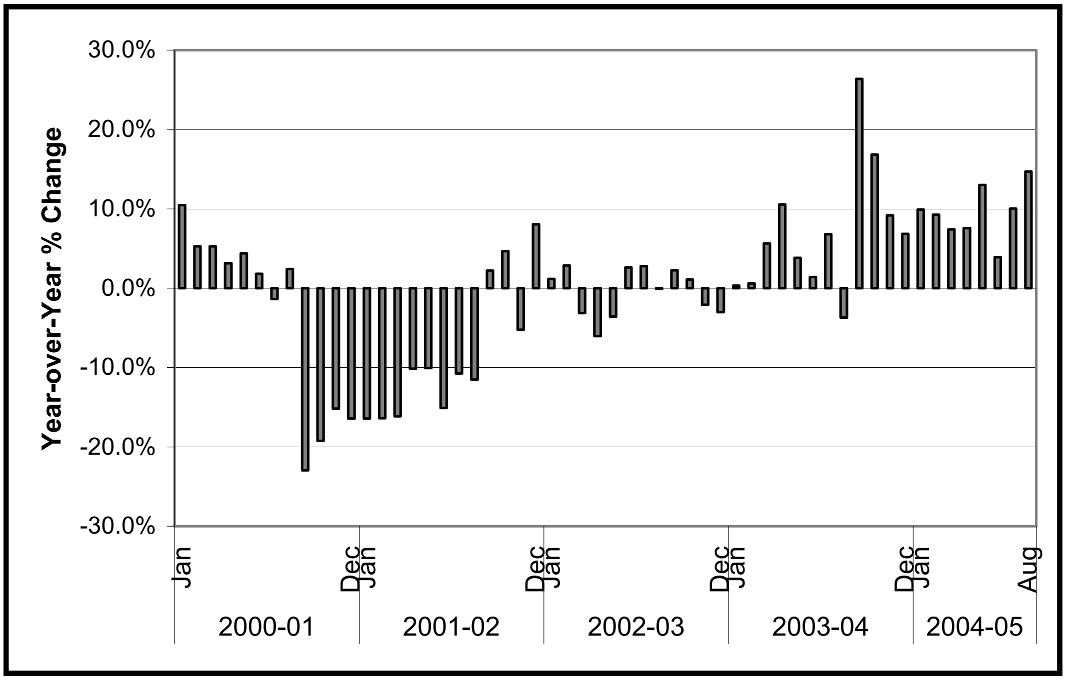
	Transaction Days [1]					
Month	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**
January	397,210	438,784	366,609	370,890	372,077	408,909
February	440,857	464,075	388,010	399,090	401,458	438,691
March	525,329	552,973	463,578	449,086	474,336	509,464
April	542,245	559,241	502,473	472,161	522,070	561,652
May	542,098	565,972	509,065	490,737	509,541	575,821
June	540,974	550,771	467,685	479,931	486,732	505,700
July	538,941	531,560	474,336	487,460	520,554	572,780
August	563,570	577,248	510,843	510,384	491,446	563,648
September	544,764	419,800	429,080	438,677	554,418	
October	595,565	480,980	503,448	508,948	594,647	
November	535,830	454,524	430,693	421,713	460,422	
December	449,316	375,573	405,770	393,448	420,450	
January-August	**4,091,223**	**4,240,625**	**3,682,599**	**3,659,739**	**3,778,214**	**4,136,665**
ANNUAL	**6,216,699**	**5,971,502**	**5,451,590**	**5,422,525**	**5,808,151**	**-**

	Year-over-Year Percent Change				
Month	**2000-01**	**2001-02**	**2002-03**	**2003-04**	**2004-05**
January	10.5%	-16.4%	1.2%	0.3%	9.9%
February	5.3%	-16.4%	2.9%	0.6%	9.3%
March	5.3%	-16.2%	-3.1%	5.6%	7.4%
April	3.1%	-10.2%	-6.0%	10.6%	7.6%
May	4.4%	-10.1%	-3.6%	3.8%	13.0%
June	1.8%	-15.1%	2.6%	1.4%	3.9%
July	-1.4%	-10.8%	2.8%	6.8%	10.0%
August	2.4%	-11.5%	-0.1%	-3.7%	14.7%
September	-22.9%	2.2%	2.2%	26.4%	
October	-19.2%	4.7%	1.1%	16.8%	
November	-15.2%	-5.2%	-2.1%	9.2%	
December	-16.4%	8.0%	-3.0%	6.9%	
January-August	**3.7%**	**-13.2%**	**-0.6%**	**3.2%**	**9.5%**
ANNUAL	**-3.9%**	**-8.7%**	**-0.5%**	**7.1%**	-

[1] The monthly transaction days shown in this table are the data obtained from the rental car companies that provided data to Unison. The annual totals differ from the annual transaction days shown on **Table V-1** because of unavailable data from two companies.

Source: Rental car companies.

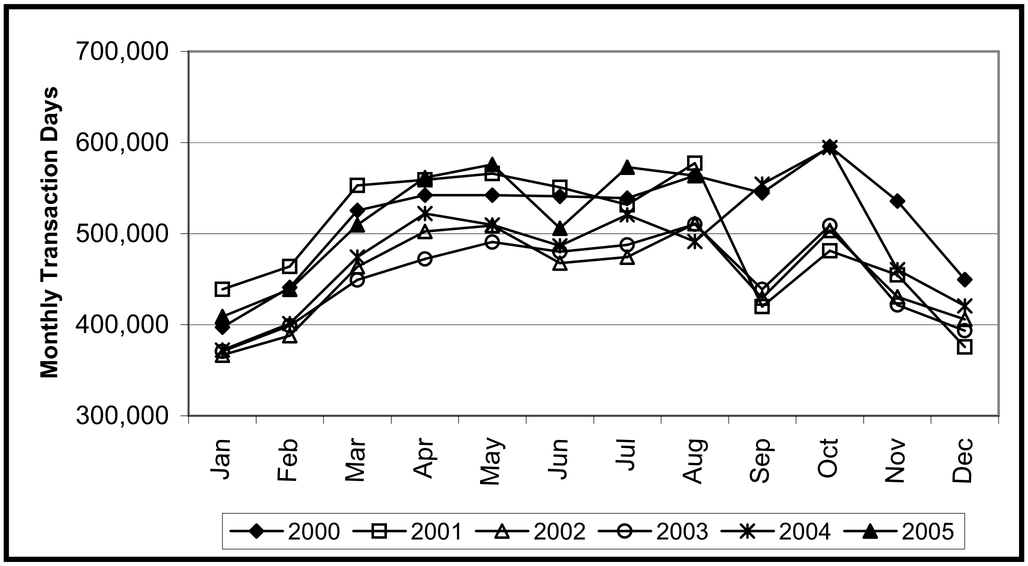
FIGURE V-1
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
YEAR-OVER-YEAR GROWTH TRENDS IN MONTHLY TRANSACTION DAYS
January 2000 - August 2005



Source: Growth trends computed from rental car companies' data.

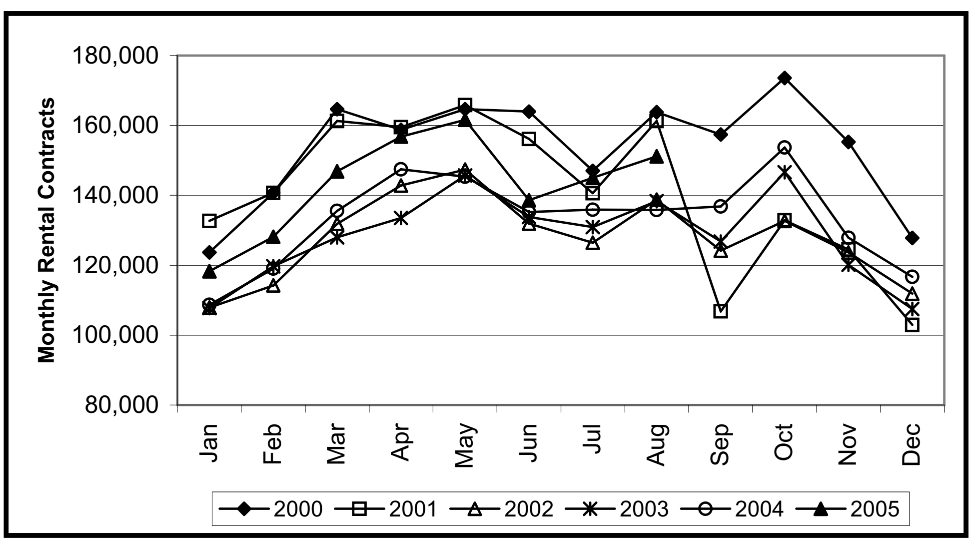
In addition to highlighting the impact of specific events such as the September 11, 2001 Events, the monthly rental car activity data show that there is an identifiable seasonal pattern to rental demand. The seasonal pattern of rental car demand at ATL is illustrated in **Figure V-2** (in terms of monthly transaction days) and **Figure V-3** (in terms of monthly rental contracts). Both diagrams display similar trends indicating that during January 2000 through August 2005, rental car demand at the Airport was consistently high in May, August and October. Relatively low demand was reported in January, February and December during that period. **Figure V-4** presents the monthly trend in average contract duration, which represents the combined trends in monthly transaction days and monthly rental contracts. During January 2002 through August 2005, average contract duration was relatively high in July, August and October, and relatively low in January and February.

FIGURE V-2
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
MONTHLY TRANSACTION DAYS
January 2000 - August 2005



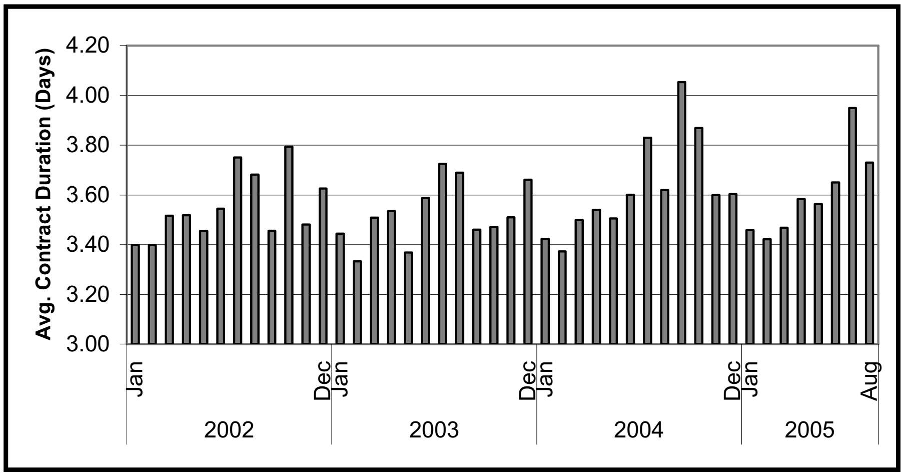
Source: Rental car companies.

FIGURE V-3
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
MONTHLY RENTAL CONTRACTS
January 2000 - August 2005



Source: Rental car companies.

FIGURE V-4
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
TREND IN AVERAGE CONTRACT DURATION
January 2002 - August 2005



Source: Average contract duration is calculated from transaction day and rental contract data obtained from the rental car companies.

B. FORECAST OF RENTAL CAR DEMAND AT ATL

1. <u>Forecast Methodology</u>

Unison's preferred forecast methodology is the multivariate regression approach, which combines econometric modeling techniques with knowledge of the Airport market trends. Multivariate regression analysis provides a framework for quantifying economic relationships and systematically linking forecasts to projected trends in the explanatory variables that influence the Airport's rental car activity. This approach reduces excessive reliance on subjective input and minimizes potential sources of forecast errors.

Based on the analysis of the historical trends in rental car demand at the Airport, Unison explored alternative specifications of a multivariate regression model that best represents the ATL rental car market and provide a solid basis for projecting future trends in rental car demand through 2012. In addition to the volume of passenger traffic, the implications of alternative measures of local and national economic trends were examined. The following three-equation multivariate regression model was developed for the purpose of this analysis:

- The number of rental contracts was modeled as a function of the following explanatory variables: (1) the volume of originating enplanements;[2] (2) a measure of potential car renter's income, as measured by the U.S. real Gross Domestic Product (GDP) per capita; and (3) the price of renting a car at ATL as measured by the average daily rental rate.
- The average contract duration was modeled as a function of the average daily rental rate.
- The number of transaction days was derived as the product of rental contracts and average contract duration.
- As shown earlier in this section, time series data, such as monthly rental contracts, often display a seasonal pattern. Unison's regression equations include appropriate monthly dummy variables [3] to account for the observed seasonality in rental car demand at the Airport.
- The negative impact of the September 11, 2001 Events, particularly on the number of rental contracts, was also discussed earlier in this section. An appropriate dummy variable is included in the rental contracts equation to capture the downward shift in rental demand in the aftermath of the September 11, 2001 Events.
- Another common characteristic of time series data is the incidence of serial correlation between past and present values. The statistical implication of serial correlation is addressed by including appropriate trend variables in the regression equations.

[2] Total passengers consist of enplanements and deplanements. The Airport's forecasts of passenger traffic are expressed in terms of enplanements, and the number and trend of enplanements typically mirror the number and trend of deplanements. The Airport's enplanement forecasts are further expressed in terms of "originating enplanements" and "connecting enplanements." Originating enplanements include passengers whose point of origin is Atlanta. The customer base of rental car companies at the Airport consists of the deplanements that mirror originating enplanements – passengers who get off the plane at the Airport and whose final trip destination is Atlanta.

[3] Dummy variables are statistical tools used to account for a variety of situations including structural shifts and variations of a cyclical or seasonal nature. In this analysis appropriate dummy variables are used to account for the observed seasonality in rental car demand and the downward shift in demand following the September 11, 2001 Events.

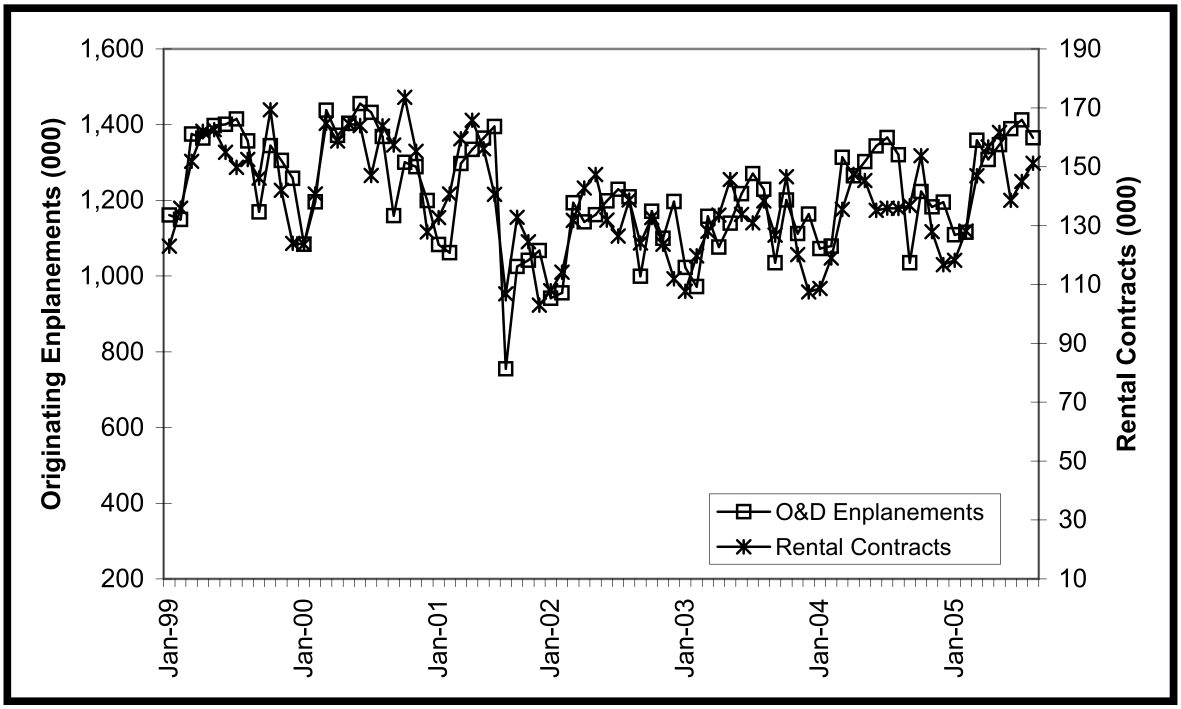
The assumptions made regarding the trends in each of the measurable variables are as follow:

- **Originating Enplanements: Figure V-5** illustrates the correlation between monthly rental contracts and originating enplanements at the Airport during January 1999 through August 2005. Annual originating enplanements at the Airport decreased by 1.3%, on average, during the 1999-2004 period. The seasonal pattern in rental contracts coincides with the seasonal pattern in originating enplanements. This similarity suggests that originating enplanements and rental contracts tend to move in the same direction. It is reasonable to expect that, holding other explanatory variables constant, a positive growth in originating enplanements would lead to positive growth in rental car demand at the Airport. Historical and forecast originating enplanements data used in the analysis were obtained from the Airport's most recent air traffic forecasts, which include a "baseline" forecast and a "low" forecast.[4] The two air traffic forecasts reflect alternative assumptions regarding Delta Air Lines' restructuring plans and continued presence at the Airport. The level of originating enplanements forecast under the two scenarios differ in 2007, 2008, and 2009. Consistent with the originating enplanement forecasts, Unison developed two rental car demand forecasts: a "base case" transaction day forecast and a "low case" transaction day forecast. Under the Airport's enplanement forecast originating enplanements are projected to increase at an average annual rate of 3.0% during the 2004-2012 period. For the purpose of this analysis, Unison converted the annual originating enplanements into monthly originating enplanements based on the average monthly enplanement shares observed over the 1999-2003 period.

- **Average Daily Rental Rate:** As shown in **Table V-1**, the price of renting a car at the Airport decreased during the 1999-2004 period. It is reasonable to expect that as rental demand recovers, average daily rental rate will gradually stabilize and allow for prospective moderate rate increases to be implemented in the ATL market during the forecast period. For example, prospective price increases could conceivably adjust approximately to the inflation rate. For the purpose of this analysis, annual inflation rate is projected at 2.6% over the 2004-2012 period and real average daily rental rate is projected to increase at an average annual rate of 0.2% over the forecast period. The City implemented the collection of a $4.00 CFC per transaction day effective October 1, 2005. It is assumed that the CFC will remain in effect at $4.00 throughout the forecast period. Consequently, the average daily rental rate used in the regression analysis includes a CFC of $4.00 per transaction day from October 2005 through the end of the forecast period.

[4] Leigh Fisher Associates, "Appendix A: Report of the Airport Consultant," *Official Statement for the City of College Park Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility), Series 2006A and Series 2006B*, May 24, 2006.

FIGURE V-5
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
MONTHLY RENTAL CONTRACTS AND ORIGINATING ENPLANEMENTS
January 1999 - August 2005



Sources:
1) Rental contract data were obtained from the rental car companies.
2) Annual originating enplanements were obtained from the Airport's air traffic forecast (*Appendix A: Report of the Airport Consultant).* For the purposes of developing rental car transaction day forecasts, Unison converted the annual originating enplanements into monthly originating enplanements based on the average monthly enplanement shares observed over the 1999-2003 period.

- **Rental Car Customer Income:** When included in the model, the variable for the U.S. real GDP per capita confirmed the expectation that consumer income is directly related to car rental demand. Potential rental car customers at the Airport are travelers from across the U.S. whose destination is the Atlanta metro area. Consequently, it is reasonable to represent the average rental car customer's income by the U.S. real GDP per capita. Historical and forecast data for U.S. real GDP per capita and real per capita personal income were obtained from Moody's Economy.com, an independent third party provider of economic data. Real GDP per capita grew at an average annual rate of 1.7% during the 1999-2005 period. Economy.com's latest forecast projects a 2.1% average annual growth in real GDP per capita during the 2005-2012 period.

2. Rental Car Demand Forecasts

The multivariate regression equations were estimated and evaluated using various statistical tests to verify the underlying hypotheses and the overall validity of each specification. The regression model selected for the forecast of rental contracts shows that originating enplanements, the strength of the local economy, and the price of renting a car are good determinants of the number of rental contracts reported at the Airport. The adjusted R-squared (the coefficient of multiple determination) obtained from the estimation shows that 93% of the variation in the number of rental contracts could be explained by the combined variations in the explanatory variables. The regression model selected for the forecast of average contract duration confirmed the expected inverse relationship between contract duration and daily rental rate. The forecasts of rental contracts and average contract duration were used to derive the base case and low case forecasts of transaction days presented in **Table V-3**.

As mentioned in the preceding sub-section, the two forecasts of originating enplanements at the Airport differ in 2007, 2008, and 2009. Consequently, the base case and low case forecasts of rental car demand differ in the 2007, 2008, and 2009. Under the base case, annual rental car demand dips initially in 2006, due primarily to a transitional drop in projected originating enplanements and the fact that 2006 is the first full year following the implementation of the CFC[5], but rental car demand recovers and increases steadily throughout the forecast period. The base case projects an average annual growth rate of 3.0% in transaction days during the 2006-2008 period, and an average annual growth rate of 2.6% during the entire 2004-2012 period. Under the low case, the recovery in rental car demand is weakened by the projected decreases in originating enplanements, particularly in 2008. The 8.0% increase in transaction days in 2009 shown under the low case is driven primarily by the projected recovery in originating enplanements, which is assumed to strengthen significantly in 2009. Overall, under both forecast scenarios, annual transaction days are projected to increase from approximately 5.9 million in 2004 to approximately 7.25 million in 2012.

[5] The CFC became effective on October 1, 2005.

TABLE V-3
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT
ANNUAL HISTORICAL AND FORECAST TRANSACTION DAYS
2004-2012

	Entire ATL Market Data [1]			
	Base Case [2]		Low Case [2]	
Year	**Transaction Days**	**% Change**	**Transaction Days**	**% Change**
Historical				
2004	5,907,899		5,907,899	
Jan-Aug. 2005	4,217,987		4,217,987	
Projected [2]				
2005	6,185,162	4.7%	6,185,162	4.7%
2006	6,118,665	-1.1%	6,118,665	-1.1%
2007	6,307,386	3.1%	6,224,787	1.7%
2008	6,494,082	3.0%	6,122,956	-1.6%
2009	6,696,038	3.1%	6,613,695	8.0%
2010	6,887,784	2.9%	6,887,784	4.1%
2011	7,072,294	2.7%	7,072,294	2.7%
2012	7,252,878	2.6%	7,252,878	2.6%
Average Annual Growth Rate				
2006-2008	3.0%	-	0.0%	-
2004-2012	2.6%	-	2.6%	-

[1] The historical data include estimates for two companies that did not provide complete data to Unison. For the purpose of this analysis, Unison estimated the missing transaction days for the companies based on the rental revenue data obtained from the Airport.
[2] The transaction day forecast is the result of Unison's multivariate regression analysis. The forecast scenarios reflect the "baseline" and "low" forecasts of originating enplanements presented in the Airport's air traffic forecast (Leigh Fisher Associates, "Appendix A: Report of the Airport Consultant," *Official Statement for the City of College Park Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility), Series 2006B and Series 2006C* , March __, 2006).

All forecasts are subject to uncertainty. The above forecast is based on information available at the date of this Report. Unexpected events may occur and some of the underlying assumptions of the regression analysis may not be realized. Therefore, actual results may vary from the forecast, and the variation may be material.

All forecasts are subject to uncertainty. Unexpected events may occur and some of the underlying assumptions of the regression analysis may not be realized. Therefore, actual results may materially vary from the forecast. One source of uncertainty is the cyclical nature of the economic variables that influence air travel demand. The forecast of transaction days developed within the multivariate regression model incorporates data from third-party sources and any material changes in the information will have implications for Unison's forecast of rental demand. For example, any material changes in the Airport's forecast of originating enplanements will have direct implications for Unison's forecast of transaction days. In addition, the analysis assumes that there will be no devastating tragedies such as domestic terrorism or natural disasters that may severely disrupt economic and social activity in the U.S. during the forecast period.

C. OTHER FACTORS THAT COULD AFFECT RENTAL CAR DEMAND AT ATL

In addition to the explanatory variables identified in the multivariate regression analysis, other factors, which extend beyond the immediate rental car market, could affect rental demand at the Airport. Some of these factors are discussed in this sub-section.

1. Recent Trends in the U.S. Rental Car Industry

Section III of this Report provides a comprehensive assessment of the structural changes in the U.S. rental car industry, including the financial challenges in the aftermath of the September 11, 2001 Events, ownership changes, company restructuring, the implementation of dual branding, and other emerging trends in marketing promotions. The central issue in all of the dynamic changes remains the sustained financial viability of the rental car companies. The ability of the rental car companies to adjust in a timely and appropriate manner to national economic and travel trends will be critical to the industry's sustained profitability over the forecast period.

2. Alternative Modes of Ground Transportation [6]

Apart from renting a car or using private automobiles, arriving passengers may choose from several other modes of ground transportation available at the Airport. These alternative modes of transportation differ in terms of convenience, service, and associated monetary and time costs. The Ground Transportation Center ("GTC") houses all the alternative transportation services available at the Airport, which include the following:

- **Airport Hotel/Motel Shuttles:** Several of the hotels and motels located near the Airport provide courtesy shuttle service for their guests. Free shuttle service may be a substitute for rental cars particularly for those travelers whose primary reason for visiting revolve around the vicinity of their hotel. However, for visitors whose plans involve trips to multiple locations not served by the courtesy shuttle, the attractiveness of the service is reduced. In addition, courtesy shuttles are not usually available on demand, but frequently entails some waiting time.

- **Shared-Ride Shuttles:** Several private operators provide shared-ride shuttle service from the Airport to destinations within and outside the Atlanta metropolitan area, including business and residential addresses. Metro

[6] Most of the information relating to ground transportation was obtained from the Airport's website at www.altlanta-airport.com.

shuttles depart from the Airport every 15 minutes and non-metro shuttles depart at half-hourly to hourly intervals. A one-way trip from the Airport to downtown destinations cost $14, while a roundtrip costs $22. Although the monetary cost of a shared shuttle ride is lower than the cost of renting a car, shared rides have an inherently higher time costs involving waiting time and additional drop-off time.

- **Metro Train:** The Metropolitan Atlanta Rapid Transit Authority (MARTA) provides scheduled train service to destinations in Fulton and Dekalb counties from the Airport. The North-South MARTA train departs from the Airport every 10 minutes during the weekday rush and midday hours. The train departs from the Airport every 20 minutes on weekday evenings and on weekends. Single fare for persons 6 years and older is $1.75 within the metro area. A Visitor's Pass, which may be purchased for about $10, entitles the holder to unlimited rides, system-wide. Although the monetary cost of the city train is relatively low, train rides may not be a viable option for air travelers, particularly those traveling with children and those with heavy luggage.

- **Taxicabs:** Taxi service from the Airport is charged according to a flat zone rate or a meter rate. For example, a ride from the Airport to downtown locations costs $35 per person. A lower per-person rate applies for two or more passengers sharing a ride. Fares to areas outside of the Central Business District are based on the meter, which charges $2.00 for the first one-eighth mile and $0.25 for each additional one-eighth mile. There is a charge of $21 per hour for waiting time. Taxicabs are good substitutes for rental cars because they are available on demand, and for air travelers new to the Atlanta area a cab ride eliminates the difficulties of driving in an unfamiliar environment. Taxicabs may also be cost-efficient in situations where the passenger is making a single destination stop to/from the Airport. However, in the case of multiple destination trips, financial considerations may reduce the attractiveness of taxicabs for the average air traveler.

- **Limousines:** Several companies provide limousine service to metro and non-metro destinations from the Airport. All limousine service must be arranged in advance. The fare for a one-way trip from the Airport to a downtown destination varies by company, and ranges from $40 to $95. While limousines may be preferred for special occasions and by small groups of people, it is doubtful that limousines constitute a viable substitute for rental cars among the general pool of passengers at ATL.

SECTION VI
FINANCIAL ANALYSIS

This section discusses the financial aspects of the CONRAC Facility and the APM Maintenance Facility, including the plan of finance. The discussion includes a summary of the legal framework for the financing and operation of the CONRAC Facility and the APM Maintenance Facility, and the financial analysis, which includes projections of the following items for each year during the forecast period: (1) the CFC level; (2) CFC revenues; (3) debt service coverage; and (4) the application of CFC revenues under the City's Supplemental Bond Ordinance.

A. LEGAL FRAMEWORK FOR THE FINANCING AND OPERATION OF THE CONRAC FACILITY AND THE APM MAINTENANCE FACILITY

The financing and operation of the CONRAC Facility and the APM Maintenance Facility are governed by the following documents, which were defined in **Section I**: (1) the Purchase Agreement; (2) the College Park Bond Resolution; (3) the CFC Ordinances; (4) the City's Bond Ordinance and Supplemental Bond Ordinance; (5) the Ground Lease; and (6) the Facility Agreement.

1. Purchase Agreement

Under the provisions of the Purchase Agreement, the Issuer has agreed to issue the Series 2006A and B Bonds to fund the costs of the CONRAC Facility and the APM Maintenance Facility, and to deposit the proceeds of the Series 2006A and B Bonds into the funds and accounts established under the Issuer's Bond Resolution (defined below). The Purchase Agreement requires that the proceeds of the Series 2006A and B Bonds be used only to finance capital improvements to the Airport (specifically, the CONRAC Facility and the APM Maintenance Facility), pay capitalized interest (if any)[1] on the Series 2006A and B Bonds, and to pay the issuance costs of the Series 2006A and B Bonds. The Issuer will lease from the City the land upon which the CONRAC Facility and the APM Maintenance Facility will be built (the "Premises"), under the provisions of the Ground Lease (described below). The City agrees to acquire, construct, and install the CONRAC Facility and the APM Maintenance Facility on behalf of the Issuer. The Issuer agrees to sell the CONRAC Facility and the APM Maintenance Facility to the City, and the City will pay to the Issuer the purchase price in installment payments in amounts sufficient to enable the Issuer to pay the principal and interest installment payments on the Series 2006A and B Bonds, as they become due.

[1] It is anticipated that there will not be any capitalized interest on the Series 2006A and B Bonds.

2. College Park Bond Resolution

The College Park Bond Resolution authorized the issuance of the Series 2006A in an amount not to exceed $250.0 million and and the Series 2006B Bonds in an amount not to exceed $25.0 million. The Series 2006A and B Bonds are special limited obligations of the City of College Park payable solely from the installment payments received by the Issuer from the City pursuant to the Purchase Agreement. The Series 2006A and B Bonds do not constitute an indebtedness or general obligation of the Issuer.

The following funds and accounts are established under the College Park Bond Resolution:

- City of College Park Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Sinking Fund (the “Sinking Fund”); and
- City of College Park Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project Fund (the “Project Fund”). Within the Project Fund is established the City of College Park Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project Fund – Series 2006A and B Account (the “Series 2006A and B Account”).

The Issuer will deposit the proceeds of the Series 2006A and B Bonds as follows: (a) the amount representing accrued interest will be deposited into the Sinking Fund; (b) an amount equal to the Debt Service Reserve Requirement will be deposited into the CFC Revenue Bond Subaccount of the Debt Service Reserve Account established under the City’s Supplemental Bond Ordinance (as described below); and (c) the balance of the Bond proceeds will be deposited into the Series 2006A and B Account of the Project Fund. The Issuer covenants to deposit all revenues received under the Purchase Agreement into the Sinking Fund. Moneys in the Sinking Fund will be used to pay the debt service requirements on the Series 2006A and B Bonds.

3. CFC Ordinances

On December 6, 2004, the City Council adopted an ordinance (the “December 6, 2004 Ordinance”) that requires all rental car companies that rent passenger vehicles to customers at the Airport to collect and remit a CFC. The December 6, 2004 Ordinance specifies that the amount of the CFC will be established and periodically adjusted as required by Resolution. The CFC must be collected and remitted by all On-Airport Rental Car Companies and Off-Airport Rental Car Companies. On September 19, 2005, the City Council adopted an ordinance (the “September 19, 2005 Ordinance”) that established the CFC at $4.00 per rental car transaction day, effective October 1, 2005. The September 19, 2005 Ordinance defined the CFC as follows:

> "…a charge imposed on each Airport car rental transaction, which shall be a fixed uniform amount applied to each car rental transaction day of each customer's car rental contract…"[2]

The rental car companies are required to add the CFC to each rental contract, and to hold the CFC collections in trust and remit them to the City according to the procedures established by the City's Aviation General Manager.

The City's Aviation General Manger is authorized to designate the CONRAC Facility as "a single, consolidated location for all Off-Airport and On-Airport Rental Car Company operations."[3] The December 6, 2004 Ordinance prohibits, effective at DBO of the CONRAC Facility, any rental car company from transporting its customers between the CPTC and the CONRAC Facility by any means other than the CONRAC transportation system (the APM system). Therefore, once the CONRAC Facility is operational, any Off-Airport Rental Car Companies will be required to transport their customers between their respective off-Airport facilities and the CONRAC Facility, and their customers will be required to use the APM system to travel between the CONRAC Facility and CPTC.

4. City's Bond Ordinance and Supplemental Bond Ordinance

The obligation of the City to make the installment payments required by the Purchase Agreement constitutes an "Other Airport Obligation" under the City's Bond Ordinance. The City has elected, pursuant to the City's Supplemental Bond Ordinance, to treat the Purchase Agreement as if it were special facility bonds issued by the City directly under the City's Bond Ordinance. Under the City's Supplemental Bond Ordinance, the City has pledged the CFC revenues and the balances in the various funds and accounts established pursuant to the City's Supplemental Bond Ordinance, for the payment of the City's installment payment obligations pursuant to the Purchase Agreement.

The City's Supplemental Bond Ordinance contains a provision known as the Rate Covenant, which states that as long as any Released CFC Bonds[4] remain outstanding, the City is required to set the CFC, and adjust the CFC annually (if necessary), at "rates estimated to generate CFC Coverage Revenues in each Fiscal Year equal to at least (i) 125% of the Debt Service Requirement on all Released CFC Bonds then Outstanding for the Sinking Fund Year ending on the next January 1; and (ii) the amounts necessary to restore any deficiencies in the CFC Bond Subaccount of the Debt Service Reserve Account and in the CFC Administrative Costs Fund." CFC Coverage Revenues are defined in the City's Supplemental Bond Ordinance as the sum of (1) CFC Revenues, plus (2) investment earnings on

[2] Section 1 of the December 6, 2004 Ordinance.
[3] Section 2 of the December 6, 2004 Ordinance.
[4] The City's Supplemental Bond Ordinance defines Released CFC Bonds as "Bonds secured by a Senior Lien on CFC Revenues and obligations secured by other Senior Liens on CFC Revenues…"

amounts deposited in certain accounts established under the City's Supplemental Bond ordinance[5], plus (3) the balance in the CFC Coverage Fund.[6]

The following funds and accounts are established by the City's Supplemental Bond Ordinance:

- CFC Revenue Subaccount within the Released Revenue Account
- A Released CFC Bond Subaccount within each of the following accounts established under the City's Master Bond Ordinance: (i) the Interest Subaccount; (ii) the Principal Subaccount; (iii) the Debt Service Reserve Account; and (iv) the Capitalized Interest Account.
- Released CFC Bond Debt Service Coverage Fund
- Released CFC Bond Administrative Costs Fund
- CFC Revenue Surplus Fund

The City is required to deposit all CFC Revenues upon receipt into the CFC Revenue Subaccount of the Released Revenue Account, to be applied by the City to the funds and accounts in the priority depicted in **Figure VI-1**. All CFC Revenues remaining after the completion of all the deposits required under the provisions of the City's Supplemental Bond Ordinance are to be deposited into the CFC Surplus Fund. All moneys retained in the CFC Surplus Fund shall be used first to prevent payment defaults on the Series 2006B and C Bonds, and then all remaining moneys are to be applied as depicted in **Figure VI-2**.

5. Ground Lease

The City has acquired the land upon which the CONRAC Facility and the APM Maintenance Facility will be located. The Issuer will lease the land from the City for the purpose of developing the CONRAC Facility and the APM Maintenance Facility, pursuant to the Ground Lease. As components of the CONRAC Facility and the APM Maintenance Facility are completed, the Issuer will convey title of such components to the City, and upon completion of the entire CONRAC Facility and the APM Maintenance Facility, the Ground Lease will terminate.

[5] Included in the definition are investment earnings on amounts deposited in the following accounts: the CFC Revenue Subaccount of the Released Revenue Account; the Released CFC Bond Subaccounts of the Interest Subaccount, the Principal Subaccount, and the Debt Service Reserve Account; the related Hedge Payments Subaccounts; the CFC Coverage Fund; the CFC Administrative Costs Fund; and the CFC Surplus Fund.
[6] The Rate Covenant includes a provision stating that the City will not reduce the CFC below $4.00 unless CFC Coverage Revenues in each of the five Fiscal Years following the reduction are projected by an independent rate consultant to equal at least 140% of the debt service requirement for each of the five Fiscal Years.

FIGURE VI-1
APPLICATION OF CFC REVENUES

CFC Revenues

***CFC Revenue Subaccount* within the Released Revenue Account**

Order of Priority

1. **Released CFC Bond Subaccount within the *Interest Subaccount***
   Monthly installments equal to one-sixth of the interest due on the next Interest Payment Date
2. **Hedge Payment Subaccounts**
   Monthly deposits to accumulate funds sufficent to make payments due under Hedge Agreements
3. **Released CFC Bond Subaccount within the *Principal Subaccount***
   Monthly installment equal to one-twelfth of the principal due on the next Principal Maturity Date
4. **Payments to Reserve Account Credit Facility Provider**
   Monthly payments as compensation for the Credit Facility securing Released CFC Bonds
5. **Released CFC Bond Subaccount within the *Debt Service Reserve Account***
   Monthly payments for any Reserve Account Credit Facility Provider
6. **Payments to Cedit Issuer**
   Repayments of any draw-downs on any Reserve Account Credit Facility and any interest or fees due thereon
7. **CFC Coverage Fund**
   To maintain balance equal to the CFC Coverage Fund Requirement
8. **CFC Administrative Costs Fund**
   To increase the balance to equal the budgeted CFC Aministrative Costs for the current Sinking Fund Year
9. **Rebate Fund**
   Monthly deposits to comply with the requirement for rebate to the U.S. government
10. **CFC Surplus Fund**
    All CFC Revenues remaining after all the above required deposits and payments have been made

FIGURE VI-2
APPLICATION OF MONEYS IN THE CFC SURPLUS FUND

Order of Priority

Moneys in the CFC Surplus Fund
To be used first to prevent payment defaults on the Series 2005B and C Bonds, and then all remaining moneys in the CFC Surplus Fund are to be applied in the order indicated below

1. To restore the Released CFC Bond Subaccounts of the **Interest Subaccount** and the **Principal Subaccount**, and the related **Hedge Payments Subaccounts**
2. To pay amounts due and owing to any **Credit Issuer** securing Released CFC Bonds
3. To restore the Released CFC Bond Subaccount of the **Debt Service Reserve Account**
4. To pay amounts due and owing to any **Reserve Account Credit Facility Provider**
5. To restore the **CFC Coverage Fund** to the required amount
6. To pay **CFC Administrative Costs**, to the extent moneys are not available in the CFC Administrative Costs Fund
7. To pay amounts due and owing under any related Hedge Agreement
8. To restore the **Rebate Fund** to the required amount
9. To the payment of Operating Expenses, capital expenditures, or other costs authorized by the Airport Manager that are attributable to the CONRAC Facility, the APM system, or the APM Maintenance Facility
10. To pay intra-Airport Transportation System costs
11. To redeem or purchase Released CFC Bonds, at the option of the City, and under certain conditions as specified in the City's Supplemental Ordinance
12. If no Event of Default has occurred and if historical CFC Coverage Revenues for the most two recent audited Fiscal Years were at least 125% of Maximum Annual Debt Service, any moneys in excess of $1.0 million may be used for any lawful Airport purpose

6. Facility Agreement

The City is negotiating to enter into a Facility Agreement with each of the rental car companies. The Facility Agreement will govern the rental car companies' lease and use of the CONRAC Facility (the companies that will operate in the CONRAC Facility are defined as "Operators"), and will contractually obligate each of the Operators to collect and remit the CFC established by the CFC Ordinances. The Facility Agreement will also obligate the Operators to pay certain rentals and fees related to the CONRAC Facility, as discussed below. The term of the Facility Agreement will extend through the final payment of the Series 2006B and C Bonds, and any additional bonds issued related to the CONRAC Facility.

As of the date of this report, none of the rental car companies has agreed to enter into the Facility Agreement. Any rental car companies that decline to enter into the Facility Agreement as of the DBO of the CONRAC Facility will be required to become Off-Airport Rental Car Companies. Pursuant to the CFC Ordinances, all of the rental car companies serving the ATL market (both the On-Airport Rental Car Companies and the Off-Airport Rental Car Companies) are obligated to collect and remit the CFC. Further, the City has the ability to adjust the CFC periodically by City ordinance, as may be necessary, to cover eligible costs related to the CONRAC Facility, and to satisfy the Rate Covenant provision in the City's Supplemental Bond Ordinance. If one or more of the rental car companies decline to enter into the Facility Agreement as of DBO of the CONRAC Facility, the City could use a portion of the moneys deposited into the CFC Surplus Fund, and/or certain general revenues of the Airport, to cover CONRAC Facility operating costs that would have otherwise been covered through rent obligations under the provisions of the Facility Agreement. It is also anticipated that the City would continue receiving concession fee revenue from the rental car companies declining to operate in the CONRAC Facility, through a new concession agreement or operating permit for Off-Airport Rental Car Companies, in lieu of the concession fee provision of the Facility Agreement (discussed below).

The major provisions of the Facility Agreement are described below.

a. Customer Facility Charge

The CFC will be set by the City in accordance with the requirements of the CFC Ordinances and applied to the "Annual CFC Costs," which are defined in the Facility Agreement as the following, in the indicated order of priority:

- Annual debt service on the Series 2006A and B Bonds (equal to the installment payments under the Purchase Agreement);
- Annual deposits to any debt service coverage account, capitalized interest account, debt service reserve fund, or other account or fund required with respect to the Series 2006A and B Bonds or the

Purchase Agreement, or to satisfy requirements with respect to additional CONRAC Facility financing, if any;

- CONRAC Facility infrastructure renewal and replacement reserve;
- CONRAC Transportation System Fees;
- Intra-Airport Transportation System costs to transport Operators' customers between the Maynard Holbrook Jackson, Jr. International Terminal ("MHJIT") and the CONRAC Facility;
- Legal, administrative, and environmental costs associated with the CONRAC Facility; and
- Additional CONRAC Facility related costs as approved by the Aviation General Manager, if any.

If, at the mid-point of a Contract Year, the estimated CFC revenues for the Contract Year are anticipated to be less than the Total Annual CFC Cost for the Contract Year, the City will have the right, but not the obligation, to increase the CFC level.

b. Design and Construction of the CONRAC Facility

The City will be responsible for the planning, procurement, design, and construction of the CONRAC Facility, including certain common equipment. A committee composed of one representative from each Operator will serve in an advisory capacity to the City for the planning and design of the CONRAC Facility. Each Operator shall submit to the Aviation General Manager construction documents, prior to the commencement of construction, for any improvements proposed by the Operator on or in its Assigned Areas. Each Operator must obtain written approval from the Aviation General Manager prior to constructing any improvements on or in its Assigned Areas.

c. Use of the CONRAC Facility by Operators

The City will assign to the Operators the use of the following areas of the CONRAC Facility (the "Assigned Areas"): (a) the CSC; (b) the ready/return spaces and storage areas in the Garage; and (c) the QTA (defined in Section II to include car wash bays, maintenance bays, fueling positions, and storage/staging areas). The City will develop a plan to subdivide the Assigned Areas to accommodate all the Operators. Each Operator will choose its preferred Assigned Areas, in descending order of market share. Within 12 months of the DBO of the CONRAC Facility, the City will determine the initial location, size, and configuration of the Operators' respective Assigned Areas. The Facility Agreement also contains provisions for the periodic reallocation of the Assigned Areas and the accommodation of new entrants.

In addition to the use of its Assigned Areas, each Operator shall also have the right to use the areas of the CONRAC Facility that will be used in common by all the Operators (the "Common Premises"). The use of the Common Premises shall be controlled exclusively by the City.

d. Rentals and Fees

The Facility Agreement specifies the rentals and privilege fees that will be payable by the Operators to the City when the CONRAC Facility is operational, as described below. *These rentals and privilege fees payable by the Operators to the City are not pledged to the payment of the Series 2006B and C Bonds*.[7]

(1) Annual Base Rent.

(2) Contingent Rent may be assessed if the CFC is at a rate of $4.00, the estimated CFC revenues for the next year are less than the estimated Annual CFC Cost, and the Facility Reserve Fund balance is less than one-half of the estimated Annual CFC Cost.

(3) Facility Operating and Maintenance ("O&M") Fees to cover all costs, expenses, fees, and taxes for the operation, maintenance, safety, and security of the CONRAC Facility.

(4) Transportation System Fees to cover all costs, expenses, fees, and taxes for the operation, maintenance, safety, and security of the CONRAC Transportation System and the Intra-Airport Transportation System, to the extent that CFC revenues are not sufficient to pay all of those costs.

(5) Privilege Fees paid by each rental car company will equal 10% of its monthly Gross Receipts, or one-twelfth of its Minimum Annual Guarantee ("MAG"), whichever is greater. Each company's MAG will be set at the greater of the MAG for the previous year or 85% of the privilege fees due in the previous year.

B. PLAN OF FINANCE

As described in **Section II**, the capital costs of the CONRAC Facility and the APM Maintenance Facility, which are estimated to total approximately $260.0 million, are being funded with (1) the proceeds of the Series 2006A and B Bonds and (2) Airport funds. It is anticipated that the Series 2006A and B Bonds will be issued in the aggregate par amount of approximately $221.0 and $21.5 million, respectively, for a total estimated par amount of approximately $242.450 million. The sources and uses of Bond funds for the CONRAC Facility and the APM Maintenance Facility are summarized on **Table VI-1**.

[7] The rentals and privilege fees payable by the Operators are included in Gross Revenues under the Bond Ordinances for the City's general airport revenue bonds.

TABLE VI-1
ESTIMATED SOURCES AND USES OF BOND FUNDS
CONRAC FACILITY AND APM MAINTENANCE FACILITY

	Series 2006A	Series 2006B	Total
Sources of Bond Funds			
Par Amount	$220,915,000	$21,535,000	$242,450,000
Net Premium	0	410,205	410,205
Total Sources of Bond Funds	$220,915,000	$21,945,205	$242,860,205
Uses of Bond Funds			
Estimated Project Costs (Table II-1) [1]	$199,444,002	$20,888,688	$220,332,690
Less: Interest Earnings on Project Fund	8,353,451	1,154,211	9,507,662
Estimated Project Fund Deposits [2]	$191,090,551	$19,734,477	$210,825,028
Other Fund Deposits:			
Debt Service Reserve Fund	17,030,716	1,474,125	18,504,841
Coverage Fund (Series A)	4,257,679	0	4,257,679
Coverage Fund (Series B)	339,812	0	339,812
	$21,628,207	$1,474,125	$23,102,332
Costs of Issuance, Underwriter's Discount, and Bond Insurance	8,194,032	734,452	8,928,484
Other Uses of Funds:			
Additional Proceeds	2,211	2,151	4,362
Total Uses of Bond Funds	$220,915,001	$21,945,205	$242,860,206

[1] The project costs, as presented on Table II-1, are estimated to total approximately $260.0 million. It is anticipated that in addition to the project costs to be paid from Bond proceeds, approximately $39.7 million in project costs will be paid with Airport funds.

[2] The Project Fund deposits from the Series 2006B Bonds will be for the APM Maintenance Facility project costs.

Source: Public Resources Advisory Group.

C. DEBT SERVICE

The estimated annual debt service requirements on the Series 2006A and B Bonds, provided by Public Resources Advisory Group, are summarized on a Fiscal Year basis[8] on **Table VI-2**. The Series 2006A and B Bonds will have a term of 25 years, with the final maturity on January 1, 2031. The estimated interest payments are based on an annual true interest cost of approximately 6.24% for the Series 2006A Bonds and 4.74% for the Series 2006B Bonds.

D. CALCULATION OF THE CUSTOMER FACILITY CHARGE

The CFC Ordinances require the rental car companies to collect the CFC and remit the CFC collections to the City monthly, in accordance with procedures established by the City. The City will use the CFCs remitted to pay its installment payment obligations to the Issuer under the Purchase Agreement. The Issuer will use the installment payments received from the City to pay the debt service obligations on the Series 2006A and B Bonds.

Under the Rate Covenant in the City's Supplemental Bond Ordinance, the City has covenanted to set the CFC, and adjust the CFC annually (if necessary), to generate CFC Coverage Revenues each Fiscal Year equal to 125% of the debt service requirements for that Fiscal Year. As discussed earlier, CFC Coverage Revenues consist of all CFC collections, plus the interest earnings on the balances in certain funds and accounts established pursuant to the City's Supplemental Bond Ordinance, plus the balance in the CFC Coverage Fund (25% of maximum annual debt service). Therefore, the minimum CFC level required to meet the Rate Covenant is projected by dividing projected annual net debt service (annual debt service net of projected interest earnings) by the forecasted annual transaction days. The minimum CFC level required to meet the Rate Covenant, shown on **Table VI-3**, is projected to decrease from $3.23 in FY 2007[9] to $2.43 in FY 2012.

The City implemented the CFC at a rate of $4.00 per transaction day, effective October 1, 2005. The City anticipates using CFC collections in excess of the amounts required to meet debt service requirements to pay the annual Administrative Costs, to pay the renewal and replacement costs of the CONRAC Facility, to defray the operating costs of the CONRAC Transportation System, and to pay for other costs permitted under the City's Supplemental Bond Ordinance.

[8] The annual debt service requirements are presented on a Fiscal Year basis to correspond with the Rate Covenant provision in the City's Supplemental Bond Ordinance.
[9] The Fiscal Year begins on July 1st and ends on June 30th of the following calendar year. FY 2007 will be the first full Fiscal Year of CFC collections (the 12-month period from July 1, 2006 through June 30, 2007).

TABLE VI-2
ESTIMATED DEBT SERVICE SCHEDULE
SERIES 2006A and B BONDS

Fiscal Years Ending June 30th [1]	Series 2006A	Series 2006B	Total Debt Service
2007	19,422,665	1,596,653	21,019,318
2008	16,986,592	1,439,126	18,425,718
2009	16,984,121	1,438,826	18,422,947
2010	16,981,148	1,437,726	18,418,874
2011	16,982,003	1,432,926	18,414,929
2012	16,985,662	1,429,176	18,414,838
2013	16,981,113	1,429,051	18,410,164
2014	16,981,712	1,427,551	18,409,263
2015	16,980,791	1,424,426	18,405,217
2016	16,942,242	1,424,551	18,366,793
2017	16,934,861	1,417,926	18,352,787
2018	16,927,315	1,419,551	18,346,866
2019	16,922,924	1,414,301	18,337,225
2020	16,914,841	1,414,101	18,328,942
2021	16,906,648	1,414,163	18,320,811
2022	16,902,289	1,417,538	18,319,827
2023	16,894,685	1,419,001	18,313,686
2024	16,886,798	1,423,438	18,310,236
2025	16,881,371	1,425,850	18,307,221
2026	16,865,440	1,426,125	18,291,565
2027	16,858,151	1,434,150	18,292,301
2028	16,847,645	1,434,813	18,282,458
2029	16,835,059	1,443,001	18,278,060
2030	16,822,428	1,443,713	18,266,141
2031	16,806,624	1,451,725	18,258,349
Totals	$425,435,128	$35,879,408	$461,314,536

Source: Public Resources Advisory Group. Assumes AAA Insured Taxable Rates for the Series 2006A Bonds and AAA Insured Tax Exempt Rates.

[1] Principal payments will be due on January 1st, and interest payments will be due on January 1st and July 1st. The annual amounts shown above correspond to the Fiscal Years in which the corresponding CFC revenues will be collected.

Therefore, the financial analysis assumes that the CFC will remain at $4.00 throughout the forecast period. CFC revenues at the anticipated level of $4.00, which are presented on **Table VI-3,** are projected to increase from approximately $15.2 million in FY 2006 (a partial year) to approximately $24.8 million in FY 2007 (the first full year). CFC revenues are projected to increase each subsequent Fiscal Year during the forecast period, to approximately $28.6 million in FY 2012.

TABLE VI-3
CALCULATION OF MINIMUM REQUIRED CFC AND PROJECTED CFC REVENUES

	Fiscal Years Ending June 30th						
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Annual Debt Service [1]	N/A	$21,019,318	$18,425,718	$18,422,947	$18,418,874	$18,414,929	$18,414,838
Less: Investment Income [2]	N/A	(1,040,000)	(1,040,000)	(1,040,000)	(1,040,000)	(1,040,000)	(1,040,000)
Amount to be Recovered	N/A	$19,979,318	$17,385,718	$17,382,947	$17,378,874	$17,374,929	$17,374,838
Transaction Days [3]	3,792,856	6,192,731	6,380,657	6,573,342	6,771,291	6,960,197	7,143,166
Minimum Required CFC [4]	N/A	$3.23	$2.72	$2.64	$2.57	$2.50	$2.43
Anticipated CFC [5]	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00
Projected CFC Revenues [6]	$15,171,425	$24,770,924	$25,522,629	$26,293,369	$27,085,165	$27,840,789	$28,572,666
Low Case Forecast [7]							
Transaction Days [3]		6,160,314	6,184,822	6,315,553	6,721,265		
Minimum Required CFC [4]		$3.24	$2.81	$2.75	$2.59		
Anticipated CFC [5]		$4.00	$4.00	$4.00	$4.00		
Projected CFC Revenues [6]		$24,641,256	$24,739,289	$25,262,211	$26,885,059		

[1] Annual debt service estimated by Public Resources Advisory Group, as summarized on **Table VI-2**.
[2] Investment income on the projected balances in the various bond funds.
[3] Forecasted annual transaction days presented in **Section V,** adjusted to a fiscal year basis. The transaction days for FY 2006 represent a partial fiscal year (beginning with the implementation of the CFC on October 1, 2005).
[4] The minimum CFC required to cover estimated net debt service.
[5] The City established the CFC at $4.00, effective October 1, 2005. The analysis assumes the CFC will remain at $4.00 during the forecast period.
[6] Annual CFC revenues are projected to equal the forecasted annual transaction days multiplied by the anticipated CFC level.
[7] The projections under the low case forecast are the same as the base case forecast for Fiscal Years 2006, 2011, and 2012 because the Airport's forecast of originating enplanements under the low air traffic forecast does not differ from the baseline orignating enplanement forecast in those years.

E. APPLICATION OF CFC REVENUES AND RATE COVENANT CALCULATION

The projected application of CFC revenues, in accordance with the provisions of the City's Supplemental Bond Ordinance, is summarized on **Table VI-4**. CFC revenues are projected to be applied first to the interest and principal payments on the Series 2006A and B Bonds. For the purposes of this analysis, annual Administrative Costs of $300,000 were conservatively estimated. It is anticipated that no other uses of CFC revenues will be required during the forecast period, in the flow of funds prior to the deposit into the CFC Surplus Fund. Therefore, CFC revenues available after the debt service requirements are met, and after the estimated deposits to the Administrative Costs Fund, are projected to flow into the CFC Surplus Fund. The City may use the moneys in the CFC Surplus Fund for the purposes identified in **Figure VI-2**. Airport management anticipates that the moneys in the CFC Surplus Fund will be used for the following purposes:

TABLE VI-4
APPLICATION OF CFC REVENUES AND RATE COVENANT CALCULATION

	Fiscal Years Ending June 30th						
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Application of CFC Revenues							
Projected CFC Revenues [1]	$15,171,425	$24,770,924	$25,522,629	$26,293,369	$27,085,165	$27,840,789	$28,572,666
Application of CFC Revenues							
Interest Subaccount	0	16,619,318	13,395,718	13,127,947	12,843,874	12,539,929	12,214,838
Principal Subaccount	0	4,400,000	5,030,000	5,295,000	5,575,000	5,875,000	6,200,000
Deposits to Administrative Costs Fund	150,000	300,000	300,000	300,000	300,000	300,000	300,000
Deposits to CFC Surplus Fund	15,021,425	3,451,606	6,796,911	7,570,422	8,366,291	9,125,860	9,857,828
Total CFC Revenues Applied	$15,171,425	$24,770,924	$25,522,629	$26,293,369	$27,085,165	$27,840,789	$28,572,666
CFC Surplus Fund:							
Beginning Balance	$0	$6,677,425	$2,086,031	$8,882,942	$9,508,364	$6,778,655	$6,163,515
Deposits	15,021,425	3,451,606	6,796,911	7,570,422	8,366,291	9,125,860	9,857,828
Renewal and Replacement Costs [3]	0	0	0	(2,500,000)	(5,000,000)	(5,000,000)	(5,000,000)
APM O&M Expenses [4]	0	0	0	(4,445,000)	(6,096,000)	(4,741,000)	(4,820,000)
Buyout of Existing RAC Facilities [5]	(8,344,000)	0	0	0	0	0	0
ATL Parking Project Costs [6]	0	(8,043,000)	0	0	0	0	0
CFC Surplus Fund Balance [7]	$6,677,425	$2,086,031	$8,882,942	$9,508,364	$6,778,655	$6,163,515	$6,201,343
Rate Covenant Calculation							
CFC Revenues	$15,171,425	$24,770,924	$25,522,629	$26,293,369	$27,085,165	$27,840,789	$28,572,666
Balance in CFC Coverage Fund	4,597,491	4,597,491	4,597,491	4,597,491	4,597,491	4,597,491	4,597,491
Investment Income	0	1,040,000	1,040,000	1,040,000	1,040,000	1,040,000	1,040,000
CFC Coverage Revenues	$19,768,916	$30,408,415	$31,160,120	$31,930,860	$32,722,656	$33,478,280	$34,210,157
Annual Debt Service [8]	$0	$21,019,318	$18,425,718	$18,422,947	$18,418,874	$18,414,929	$18,414,838
Debt Service Coverage [9]	N/A	1.45	1.69	1.73	1.78	1.82	1.86
Low Case Forecast [10]							
CFC Surplus Fund Balance [7]	$6,677,425	$1,956,362	$7,969,933	$7,564,197	$4,634,381	$4,019,241	$4,057,069
Debt Service Coverage [9]		1.44	1.65	1.68	1.77		

[1] Projected CFC Revenues from **Table VI-3**.
[2] The City established the CFC effective October 1, 2005. CFC revenues for FY 2006 represent a partial year, beginning with the effective date of the CFC.
[3] Projected renewal and replacement expenditures are based on estimates developed by the HJDP staff.
[4] Annual APM O&M expenses are based on the APM operating contract submitted by the Sumitomo / Mitsubishi Team, dated October 27, 2005, plus power costs estimated by HJPD staff. Approximately 96% of APM O&M expenses are allocated to the CONRAC Facility, based on the Ridership Study prepared for the Airport by Gary R. Fauth (April 2003). HJDP staff anticipates that the APM system will begin operation when the CONRAC Facility opens, estimated to occur by the end of December 2008.
[5] Estimated costs to buyout existing rental car facilities owned by individual rental car companies.
[6] Estimated capital costs of replacement parking facilities.
[7] The balance in the Surplus Fund may be used by the City in accordance with the provisions of the City's Supplemental Ordinance, as summarized in **Figure VI-2**.
[8] Annual debt service schedule, as estimated by Public Resources Advisory Group and summarized on **Table V-2**.
[9] The Rate Covenant contained in the City's Supplemental Ordinance requires that the CFC be set at a level sufficient to generate CFC Coverage Revenues at least equal to 125% of annual debt service.
[10] The projected debt service coverage under the low case forecast is the same as the base case forecast for Fiscal Years 2006, 2011, and FY 2012 because the Airport's forecast of originating enplanements under the low air traffic forecast does not differ from the baseline originating enplanement forecast in those years.

- To pay for renewal and replacement costs associated with the CONRAC Facility. HJDP staff has estimated that the renewal and replacement costs for the first five years of operation of the CONRAC Facility will total approximately $24.6 million. For this analysis, an average of $5.0 million per year in renewal and replacement costs was assumed to be paid from the CFC Surplus Fund.
- To pay for the annual APM O&M expenses, which were estimated based on information provided by HJDP staff. Approximately 96% of the estimated annual APM O&M expenses were allocated to the CONRAC Facility, based on an APM ridership study prepared for the Airport.[10] The APM is assumed to begin operation when the CONRAC Facility opens, currently estimated by Airport management to occur by the end of December 2008 (mid-FY 2009).
- The buyout of capital improvements on owned by individual rental car companies on existing rental car sites (Avis, Budget, Hertz, and National), estimated to total approximately $8.4 million.
- The capital costs of new parking facilities to replace parking facilities being displaced by the APM, estimated to total approximately $8.0 million. The exact nature of the parking facilities, and the timing of their opening, are uncertain as of the date of this Report. Therefore, no public parking revenue is assumed for the facilities during the forecast period, and the capital costs are assumed to be funded with CFC revenues.

Effective when the Maynard Holbrook Jackson, Jr. International Terminal (“MHJIT”) opens, the rental car companies will be required to transport their customers between the CONRAC Facility and the MHJIT via an Intra-Airport Transportation System. One of the permitted uses of moneys in the CFC Surplus Fund is the payment of operating costs of the Intra-Airport Transportation System. The timing of the opening of the MHJIT is uncertain as of the date of this Report (the earliest estimated DBO is the year 2010). Therefore, Airport management does not anticipate the application of any moneys in the CFC Surplus Fund for the Intra-Airport Transportation System operating costs.

The moneys remaining in the CFC Surplus Fund after the uses listed above are projected to equal approximately $6.2 million at the end of FY 2012.

If one or more of the rental car companies decline to sign the Facility Agreement, the City could use a portion of the moneys deposited into the CFC Surplus fund to cover the costs that would otherwise have been covered by the rents and fees under the Facility Agreement. The City would also have the option of increasing the CFC level above $4.00, pursuant to the CFC Ordinances, to cover those costs, if any, not covered by the rents and fees under the Facility Agreement.

[10] Gary R. Fauth, *Projected Ridership on the APM Connecting the Consolidated Rental Car Facility and Hartsfield Atlanta International Airport*, April 2003.

CFC Coverage Revenues (all CFC collections, plus the balance in the CFC Coverage Fund, plus the interest earnings of certain funds and accounts established pursuant to the City's Supplemental Bond Ordinance) are projected to increase from approximately $19.8 million in FY 2006 (a partial year) to $30.4 million in FY 2007 and $34.2 million in FY 2012. Debt service coverage is projected to increase from 1.45 in FY 2007 (the first full year) to 1.86 in FY 2012, in excess of the 1.25 requirement specified in the Rate Covenant of the City's Supplemental Bond Ordinance.

F. SENSITIVITY ANALYSIS

Under the low case transaction day forecast presented in **Section V**, the minimum CFC level required to meet the Rate Covenant, is projected to differ from the base case in Fiscal Years 2007 through FY 2010 – the years in which the low case forecast differs from the base case forecast. The minimum required CFC level under the low case is projected to decrease from $3.24 in FY 2007 to $2.59 in FY 2010. In FY 2011 and FY 2012, the minimum CFC level is projected to be the same as under the base case ($2.50 in FY 2011 and $2.43 in FY 2012). Assuming that the CFC level will be maintained at $4.00 throughout the forecast period, annual CFC revenues under the low case are projected to increase from approximately $24.6 million in FY 2007 to $26.9 million in FY 2010. In FY 2011 and FY 2012, annual CFC revenues are then projected to be the same as under the base case (approximately $27.8 million in FY 2011 and $28.6 million in FY 2012).

As shown on **Table VI-4**, CFC revenues under the low case transaction day forecast are projected to be sufficient to pay for the annual debt service requirements and the other items described above throughout the forecast period. The CFC Surplus Fund balance is projected to equal approximately $4.1 million at the end of the forecast period. Debt service coverage is projected to increase from 1.44 in FY 2007 to 1.77 in FY 2010. In FY 2011 and FY 2012, debt service coverage under the low case is projected to be the same as under the base case (1.82 in FY 2011 and 1.86 in FY 2012). Therefore debt service coverage under the low case is projected to be in excess of the 1.25 requirement specified in the Rate Covenant of the City's Supplemental Bond Ordinance throughout the forecast period.

APPENDIX C

DEFINITIONS AND SUMMARIES OF PRINCIPAL DOCUMENTS

APPENDIX C

DEFINITIONS AND SUMMARIES OF PRINCIPAL DOCUMENTS

DEFINITIONS

Certain words and terms used in this Official Statement are defined herein. In addition to the words and terms defined elsewhere herein, the following words and terms are defined in this Official Statement.

"Additional Bonds" means the additional parity Bonds authorized to be issued by the Issuer pursuant to the terms and conditions of the Bond Resolution.

"Additions" or **"Alterations"** means modifications, repairs, renewals, improvements, replacements, alterations, additions, enlargements, or expansions in, on, or to the Project, including any and all machinery, and equipment therefor.

"Agreement" means the Installment Purchase Agreement, dated as of June 1, 2006, by and between the Purchaser and the Issuer, as the same may be supplemented and amended from time to time in accordance with the provisions thereof.

"APM Maintenance Project" means the acquisition, construction, and installation of a maintenance facility for an automated people mover system in order to serve the Hartsfield-Jackson Atlanta International Airport.

"Authorized Issuer Representative" means the person at the time designated to act on behalf of the Issuer by written certificate furnished to the Purchaser and the Project Fund Depository, containing the specimen signature of such person and signed on behalf of the Issuer by its City Manager. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Authorized Purchaser Representative" means the person at the time designated to act on behalf of the Purchaser by written certificate furnished to the Issuer and the Project Fund Depository, containing the specimen signature of such person and signed on behalf of the Purchaser by the Airport Manager. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Beneficial Owner" means the actual purchasers of the Series 2006A/B Bonds.

"Bond Counsel" means any firm of nationally recognized bond counsel experienced in matters relating to tax-exempt financing, appointed by the Issuer and reasonably acceptable to the Purchaser.

"Bond Ordinance" means the Amended and Restated Master Bond Ordinance adopted on March 20, 2000 (Ordinance No. 99-O-1896), as supplemented and amended by a First Supplemental Bond Ordinance adopted on March 30, 2000 (Ordinance No. 00-O-0214), a Second Supplemental Bond Ordinance adopted on October 7, 2002 (Ordinance No. 02-O-1463), an Amended and Restated Third Supplemental Bond Ordinance adopted on May 19, 2003 (Ordinance No. 03-O-0772), a Fourth Supplemental Bond Ordinance adopted on June 2, 2003 (Ordinance No. 03-O-0835), a Fifth Supplemental Bond Ordinance adopted on September 15, 2003 (Ordinance No. 03-O-1448), a Sixth Supplemental Bond Ordinance adopted on November 17, 2003 (Ordinance No. 03-O-1871), a Seventh Supplemental Bond Ordinance adopted on April 19, 2004 (Ordinance No. 04-O-0431), an Eighth Supplemental Bond Ordinance adopted on October 18, 2004 (Ordinance No. 04-O-1811), a Ninth Supplemental Bond Ordinance adopted on October 3, 2005 (Ordinance No. 05-O-1717), a Tenth Supplemental Bond Ordinance adopted on April 17, 2006 (Ordinance No. 06-O-0551), and an Eleventh Supplemental Bond Ordinance adopted on April 17, 2006 (Ordinance No. 06-O-0552).

"Bond Resolution" means the resolution or resolutions adopted by the Governing Body of the Issuer authorizing the issuance and sale of the Bonds and the security therefor.

"Bondholders" means the Persons in whose names any of the Bonds are registered on the registration books of the Issuer.

"Bond Register" means the registration books maintained and to be maintained by the Bond Registrar.

"Bond Registrar" means the commercial bank appointed by the Issuer to maintain, in accordance with the provisions of the Resolution, the registration books of the Issuer for any series of Bonds. U.S. Bank National Association, Atlanta, Georgia, is the initial Bond Registrar for the Series 2006A/B Bonds.

"Bonds" means the Series 2006A/B Bonds and all series of Additional Bonds from time to time authenticated and delivered under the Bond Resolution.

"CFC Revenues" means the customer facility charge collections received by the Purchaser pursuant to the Master Ordinance.

"Code" means the Internal Revenue Code of 1986, as amended.

"CONRAC Project" means the acquisition, construction, and installation of a consolidated rental car facility to serve the Hartsfield-Jackson Atlanta International Airport.

"Construction Manager" means the construction or project management firm at the time employed by the Purchaser and designated to act on behalf of the Issuer by written certificate furnished to the Project Fund Depository, containing the signature of such person or the signature of a partner or officer of such firm, and signed on behalf of the Purchaser by the Airport Manager and on behalf of the Issuer by its Mayor or Mayor Pro Tem.

"Costs of the Project" means those costs and expenses in connection with the acquisition, construction, and installation of the Project permitted by the Agreement to be paid or reimbursed from proceeds of the Bonds.

"DTC" means The Depository Trust Company, New York, New York, or its nominee, or its successors and assigns, or any other depository performing similar functions under the Resolution.

"Event of Default" means, with respect to the Resolution, any of the events described as such in **"THE RESOLUTION - Events of Default"** in this Appendix C, or, with respect to the Agreement, any of the events described as such in **"THE AGREEMENT - Events of Default and Remedies of Default"** in this Appendix C.

"Fiscal Year" means any period of twelve consecutive months adopted by the Purchaser as its fiscal year for financial reporting purposes and shall initially mean the period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year.

"Fitch" means Fitch Ratings Ltd. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the Purchaser.

"Governing Body" means, in the case of the Issuer, its Mayor and Council and, in the case of the Purchaser, its City Council.

"Government Obligations" means direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of Treasury of the United States of America) or obligations the payment of the principal of and interest on which when due are fully and unconditionally guaranteed by the United States of America.

"Ground Lease" means the Ground Lease Agreement, dated the date of the Agreement, between the Purchaser, as lessor, and the Issuer, as lessee, as amended, modified, or replaced.

"Interest Payment Date" means January 1 and July 1 of each year.

"Investment Earnings" means all interest received on and profits derived from investments made with Pledged Revenues or any monies in the funds and accounts established under the Resolution.

"Issuer" means the City of College Park, a municipal corporation created and existing under the laws of the State of Georgia, and its successors and assigns.

"Moody's" means Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the Purchaser.

"Outstanding Bonds" or **"Bonds Outstanding"** or **"Outstanding"** means all Bonds that have been duly authenticated and delivered by the Bond Registrar under the Resolution, except:

(a) Bonds theretofore cancelled or required to be cancelled by the Bond Registrar,

(b) Bonds that are deemed to have been paid in accordance with the Resolution, and

(c) Bonds in substitution for which other Bonds have been authenticated and delivered under the Resolution.

If the Resolution is discharged pursuant to the Resolution, no Bonds will be deemed to be outstanding within the meaning of this provision.

"Paying Agent" means the commercial bank or banks appointed by the Issuer to serve as paying agent in accordance with the terms of the Resolution for any series of Bonds, and their successors and assigns. U.S. Bank National Association, Atlanta, Georgia, is the initial Paying Agent for the Series 2006A/B Bonds.

"Permitted Investments" means obligations in which the Issuer is permitted to invest monies of the Issuer pursuant to applicable law that have (or are collateralized by obligations that have) a Rating by any Rating Agency which is equal to or greater than the third highest long-term Rating of such Rating Agency, or that bears (or are collateralized by obligations that bear) the second highest short-term Rating of such Rating Agency.

"Person" means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, and public bodies.`

"Plans and Specifications" means the detailed plans and specifications for the construction of the Project, as amended from time to time by the Purchaser in its sole and absolute discretion, a copy of which is or will be on file with the Issuer.

"Pledged Revenues" means the revenues received by the Issuer constituting payments of Purchase Price pursuant to the Agreement.

"Premises" means the real estate or interests in real estate upon which the Project is to be constructed, as more particularly described in the Agreement.

"Project" means the consolidated rental car facility and the maintenance facility for an automated people mover system to serve the Hartsfield-Jackson Atlanta International Airport, more particularly described in the Agreement and all related property both real and personal, to be located on the Premises.

"Project Fund" means the fund created by the Resolution and referred to as the "City of College Park Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility/Automated People Mover System Maintenance Facility Project Fund."

"Project Fund Depository" means initially U.S Bank National Association, Atlanta, Georgia, and its successors and assigns, or any successor depository for the Project Fund hereafter appointed by the Issuer at the direction of the Purchaser; provided, however, the Project Fund Depository shall at all times be a commercial bank.

"Purchase Price" means the purchase price payable by the Purchaser to the Issuer under the Agreement.

"Purchaser" means the City of Atlanta, a municipal corporation created and existing under the laws of the State, and its successors and assigns.

"Rating" means a rating in one of the categories by a Rating Agency, disregarding pluses, minuses, and numerical gradations.

"Rating Agencies" or **"Rating Agency"** means Fitch, Moody's, and Standard & Poor's or any successors thereto, and any other nationally recognized credit rating agency then maintaining a rating on any Bonds. If at any time a particular Rating Agency does not have a rating outstanding with respect to the relevant Bonds, then a reference to Rating Agency or Rating Agencies will not include such Rating Agency.

"Regulations" means the Treasury Regulations promulgated under and pursuant to the Code.

"Resolution" means the Master Bond Resolution adopted by the Governing Body of the Issuer on April 2, 2006, as it may from time to time be modified, supplemented, or amended by Supplemental Resolutions.

"Revenue Bond Law" means Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, entitled the "Revenue Bond Law," as amended, and as the same be from time to time additionally supplemented and amended.

"Series 2006A Account" means the account created within the Project Fund and referred to as the "City of College Park Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility/Automated People Mover Systems Maintenance Facility Project Fund - Series 2006A Account."

"Series 2006B Account" means the account created within the Project Fund and referred to as the "City of College Park Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility/Automated People Mover Systems Maintenance Facility Project Fund - Series 2006B Account."

"Series 2006A Bonds" means the revenue bonds designated "City of College Park Taxable Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility), Series 2006A," dated the date of issuance and delivery thereof in the original principal amount of $211,880,000, to be issued pursuant to the Bond Resolution.

"Series 2006B Bonds" means the revenue bonds designated "City of College Park Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover Facility), Series 2006B," dated the date of issuance and delivery thereof in the original principal amount of $21,980,000, to be issued pursuant to the Bond Resolution.

"Series 2006A/B Bonds" means, collectively, the Series 2006A Bonds and the Series 2006B Bonds.

"Series Resolution" means a bond resolution or bond resolutions (which may be supplemented by one or more bond resolutions) to be adopted prior to the delivery of any series of Additional Bonds.

"Sinking Fund" means the fund created by the Resolution and referred to as the "City of College Park Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility/Automated People Mover System Maintenance Facility Sinking Fund."

"Sinking Fund Custodian" means initially U.S. Bank National Association, Atlanta, Georgia, and its successors and assigns, or any successor custodian for the Sinking Fund hereafter appointed by the Issuer at the direction of the Purchaser; provided, however, the Sinking Fund Custodian shall at all times be a commercial bank.

"Standard and Poor's" or **"S&P"** means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated by the Purchaser.

"State" means the State of Georgia.

"Supplemental Resolution" means (a) any Series Resolution and (b) any modification, amendment, or supplement to the Resolution other than a Series Resolution.

"Tax-Exempt Bonds" means any Bonds the interest on which has been determined in an unqualified opinion of Bond Counsel, to be excludable from the gross income of the owners thereof for federal income tax purposes.

"Term Bonds" means Bonds that mature on one date, yet a significant portion of which are required to be redeemed prior to maturity under a schedule of mandatory redemption to be established by the Series Resolution authorizing the issuance of such Bonds.

"Unassigned Rights" means all of the rights of the Issuer to receive reimbursements and payments under the Agreement and to be held harmless and indemnified pursuant to the Agreement.

"Underwriters" means for purposes of the Series 2006A/B Bonds, Goldman, Sachs & Co., Morgan Keegan & Company, Inc., Doley Securities, LLC, and Jackson Securities, LLC.

THE RESOLUTION

Introduction

The Master Bond Resolution is a contract for the benefit of the owners of the Bonds which specifies the terms and details of the Series 2006A/B Bonds and which defines the security for the Series 2006A/B Bonds. The following is a summary, which does not purport to be comprehensive or definitive, of certain provisions of the Resolution. Reference is made to the Resolution in its entirety for a complete recital of the detailed provisions thereof, copies of which are available from the Issuer upon request.

Pledge of Revenues and
Assignment of Agreement

Under the terms of the Resolution, all Pledged Revenues are pledged by the Issuer to the prompt payment of the principal of, redemption premium, if any, and interest on the Bonds. Such monies will immediately be subject to the lien of this pledge for the benefit of the Bondholders without any physical delivery thereof or further act, and the lien of this pledge will be valid and binding against the Issuer and against all other persons having claims against the Issuer, whether such claims shall have arisen in tort, contract, or otherwise and irrespective of whether such parties have notice thereof. Under the terms of the Resolution, this pledge will rank superior to all other pledges that may hereafter be made of any of the funds and accounts pledged in the Resolution.

Under the terms of the Resolution, in order to secure the Issuer's obligations under the Bonds, the Issuer has collaterally assigned to and for the benefit of the Bondholders all of the right, title, and interest of the Issuer in and to the Agreement (except for Unassigned Rights), and all extensions and renewals of the term thereof, if any, and all amounts encumbered thereby, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive, and make receipt for payments and other sums of money payable, receivable, or to be held thereunder, to bring any actions and proceedings thereunder or for the enforcement thereof, and to do any and all other things which the Issuer is or may become entitled to do under the foregoing, provided that the assignment made by the Resolution shall not impair or diminish any obligation of the Issuer under the provisions of the Agreement or impair or diminish the right of the Issuer to enforce compliance with the obligations of the Purchaser under the Agreement.

Funds Created by the Resolution
and Flow of Funds

Under the terms of the Resolution, the Issuer has established the following funds and accounts, and the monies deposited in such funds and accounts will be held in trust for the purposes set forth in the Resolution:

(1) the Sinking Fund; and

(2) the Project Fund, and therein the Series 2006A Account and the Series 2006B Account.

The Sinking Fund will be maintained by the Sinking Fund Custodian, and the Project Fund will be maintained by the Project Fund Depository.

Sinking Fund

Under the terms of the Resolution, all Pledged Revenues will be deposited in the Sinking Fund from time to time as received by the Issuer. No further payments need be made into the Sinking Fund whenever the amount available therein is sufficient to retire all Bonds then Outstanding and to pay all unpaid interest accrued and to accrue prior to such retirement.

The Sinking Fund will be used as a sinking fund to pay the principal of, premium, if any, and interest on the Bonds. The payments provided for in the Agreement are to be remitted directly to the Sinking Fund Custodian for the account of the Issuer and deposited in the Sinking Fund. Monies in the Sinking Fund will be used solely as a fund for the payment of the principal of, premium, if any, and interest on the Bonds, for the redemption of the Bonds at or prior to maturity, and to purchase Bonds in the open market pursuant to the Resolution; provided, however, that monies in the Sinking Fund may be invested in Permitted Investments maturing or redeemable at the option of the holder prior to the next succeeding Interest Payment Date, but whenever prior to any Interest Payment Rate the aggregate of the monies in the Sinking Fund exceeds the amount necessary to pay interest and principal falling due on such Interest Payment Date, such excess may be invested in Permitted Investments maturing or redeemable at the option of the holder prior to the next following Interest Payment Date.

Project Fund

The Resolution requires the Issuer to establish within the Project Fund a separate account for each series of Bonds. Monies in the Project Fund will be held by the Project Fund Depository and applied to the payment of costs in accordance with and subject to the provisions and restrictions set forth in the Resolution and in any related Series Resolution. The Issuer will not cause or permit to be paid from the Project Fund any sums except in accordance with such provisions and restrictions; provided, however, that any monies in the Project Fund not needed for the payment of current obligations during the course of construction may be invested in Permitted Investments maturing not later than (i) the date upon which such monies will be needed according to a schedule of anticipated payments from the Project Fund filed with the Project Fund Depository by the Purchaser, as modified from time to time by supplemental filings made by the Purchaser, or (ii) in the absence of such schedule, 24 months from the date of purchase, in either case upon written direction of the Purchaser.

Monies in each account in the Project Fund will be used solely for the purposes set forth in the Resolution and the Agreement. Except as otherwise provided in the Resolution, all disbursements from the Project Fund will be made upon draft, signed by an Authorized Issuer Representative and an Authorized Purchaser Representative, presented with with such other requisitions, certificates, applications for payment and other documents as may be required under the Agreement. Withdrawals for investment purposes only may be made by the Project Fund Depository to comply with written directions from the Authorized Purchaser Representative without any requisition other than such direction.

All proceeds of Bonds remaining in the Project Fund after the completion of the Project, less amounts retained or set aside to meet costs not then due and payable or which are being contested, shall be deposited in the Sinking Fund.

Investments

Monies in the funds and accounts established under the Resolution must be invested and reinvested at the highest rates reasonably available, in accordance with the Resolution. Investment Earnings in each fund and account are required to remain in such fund or account and to serve as a credit against amounts otherwise required to be paid into such fund or account. Monies in each of such funds are required to be accounted for as a separate and special fund apart from all other Issuer or Purchaser funds. All investments made under the Resolution will, for purposes of the Resolution, be carried at cost plus amortized discount.

Additional Bonds

The Resolution provides that no other revenue bonds or other obligations will hereafter be issued which are payable from or enjoy a lien on the Pledged Revenues prior to the lien created for the payment of the Series 2006A/B Bonds. Under the terms of the Resolution, Additional Bonds may be issued by the Issuer, however, from time to time, ranking as to lien on the Pledged Revenues on a parity with the Series 2006A/B Bonds, provided all of the following conditions are met:

(a) None of the Outstanding Bonds are in default as to payment of principal or interest.

(b) The Issuer is in compliance with the terms and conditions of the Resolution and the Agreement and the Purchaser is in compliance with the terms and conditions of the Agreement.

(c) The payments to be made into the Sinking Fund shall have been made in the full amounts required.

(d) The Issuer and the Purchaser amend the Agreement and reaffirm all applicable provisions of the Agreement, under the terms of which amendment the Purchaser obligates itself to pay to the Issuer payments sufficient to enable the Issuer to pay the principal of, premium, if any, and interest on the Outstanding Bonds and the Additional Bonds proposed to be issued as the same become due and payable, either at maturity or by proceedings for mandatory redemption.

(e) The Issuer passes proper proceedings reciting that all of the above requirements have been met, authorizes the issuance of the Additional Bonds, and provides in such proceedings, among other things, the date or dates of such Additional Bonds, the rate or rates of interest which such Additional Bonds will bear, the maturity dates of such Additional Bonds, redemption provisions for such Additional Bonds, and provisions for registration of such Additional Bonds. In addition, the proceedings of the Issuer are required to establish any additional accounts, if any, required in funds established pursuant to the Resolution. The interest on the Additional Bonds of any such issue shall fall due on January 1 and July 1 of each year, and the principal amount of such Additional Bonds shall mature in installments on January 1 or July 1, or both, but, as to principal on such Bonds, not necessarily in each year or in equal installments. The proceedings for such Additional Bonds may contain additional restrictions on the issuance of Additional Bonds, which restrictions may, so long as, but only so long as, such Additional Bonds remain Outstanding, be for the benefit of any other Bonds secured by the Resolution. Any such proceeding or proceedings shall ratify and reaffirm, by reference, all of the applicable terms, conditions, and provisions of the Resolution.

(f) The Issuer is required to furnish the Purchaser with a duly certified copy of the Series Resolution authorizing the issuance of such Additional Bonds, and the Purchaser, acting by and through its Governing Body, is required to acknowledge receipt of the certified copy of such Series Resolution, retain such Series Resolution in its permanent records, and authorize the issuance of such Additional Bonds.

(g) The applicable requirements of the Agreement have been satisfied.

(h) Such Additional Bonds and all proceedings relative thereto, and the security therefor, must be validated as prescribed by law.

Additional Bonds may be issued by the Issuer to provide funds to pay any one or more of the following: (i) the costs of completing the Project, (ii) the costs of making such Additions or Alterations in, on, or to the Project as the Purchaser may deem necessary or desirable and as will not impair the nature of the Project and as will be located on the Premises, (iii) to refund any Bonds, and (iv) the costs of the issuance and sale of Additional Bonds and capitalized or funded interest for such period and such other costs reasonably related to the financing as may be agreed upon by the Purchaser and the Issuer.

Liens

The Issuer has covenanted in the Resolution not to create or suffer to be created any lien, security interest, or charge upon the Pledged Revenues or the Agreement, other than the pledge and assignment created by the Resolution.

Events of Default

Under the terms of the Resolution, each of the following events is an "Event of Default": (a) payment of the principal of and redemption premium, if any, on any of the Bonds is not made when the same becomes due and payable, either at maturity or by proceedings for redemption; or (b) payment of any installment of interest on any Bond is not made when the same becomes due and payable; or (c) the Issuer, for any reason, is rendered incapable of fulfilling its obligations under the Resolution; or (d) an "Event of Default" has occurred under the Agreement; or (e) the Issuer defaults in the due and punctual performance of any other of the covenants, conditions, agreements, or provisions contained in the Bonds, the Agreement, or the Resolution, on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice, specifying such default and requiring the same to be remedied, shall have been given to the Purchaser and the Issuer by any Bondholder.

Remedies

Upon the happening and continuance of any Event of Default, then and in every such case any Bondholder may proceed, subject to the provisions of the next paragraph, to protect and enforce the rights of the Bondholders under the Resolution by a suit, action, or special proceedings in equity, or at law, for the specific performance of any covenant or agreement contained in the Resolution or in aid or execution of any power granted in the Resolution, or contained in the Agreement or granted in the Agreement, or for the enforcement of any proper legal or equitable remedy as such Bondholder deems most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law. The principal of the Bonds must be accelerated if and to the same extent that the Agreement is accelerated pursuant to the Master Ordinance.

No one or more owners of the Bonds secured by the Resolution will have any right in any manner whatever by its or their action to affect, disturb, or prejudice the security granted and provided for in the Resolution, or to enforce any right under the Resolution, except in the manner provided in the Resolution, and all proceedings at law or in equity must be instituted, had, and maintained for the equal benefit of all owners of such outstanding Bonds.

Supplemental Resolutions

The Issuer, from time to time and at any time, subject to the conditions and restrictions in the Resolution, may adopt one or more resolutions which thereafter shall form a part of the Resolution, for any one or more or all of the following purposes:

(a) to add to the covenants and agreements of the Issuer in the Resolution other covenants and agreements thereafter to be observed, or to surrender, restrict, or limit any right or power reserved in the Resolution to or conferred upon the Issuer (including but not limited to the right to issue Additional Bonds);

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting, or supplementing any defective provision, contained in the Resolution, or in regard to matters or questions arising under the Resolution, as the Issuer may deem necessary or desirable and not inconsistent with the Resolution and which will not have a material adverse effect on the interests of the Bondholders;

(c) to provide for the issuance of Additional Bonds, in accordance with the provisions of the Resolution;

(d) to grant to or confer any additional rights, remedies, powers, or authorities that may be lawfully granted to or conferred upon the owners of the Bonds;

(e) to subject to the lien and pledge of the Resolution additional revenues, receipts, properties, or other collateral;

(f) to evidence the appointment of successors to the Project Fund Depository, the Sinking Fund Custodian, the Paying Agent, or the Bond Registrar;

(g) to modify, amend, or supplement the Resolution or any proceedings supplemental to the Resolution in such manner as to permit the qualification of the Resolution under the Trust Indenture Act of 1939 or any federal statute hereinafter in effect, and similarly to add to the Resolution, or to any proceedings supplemental to the Resolution, such other terms, conditions, and provisions as may be permitted or required by the Trust Indenture Act of 1939 or any similar federal statute;

(h) to make any modification or amendment of the Resolution, not adverse to the interests of the Bondholders, required in order to make the Bonds eligible for acceptance by The Depository Trust Company or any similar holding institution or to permit the issuance of the Bonds or interests therein in book-entry form; or

(i) to make changes and modifications, and to add such provisions, as shall be necessary to obtain or maintain an investment grade rating for the Bonds.

Any Supplemental Resolution described above may be adopted by the Issuer without the consent of or notice to any of the owners of the Bonds at the time Outstanding.

In addition to Supplemental Resolutions described above, with the consent of the Bondholders, the Issuer may from time to time and at any time adopt a Supplemental Resolution for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Resolution; provided, however, that no such Supplemental Resolution may: (1) extend the maturity date of any Bond or the due date of any mandatory sinking fund redemption with respect to any Bond, (2) reduce or extend the time of payment of the principal of, redemption premium, or interest on any Bond, (3) reduce any premium payable upon the redemption of any Bond or advance the date upon which any Bond may first be called for redemption prior to its stated maturity date, (4) give to any Bond or Bonds a preference over any other Bond or Bonds, (5) reduce the percentage of owners of the Bonds required to approve any such Supplemental Resolution, or (6) deprive the owners of the Bonds (except as aforesaid) of the right to payment of the Bonds from the Pledged Revenues, in each case without the consent of the owners of all the Bonds then Outstanding.

Amendment of Agreement

The Purchaser and the Issuer, from time to time and at any time, subject to the conditions and restrictions in the Resolution, may amend, change, or modify the Agreement as may be required:

(a) by the provisions of the Agreement;

(b) to cure any ambiguity, or cure, correct, or supplement any defective provision contained in the Agreement, or in regard to matters or questions arising under the Agreement, as the Issuer may deem necessary or desirable and not inconsistent with the Resolution and which shall not have a material adverse effect on the interests of the Bondholders;

(c) to make such changes and modifications, and to add such provisions, as shall be necessary to obtain or maintain an investment grade rating for the Bonds; or

(d) to conform the Agreement to any changes made to the Resolution by a Supplemental Resolution permitted by the Resolution.

Except for the amendments, modifications, or changes to the Agreement described above, neither the Issuer nor the Purchaser may amend, change, or modify the Agreement unless the owners of at least a majority of the aggregate principal amount of the Bonds then Outstanding have filed with the Issuer and the Purchaser within three months after the date of adoption of resolutions or ordinances approving such amendment, change, or modification properly executed instruments approving the execution of such amendment, change, or modification, each such Bondholder instrument to be accompanied by proof of ownership of Bonds to which such instrument refers; provided, however, nothing contained in the Resolution permit, or be construed as permitting, any amendment, change, or modification of the Purchaser's unconditional limited obligation to make the payments required under the Agreement to the Issuer without the consent of every owner of Bonds affected thereby.

Defeasance

Bonds for the payment or redemption of which sufficient monies or sufficient Government Obligations have been deposited with or for the account of the Paying Agent (whether upon or prior to the maturity or the redemption date of such Bonds) are deemed to be paid and no longer Outstanding under the Resolution; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption must be duly given as provided in the Resolution or firm and irrevocable arrangements must have been made for the giving thereof. Government Obligations will be considered sufficient for purposes of the Resolution only (i) if such Government Obligations are not callable by the issuer of the Government Obligations prior to their stated maturity and (ii) if such Government Obligations fall due and bear interest in such amounts and at such times as will assure sufficient cash (whether or not such Government Obligations are redeemed by the Issuer pursuant to any right of redemption) to pay currently maturing interest and to pay principal of and redemption premiums, if any, on the Bonds when due.

THE AGREEMENT

Introduction

The Agreement, dated as of June 1, 2006, between the Issuer and the Purchaser, provides for the sale of the Project by the Issuer to the Purchaser, and secures the Purchaser's objections under the Series 2006A/B Bonds. The following is a summary, which does not purport to be comprehensive or definitive, of certain provisions of the Agreement. Reference is made to the Agreement in its entirety for a complete recital of the detailed provisions thereof.

Agreement to Issue the Series 2006A/B Bonds;
Application of Proceeds

In order to provide funds for payment of the Costs of the CONRAC Project, the Issuer agrees in the Agreement that it will sell and cause to be delivered to the Underwriters the Series 2006A Bonds and will thereupon, pursuant to the Resolution, (i) deposit in the Sinking Fund from the proceeds of the sale of the Series 2006A Bonds the amount representing accrued interest on the Series 2006A Bonds and used to pay interest due on January 1, 2007, (ii) deposit a sufficient sum into the Released CFC Bond Subaccount of the Debt Service Reserve Account held under the Bond Ordinance in order to increase the balance held in such subaccount to not less than 100% of the Debt Service Reserve Requirement computed on a basis that includes all Released Revenue Bonds with a Senior Lien on CFC Revenues, which will be Outstanding immediately after the issuance of the Series 2006A/B Bonds, after giving effect to all Reserve Account Credit Facilities credited to such subaccount, (iii) deposit an amount specified in a Supplemental Resolution to be adopted by the Governing Body of the Issuer into the Released CFC Bond Subaccount of the Capitalized Interest Account held under the Bond Ordinance, (iv) deposit a sufficient sum into the Released CFC Bond Debt Service Coverage Fund held under the Bond Ordinance, from the proceeds of the sale of the Series 2006A Bonds, in order to establish the balance held in such fund at 100% of the CFC Coverage Fund Requirement computed on a basis that includes all Released Revenue Bonds with a Senior Lien on CFC Revenues, which will be Outstanding immediately after issuance of the Series 20006A/B Bonds, and (v) deposit in the Series 2006A Account of the Project Fund the remaining proceeds of the sale of the Series 2006A Bonds. In order to provide funds for payment of the costs of the APM Maintenance Project, the Issuer agrees that it will sell and cause to be delivered to the Underwriters the Series 2006B Bonds and will thereupon, pursuant to the Resolution, (i) deposit in the Sinking Fund from the proceeds of the sale of the Series 2006B Bonds the amount representing accrued interest on the Series 2006B Bonds and used to pay interest due on January 1, 2007, (ii) deposit a sufficient sum into the Released CFC Bond Subaccount of the Debt Service Reserve Account held under the Bond Ordinance in order to increase the balance held in such subaccount to not less than 100% of the Debt Service Reserve Requirement computed on a basis that includes all Released Revenue Bonds with a Senior Lien on CFC Revenues, which will be Outstanding immediately after the issuance of the Series 2006A/B Bonds, after giving effect to all Reserve Account Credit Facilities credited to such subaccount, (iii) deposit an amount specified in a Supplemental Resolution to be adopted by the Governing Body of the Issuer into the Released CFC Bond Subaccount of the Capitalized Interest Account held under the Bond Ordinance, and (iv) deposit into the Series 2006B Account of the Project Fund the remaining proceeds of the sale of the Series 2006B Bonds.

Agreement to Acquire, Construct, and Install the Project

The Issuer agrees that promptly following the issuance and sale of the Series 2006A/B Bonds, the Issuer will lease the Premises from the Purchaser pursuant to the Ground Lease in consideration of its agreement to acquire, construct, and install the Project thereon. Promptly following the lease of the Premises, the Issuer will acquire, construct, and install the Project thereon and will convey the Project to the Purchaser. The Issuer has appointed the Purchaser as its agent to acquire, construct, and install the Project.

The Purchaser agrees in the Agreement to cause the Project to be constructed substantially in accordance with the Plans and Specifications, which Plans and Specifications may be amended from time to time by the Purchaser in its sole and absolute discretion. The Purchaser agrees in the Agreement to complete the acquisition, construction, and installation of the Project as promptly as practicable and with all reasonable dispatch after the date of issuance and sale of the Series 2006A/B Bonds; provided, however, the Purchaser's obligation to acquire, construct, and install the CONRAC Project is limited to amounts on deposit in the Series 2006A Account of the Project Fund and the Purchaser's obligation to acquire, construct, and install the APM Maintenance Project shall be limited to amounts on deposit in the Series 2006B Account of the Project Fund. The Purchaser may, but shall in no event be required to, advance or expend its own funds to pay costs of acquiring, constructing, and installing the Project.

Purchase Price and Other Amounts Payable by Purchaser

Until the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Bond Resolution, the Purchaser is required to pay the Purchase Price in installments and will pay to the Sinking Fund Custodian for the account of the Issuer as installments of Purchase Price, the following amounts:

(i) on or before each June 30 or December 31, as the case may be, a sum equal to the amount payable on the next succeeding July 1 or January 1, whichever is closer, as interest on the Bonds, as provided in the Bond Resolution, and

(ii) on or before each December 31, a sum equal to the principal of the Bonds due on the next succeeding January 1, whether by maturity or by mandatory redemption, as provided in the Resolution.

Each installment of Purchase Price described above must in all events be sufficient, after giving credit for funds held in the Sinking Fund available for such purpose, to pay the total amount of interest, principal, redemption requirement, and premium, if any, payable on the Bonds on the next succeeding principal or interest payment date or on the next succeeding redemption date for Bonds. Any installment of Purchase Price may be reduced and need not be made to the extent that there are monies on deposit in the Sinking Fund in excess of the amount required for the payment of Bonds theretofore matured or called for redemption, the amount required for the payment of interest for which checks or drafts have been mailed by or on behalf of the Issuer, and past due interest in all cases where Bonds have not been presented for payment. Further, if the amount held by the Sinking Fund Custodian in the Sinking Fund is sufficient to pay at the times required the principal of, premium, if any, and interest on the Bonds then remaining unpaid, the Purchaser will not be obligated to make any further installment payments of Purchase Price. There also is a credit against remaining installment payments of Purchase Price for Bonds purchased, redeemed, or cancelled, pursuant to the Bond Resolution. Any installment payment of Purchase Price not received by the Sinking Fund Custodian when due will continue as an obligation of the Purchaser until paid and will bear interest at the rate of interest on the Bonds to which such Purchase Price relates. The Purchase Price will be increased from time to time to cover the payment of principal of, redemption premium, if any, and interest on any Additional Bonds.

Security for Purchaser's Payment Obligations Under the Agreement

The Agreement is treated as a Released Revenue Bond issued under and secured by the Bond Ordinance, secured by a Senior Lien on CFC Revenues, as permitted by the Master Ordinance. See, generally Appendix D – DEFINITIONS RELATING TO AND SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND THE CFC ORDINANCE – THE BOND ORDINANCE – Eleventh Supplemental Bond Ordinance.

Special Investment Covenants

The Issuer and the Purchaser each covenant that it will not directly or indirectly use or permit the use of any proceeds (as defined in the Regulations) of any Tax-Exempt Bonds or any other funds of the Issuer or the Purchaser, or take or omit to take any action, or direct the Project Fund Depository or the Sinking Fund Custodian to invest any funds held by it, in such manner as will, or allow any "related party" (as defined in Section 1.150-1(b) of the Regulations) to enter into any arrangement, formal or informal, as will, cause any Tax-Exempt Bonds to be "federally guaranteed," as such term is used and defined in Section 149(b) of the Code, or to be "arbitrage bonds" within the meaning of Section 148 of the Code, and any Regulations proposed or promulgated in connection therewith. To that end, the Issuer and the Purchaser will comply with all requirements of Section 149(b) and Section 148 of the Code to the extent applicable to any Tax-Exempt Bonds at any time the Issuer or the Purchaser is of the opinion that for purposes of this restriction it is necessary to dispose of any investment or to restrict or limit the yield on any investment held under the Bond Resolution or otherwise, the Issuer (upon notification to the Purchaser) or the Purchaser, as the case may be, shall so instruct the Project Fund Depository or the Sinking Fund Custodian in writing.

Events of Default and
Remedies on Default

Whenever any Event of Default referred to in the Bond Ordinance has happened and is continuing, the Issuer, in its sole discretion may exercise any one or more of the remedies set forth in the Bond Ordinance that are afforded to holders of the Bonds issued under the Bond Ordinances.

No action taken pursuant to the above paragraph will relieve the Purchaser from its obligations under the Agreement, all of which will survive any such action, and the Issuer will be permitted to take whatever action at law or in equity as may appear necessary and desirable to collect the Purchase Price and other amounts then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement, or covenant of the Purchaser thereunder.

Issuer Defaults

If the Issuer fails to make any payment required of it under the Agreement or shall fail to perform any of its other covenants contained in the Agreement after reasonable notice and an opportunity to cure the default from the Purchaser, the Purchaser may institute and maintain any action in law or at equity against the Issuer as may be permitted by applicable law, including an action for specific performance.

Term

The term of the Agreement will commence with its execution and delivery and will remain in full force and effect until midnight, January 1, 2031, subject to provisions of the Agreement permitting earlier termination, or if all the Bonds have not been paid or retired (or provision for such payment has not been made as provided in the Bond Resolution), until such date as such payment or provision has been made; but in no event may the term of the Agreement exceed fifty years.

Obligations of Purchaser
Under Agreement are Limited

The Agreement provides that it will constitute security for the Bondholders and that the obligations of the Purchaser under the Agreement are limited and do not, and may not be considered to, constitute a debt of the Purchaser nor a pledge of the faith and credit of the Purchaser. The Purchaser's obligations under the Agreement will not be payable from or a charge upon any funds other than the Revenues and amounts pledged to the payment of the Agreement, nor will the Purchaser be subject to a pecuniary liability. The Issuer will never have the right to compel any exercise of the taxing power of the Purchaser to pay such obligations, nor to enforce payment of any such obligations against any property of the Purchaser; nor will any such obligations constitute a charge, lien, or encumbrance, legal or equitable upon any property of the Purchaser, except for the CFC Revenues and any other funds pledged to secure the payment of the Purchaser's obligations under the Agreement. Except as limited above, the Purchaser's obligations under the Agreement will be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment, or counterclaim, except for payment, it may otherwise have against the Issuer. The Purchaser agrees that it will not (i) suspend, abate, reduce, abrogate, diminish, postpone, modify, or discontinue any payments provided for in the Agreement, (ii) fail to observe any of its other agreements contained in the Agreement, or (iii) terminate its obligations under the Agreement for any contingency, act of God, event, or cause whatsoever.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDIANANCE AND THE CFC ORDINANCE

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

DEFINITIONS RELATING TO AND SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND THE CFC ORDINANCE

DEFINITIONS

The following definitions are applicable to the provisions of the Master Bond Ordinance and the CFC Ordinance and may not otherwise be germane for purposes of this Official Statement.

"Accreted Value" means, with respect to each Compound Interest Bond, the principal amount of such compound Interest Bond, plus, on the date of calculation, the interest accrued thereon to such date compounded at the interest rate thereof on each compounding date contained in such Compound Interest Bond, and, with respect to any calculation on a date other than a compounding date, the Accreted Value means the Accreted Value as of the preceding compounding date plus interest on such amount from such compounding date to the date of calculation at a rate equal to the interest rate on such Compound Interest Bond.

"Additional Bonds" means Bonds, other than the 1977 Ordinance Bonds and the Series 2000 Bonds, issued pursuant to Sections 502, 503 or 504 of the Master Bond Ordinance. The term Additional Bonds includes Senior Lien Bonds, Subordinate Lien Bonds and Hybrid Bonds.

"Additional Interest" means, for any period during which any Pledged Bonds are owned by a Credit Issuer pursuant to a Credit Facility or Credit Facility Agreement, the amount of interest accrued on such Pledged Bonds at the Pledged Bond Rate less the amount of interest which would have accrued during such period on an equal principal amount of Bonds at the Bond Rate.

"Airport" means the Hartsfield-Jackson Atlanta International Airport and all related improvements and facilities now in existence and as hereafter acquired, added, extended, improved and equipped and shall include (i) any additional airport or airports hereafter constructed or acquired by the City, (ii) any property or facilities purchased with funds of, or revenues derived from, Hartsfield-Jackson Atlanta International Airport or such additional airport or airports, and (iii) any other property or facilities allocated by the City to the Department of Aviation; less any portion thereof sold or otherwise disposed of pursuant to Section 604 of the Master Bond Ordinance.

"Airport Use Agreements" means agreements relating to use of the Airport by air carriers, including the establishment of landing fees.

"Bondholder" or **"holder"** means the registered owner of one or more Bonds.

"Bond Rate" means the rate of interest per annum payable on specified Bonds other than Pledged Bonds.

"Bonds" means any revenue bonds authorized by and authenticated and delivered pursuant to the Bond Ordinance, including the 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds, the Series 2004A-B General Revenue Bonds, the Series 2004C PFC Revenue Bonds, the Series 2004D/E PFC Revenue Bonds, the Series 2004F-G/J Bonds, the Series 2004I General Revenue Bonds, the Series 2004K PFC Revenue Bonds, the Series 2005A General Revenue Notes, the Series 2005B PFC Revenue Notes, the Series 2006A Bonds, the Series 2006B Bonds and any Additional Bonds.

"Capitalized Interest Account" means the Capitalized Interest Account within the Construction Fund established in the Master Bond Ordinance.

The term **"category"** or **"category of Revenues"** means an objectively definable portion of Revenues related to a particular type of service, activity or facility, including the categories of General Revenues, Identified Revenues, PFC Revenues, Released Revenues and Special Purpose Revenues and subcategories within such categories. A "**category of Revenues,**" unless otherwise determined by the City, includes Investment Earnings or other moneys in funds or amounts derived from such portion of Revenues.

"City" means the City of Atlanta, a municipal corporation created and existing under the laws of the State.

"CFC" means the C

"Compound Interest Bonds" means Bonds that bear interest which is calculated based on periodic compounding, payable only at maturity or earlier redemption.

"Construction Fund" means the City of Atlanta Airport Construction Fund established in Article IV of the Master Bond Ordinance.

"Contracts" means all Credit Facility Agreements, including any related Reimbursement Obligations, all agreements with respect to Reserve Account Credit Facilities, including any related Reimbursement Obligations, and all Qualified Hedge Agreements, and any agreement made pursuant to Section 505(b) of the Master Bond Ordinance.

"Costs" with respect to any Project, means the total cost, paid or incurred, to study, plan, design, finance, acquire, construct, reconstruct, install or otherwise implement the Project, including improvements to another Project, and shall include, but shall not be limited to, the following costs and expenses relating to such Project and the reimbursement to the City for any such items previously paid by the City:

(i) the cost of all lands, real or personal properties, rights, easements and franchises acquired;

(ii) the cost of all financing charges and interest prior to and during construction and for up to six months after completion of construction (or such longer period as may be permitted by the Revenue Bond Law);

(iii) the cost of the acquisition, construction, reconstruction, implementation or installation of the Project;

(iv) the cost of engineering, architectural, planning, development, and supervisory services, fiscal agents and legal expenses, plans and specifications, and other expenses necessary or incident to determining the feasibility or practicability of the Project, administrative expenses, and such other expenses as may be necessary or incident to any financing with Bond proceeds;

(v) the cost of placing the Project in operation;

(vi) the cost of condemnation of property necessary for construction implementation and operation;

(vii) the costs of issuing any Bonds to finance the Project; and

(viii) any other costs which may be incident to the Project prior to completion and implementation.

"Credit Facility" means any letter of credit, insurance policy, guaranty, surety bond, standby bond purchase agreement, line of credit, revolving credit agreement, or similar obligation, arrangement, or instrument issued by a bank, insurance company, or other financial institution that is used by the City to perform one or more of the following tasks: (i) enhancing the City's credit by assuring owners of any of the Bonds that principal of and interest on such Bonds will be paid promptly when due; (ii) providing liquidity for the owners of Bonds through undertaking to cause Bonds to be bought from the owners thereof when submitted pursuant to an arrangement prescribed by a Supplemental Bond Ordinance; or (iii) remarketing any Bonds so submitted to the Credit Issuer (whether or not the same Credit Issuer is remarketing the Bonds). The term Credit Facility shall not include a Reserve Account Credit Facility.

"Credit Facility Agreement" means an agreement between the City and a Credit Issuer pursuant to which the Credit Issuer issues a Credit Facility and may include a related Reimbursement Obligation. The term Credit Facility Agreement shall not include an agreement with respect to a Reserve Account Credit Facility.

"Credit Issuer" means any issuer of a Credit Facility then in effect for all or part of the Bonds. The term Credit Issuer shall not include any Reserve Account Credit Facility Provider. Whenever in the Bond Ordinance the consent of the Credit Issuer is required, such consent shall only be required from the Credit Issuer whose Credit Facility is issued with respect to the Bonds for which the consent is required.

"Debt Service Requirement" means the total principal and interest coming due, whether at maturity or upon mandatory redemption, in any specified period, provided:

(i) If any Bonds Outstanding or proposed to be issued shall bear interest at a Variable Rate, including Hedged Bonds if the interest thereon calculated as set forth below is expected to vary and Bonds secured by a Credit Facility if the interest thereon calculated as set forth below is expected to vary, the interest coming due in any specified future period shall be determined as if the Variable Rate in effect at all times during such future period equaled, at the option of the City, either (a) the average of the actual Variable Rates which were in effect (weighted according to the length of the period during which each such Variable Rate was in effect) for the most recent 12-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a 12-month period), or (b) the current average annual fixed rate of interest on securities of similar quality having a similar maturity date as certified by a Financial Advisor.

(ii) If any Compound Interest Bonds are Outstanding or proposed to be issued, the total principal and interest coming due in any specified period shall be determined in accordance with the Supplemental Bond Ordinance of the City authorizing such Compound Interest Bonds.

(iii) With respect to any Bonds secured by a Credit Facility, the Debt Service Requirement therefor shall include (a) any commission or commitment fee obligations with respect to such Credit Facility, (b) the outstanding amount of any Reimbursement Obligation and interest thereon, (c) any Additional Interest owed on Pledged Bonds, and (d) any remarketing agent fees; provided if (x) the Credit Facility requires the Credit Issuer to make all interest payments on the Bonds, (y) the Reimbursement Obligation provides for payments by the City or the Credit Issuer based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices, and (z) the Credit Issuer, upon the execution of the Credit Facility Agreement, would qualify as a Qualified Hedge Provider if the Credit Facility Agreement were to be construed as a Hedge Agreement and the related Bonds as Hedged Bonds, then interest on such Bonds shall be calculated by adding (1) the amount of interest payable on such Bonds pursuant to their terms and (2) the amount of payments for interest to be made by the City under the Credit Facility Agreement, and subtracting (3) the amounts payable by the Credit Issuer to the City or as interest on such Bonds as specified in the Credit Facility Agreement; but only to the extent the Credit Issuer is not in default under the Credit Facility and if such default has occurred and is continuing, interest on such Bonds shall be calculated as if there were no Credit Facility.

(iv) With respect to any Hedged Bonds, the interest on such Hedged Bonds during any Hedge Period and for so long as the provider of the related Hedge Agreement has not defaulted on its payment obligations thereunder shall be calculated by adding (a) the amount of interest payable by the City on such Hedged Bonds pursuant to their terms and (b) the amount of Hedge Payments payable by the City under the related Hedge Agreement and subtracting (c) the amount of Hedge Receipts payable by the provider of the related Hedge Agreement at the rate specified in the related Hedge Agreement; provided, however, that to the extent that the provider of any Hedge Agreement is in default thereunder, the amount of interest payable by the City on the related Hedged Bonds shall be the interest calculated as if such Hedge Agreement had not been executed. In determining the amount of Hedge Payments or Hedge Receipts that are not fixed throughout the Hedge Period (*i.e.*, which are variable), payable or receivable for any future period, such Hedge Payments or Hedge Receipts for any period of calculation (the "Determination Period") shall be computed by assuming that the variables comprising the calculation (*e.g.*, indices) applicable to the Determination Period are equal to the average of the actual variables which were in effect (weighted according to the length of the period during which each such variable was in effect) for the most recent 12-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a 12-month period).

(v) For the purpose of calculating the Debt Service Requirement on Balloon Bonds (a) which are subject to a Commitment or (b) which do not have a Balloon Year commencing within 12 months from the date of calculation, such bonds shall be assumed to be amortized in substantially equal annual amounts to be paid for principal and interest over an assumed amortization period of 20 years at an assumed interest rate (which shall be the interest rate certified by a Financial Advisor to be the interest rate at which the City could reasonably expect to borrow the same amount by issuing Bonds with the same priority of lien as such Balloon Bonds and with a 20-year term); provided, however, that if the maturity of such bonds (taking into account the term of any Commitment) is in excess of 20 years from the date of issuance, then such Bonds shall be assumed to be amortized in substantially equal annual amounts to be paid for principal and interest over an assumed amortization period of years equal to the number of years from the date of issuance of such Bonds to maturity (including the Commitment) and at the interest rate applicable to such Bonds. For the purpose of calculating the Debt Service Requirement on Balloon Bonds (x) which are not subject to a Commitment and (y) which have a Balloon Year commencing within 12 months from the date of calculation, the principal payable on such Bonds during the Balloon Year shall be calculated as if paid on the Balloon Date.

(vi) The principal of and interest on Bonds, amounts for interest under a Credit Facility and Hedge Payments shall be excluded from the determination of Debt Service Requirement to the extent that the same were or are expected to be paid with amounts on deposit on the date of calculation (or Bond proceeds to be deposited on the date of issuance of proposed Bonds) in a fund under the Bond Ordinance.

"Debt Service Reserve Account" means the Debt Service Reserve Account within the Sinking Fund established in the Master Bond Ordinance.

"Debt Service Reserve Requirement" means an amount determined from time to time by the City as a reasonable reserve for the payment of principal of and interest on Bonds for which a subaccount in the Debt Service Reserve Account is created or added to pursuant to a Supplemental Bond Ordinance. The Debt Service Reserve Requirement for the 1977 Ordinance Bonds is the aggregate of the Maximum Annual Debt Service Requirement for each series of such Bonds. The Debt Service Reserve Requirement for the Series 2005A General Revenue Notes, Series 2004F-G General Revenue Bonds, Series 2004I General Revenue Bonds, Series 2004A-B General Revenue Bonds, Series 2000 Bonds, Series 2003 Bonds, and for any Series of Bonds issued pursuant to the Master Bond Ordinance as Additional Bonds with a Senior Lien on General Revenues, is the aggregate sum of, for each series of Bonds so secured, the lesser of (a) 125 percent of the average annual Debt Service Requirement, (b) the Maximum Annual Debt Service Requirement, and (c) 10 percent of the original issue price, provided the specific amount mandated by such Debt Service Reserve Requirement may be reduced by the City without the consent of the holders of any Bonds upon receipt of evidence such reduction will not adversely affect any rating on the Bonds so secured and upon receipt of written consent by the bond insurers insuring such Bonds. The subaccount in the Debt Service Reserve Account securing the Series 2000 Bonds, Series 2003 Bonds, Series 2004A-B General Revenue Bonds, Series 2004F-G General Revenue Bonds, Series 2004I General Revenue Bonds and Series 2005A General Revenue Notes will not secure the Series 2004C PFC Revenue Bonds, Series 2004D/E PFC Revenue Bonds, Series 2004J PFC Revenue Bonds, the Series 2004K PFC Revenue Bonds or the Series 2005B PFC Revenue Notes. The Debt Service Reserve Requirement for the Series 2004C PFC Revenue Bonds, Series 2004D/E PFC Revenue Bonds, Series 2004J PFC Revenue Bonds, Series 2004K PFC Revenue Bonds, the Series 2005B PFC Revenue Notes and for any Additional Bonds issued pursuant to the Master Bond Ordinance as Additional Bonds with a Subordinate Lien on General Revenues is the aggregate sum of, for each series of Bonds so secured, the lesser of (a) 125 percent of the average annual Debt Service Requirement, (b) the Maximum Annual Debt Service Requirement, and (c) 10 percent of the original issue price, provided the specific amount mandated by such Debt Service Reserve Requirement may be reduced by the City without the consent of the holders of any Bonds upon receipt of evidence such reduction will not adversely affect any rating on the Bonds so secured and upon receipt of written consent by the bond insurers insuring such Bonds.

"Eighth Supplemental Bond Ordinance" means the Supplemental Bond Ordinance with respect to the Series 2004F-G/J Bonds, Series 2004I General Revenue Bonds and the Series 2004K PFC Revenue Bonds adopted October 18, 2004.

"Event of Default" means any of the events defined as such in Article VII of the Master Bond Ordinance.

"Fifth Supplemental Bond Ordinance" means the Supplemental Bond Ordinance with respect to the Series 2003 Notes adopted on September 15, 2003.

"Financial Advisor" means an investment banking or financial advisory firm, commercial bank, or any other Person who or which is retained by the City for the purpose of passing on questions relating to the availability and terms of specified types of Bonds and is actively engaged in and, in the good faith opinion of the City, has a favorable reputation for skill and experience in underwriting or providing financial advisory services in respect of similar types of securities.

"First Supplemental Bond Ordinance" means the Supplemental Bond Ordinance with respect to the Series 2000 Bonds adopted on March 30, 2000.

"Fiscal Year" means the 12-month period used by the City for its general accounting purposes, as it may be changed from time to time. The Fiscal Year at the time the Eighth Supplemental Bond Ordinance was adopted began on January 1 and ended on December 31 of the same year.

"Fitch" means Fitch Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City. The notice address of Fitch shall be One State Street Plaza, New York, New York 10004.

"Forecast Period" means a period of two consecutive Fiscal Years commencing with the first full Fiscal Year beginning after the later of (i) the date on which any proposed series of Additional Bonds are to be issued or (ii) the date on which a substantial portion of the Project(s) to be financed with the proceeds of any proposed series of Additional Bonds is, in the judgment of the City, expected to be placed in continuous service, commercial operation or beneficial use.

"Fourth Supplemental Bond Ordinance" means the Supplemental Ordinance adopted on June 2, 2003.

"General Revenue Account" means the General Revenue Account within the Revenue Fund established in the Master Bond Ordinance.

"General Revenue Bonds" means Bonds secured by a Senior Lien on General Revenues, including the Series 2000 Bonds, the Series 2003 Bonds, the Series 2004A-B General Revenue Bonds, the Series 2004F-G General Revenue Bonds, the Series 2004I General Revenue Bonds, and the Series 2005A General Revenue Notes. Except as otherwise specifically set forth in the Master Bond Ordinance, 1977 Ordinance Bonds shall be considered to be General Revenue Bonds.

"General Revenue Enhancement Subaccount" means the General Revenue Enhancement Subaccount within the General Revenue Account established in the Master Bond Ordinance.

"General Revenues" means all Revenues other than PFC Revenues, Special Purpose Revenues and Released Revenues.

“General Revenue Facilities” means the Airport, including PFC Facilities, but not including Special Purpose Facilities and Released Revenue Facilities.

“Government Loans” means loans to the City by the government of the United States or the State, or by any department, authority, or agency of either, for the purpose of acquiring, constructing, reconstructing, improving, bettering, or extending any part of the Airport.

“Hedge Agreement” means, without limitation, (i) any contract known as or referred to or which performs the function of an interest rate swap agreement, currency swap agreement, forward payment conversion agreement, or futures contract; (ii) any contract providing for payments based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices; (iii) any contract to exchange cash flows or payments or series of payments; (iv) any type of contract called, or designed to perform the function of, interest rate floors, collars, or caps, options, puts, or calls, to hedge or minimize any type of financial risk, including, without limitation, payment, currency, rate, or other financial risk; and (v) any other type of contract or arrangement that the City determines is to be used, or is intended to be used, to manage or reduce the cost of any Bonds, to convert any element of any Bonds from one form to another, to maximize or increase investment return, to minimize investment return risk, or to protect against any type of financial risk or uncertainty.

“Hedged Bonds” means any Bonds for which the City shall have entered into a Qualified Hedge Agreement.

“Hedge Payments” means amounts payable by the City pursuant to any Hedge Agreement, other than termination payments, fees, expenses, and indemnity payments.

“Hedge Period” means the period during which a Hedge Agreement is in effect.

“Hedge Receipts” means amounts payable by any provider of a Hedge Agreement pursuant to such Hedge Agreement, other than termination payments, fees, expenses, and indemnity payments.

“Hybrid Bonds” means Bonds which are not Subordinate Lien Bonds and either (i) have no Senior Lien on any Revenues, (ii) have no lien on any Revenues, or (iii) have a Senior Lien on some Revenues in addition to a Subordinate Lien on some Revenues, and includes the Series 2004C PFC Revenue Bonds, Series 2004D/E PFC Revenue Bonds, Series 2004J PFC Revenue Bonds, Series 2004K PFC Revenue Bonds, and Series 2005B PFC Revenue Notes.

“Identified Revenue Account” means the Identified Revenue Account within the Revenue Fund established in the Master Bond Ordinance.

“Identified Revenue Bonds” means Bonds secured by a lien on one or more categories of Identified Revenues.

“Identified Revenue Facilities” means the portion of the Airport with respect to which Identified Revenues arise or from which they are generated.

“Identified Revenues” means particular categories of General Revenues which have been identified in accordance with Section 506 of the Master Bond Ordinance.

“Independent Certified Public Accountant” means a firm of certified public accountants which are “independent” as that term is defined in Rule 101 and related interpretations of the Code of Professional Ethics of the American Institute of Certified Public Accountants, of recognized standing, and which does not devote its full time to the City (but which may be regularly retained by the City).

“Investment Earnings” means all interest received on and profits derived from investments of Revenues or any other moneys in the funds and accounts established under the Bond Ordinance.

"Master Bond Ordinance" means the Restated and Amended Master Bond Ordinance adopted by the City on March 20, 2000.

"Maximum Annual Debt Service Requirement" means the largest aggregate Debt Service Requirement of Bonds secured by the applicable category of Revenues during any Sinking Fund Year beginning after the date of calculation.

"Moody's" means Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City. The notice address of Moody's is 99 Church Street, New York, New York 10007.

"Net General Revenues" means General Revenues, including amounts in the General Revenue Enhancement Subaccount, net of Operating Expenses.

"Net Revenues" means, for each category of Revenues, Revenues net of related Operating Expenses; provided, for General Revenues, amounts in the General Revenue Enhancement Subaccount shall be taken into account as General Revenues, and for PFC Revenues, amounts in the PFC Revenue Enhancement Subaccount shall be taken into account as PFC Revenues.

"Ninth Supplemental Bond Ordinance" means the Supplemental Ordinance with respect to the Series 2005A General Revenue Notes and the Series 2005B PFC Revenue Notes adopted on October 3, 2005.

"Operating Expenses" means all expenses reasonably incurred in connection with the operation, maintenance, repair, ordinary replacement and ordinary reconstruction of the Airport, including without limitation salaries, wages, the cost of materials, services and supplies, rentals of leased property, if any, management fees, utility costs, the cost of audits, Paying Agent's and Bond Registrar's fees, payment of premiums for insurance required by the Bond Ordinance and other insurance which the City deems prudent to carry on the Airport and its operations and personnel, and, generally, all expenses, exclusive of depreciation or amortization, which are properly allocable to operation and maintenance; however, only such expenses as are reasonably necessary or desirable for the proper operation and maintenance of the Airport shall be included. "Operating Expenses" also includes the City's obligations under any contract with any other political subdivision or public agency or authority of one or more political subdivisions pursuant to which the City undertakes to make payments measured by the expenses of operating and maintaining any facility which constitutes part of the Airport and which is owned or operated in part by the City and in part by others. "Operating Expenses" does not include any payments on Bonds, Contracts (including continuing commissions or commitment fees, remarketing agent fees, Additional Interest or amounts equivalent to principal on related Bonds) or Other Airport Obligations. "Operating Expenses" are to be calculated on a cash basis rather than on an accrual basis. To the extent Operating Expenses are allocable to particular related facilities, a lien on the portion of Revenues related thereto shall not provide a claim on such Revenues ahead of the use thereof for payment of such allocable Operating Expenses.

"Other Airport Obligations" means obligations of any kind, including but not limited to, Government Loans, revenue bonds, capital leases, Hedge Agreements which are not Qualified Hedge Agreements, installment purchase agreements, or notes (but excluding Bonds and Contracts), incurred or issued by the City to finance or refinance the cost of acquiring, constructing, reconstructing, improving, bettering, or extending any part of the Airport or any other cost relating to the Airport, which do not have a lien on any category of Revenues, except pursuant to Section 502(d) or 503(h) of the Master Bond Ordinance.

"Outstanding" means, when used in reference to the Bonds, all Bonds that have been duly authenticated and delivered under the Bond Ordinance, with the exception of (a) Bonds in lieu of which other Bonds have been issued to replace lost, mutilated, stolen, or destroyed obligations, (b) Bonds surrendered by the owners in exchange for other Bonds under Section 209 or Section 304 of the Master Bond Ordinance, and (c) Bonds for the payment of which provision has been made in accordance with Article IX of the Master Bond Ordinance. In determining the principal amount of Compound Interest Bonds Outstanding under the Bond Ordinance, the Accreted Value of such Compound Interest Bonds at the time of determination shall be used.

The term **“parity”** or **“parity secured”** when applied to two or more series of Bonds means each such series of Bonds has a lien of equal rank on the same category of Revenues; provided the existence of an additional lien on a different category of Revenues securing one or more series of such Bonds does not prevent such one or more series from being “parity secured” with the other Bonds with respect to the category of Revenues on which they have liens of equal rank.

“Paying Agent” means any bank or trust company authorized by the City in the Bond Ordinance to pay the principal of, premium, if any, or interest on any Bonds on behalf of the City. Such Paying Agent shall perform the duties required of the Paying Agent in the Bond Ordinance.

“Payments Account” means the Payments Account within the Sinking Fund established in the Master Bond Ordinance.

“Person” or “person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization, body, authority, government or agency or political subdivision thereof.

“PFC” means passenger facility charge(s).

“PFC Facilities” means facilities for the construction and implementation of which the Airport has received approval to expend PFC Revenues under the PFC Act, including facilities financed with PFC Revenue Bonds and Released PFC Bonds.

“PFC Revenue Bonds” means Bonds secured by a Senior Lien on PFC Revenues including the Series 2004C PFC Revenue Bonds, Series 2004D/E PFC Revenue Bonds, Series 2004J PFC Revenue Bonds, Series 2004K PFC Revenue Bonds and Series 2005B PFC Revenue Notes.

“PFC Revenue Enhancement Account” means the PFC Revenue Enhancement Account within the PFC Revenue Fund established in the Master Bond Ordinance.

“PFC Revenue Fund” means the PFC Revenue Fund established in the Master Bond Ordinance.

“PFC Revenues” means all income and revenue received by or required to be remitted to the City from the passenger facility charges imposed by the City pursuant to the PFC Act, the PFC Regulations and the City Ordinance adopted on February 26, 1997, including any interest earned after such charges have been remitted to the City as provided in the PFC Regulations, all of which may be pledged pursuant to the PFC Act and PFC Regulations § 158.13, provided the term **“PFC Revenues”** also includes any interest or other gain in any of the accounts or subaccounts created in the Master Bond Ordinance or in any Supplemental Ordinance resulting from any investments and reinvestments of PFC Revenues.

“Pledged Bond” means any Bond purchased and held by a Credit Issuer pursuant to a Credit Facility Agreement. A Bond shall be deemed a Pledged Bond only for the actual period during which such Bond is owned by a Credit Issuer pursuant to a Credit Facility Agreement.

“Pledged Bond Rate” means the rate of interest payable on Pledged Bonds, as may be provided in a Credit Facility or Credit Facility Agreement.

“Pledged Revenues” means all Revenues and all moneys paid or required to be paid into, and all moneys and securities on deposit from time to time in, the funds and accounts specified in Section 402 of the Master Bond Ordinance, but excluding (i) amounts in the Revenue Fund required to be used to pay Operating Expenses and (ii) any amounts required in the Bond Ordinance to be set aside pending, or used for, rebate to the United States government pursuant to Section 148(f) of the Internal Revenue Code of 1986, including, but not limited to, amounts in the Rebate Account.

The term **"principal"** means the principal amount of any Bond and includes the Accreted Value of any Compound Interest Bonds. All references to principal shall be construed as if they were also references to Accreted Value with respect to Compound Interest Bonds.

"Qualified Hedge Agreement" means any Hedge Agreement with a Qualified Hedge Provider.

"Qualified Hedge Provider" means an entity whose senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, or whose payment obligations under the related Hedge Agreement are absolutely and unconditionally guaranteed by an entity whose senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, are rated either (i) at least as high as the third highest Rating category of each Rating Agency, but if there is no Credit Facility with respect to the related Hedge Bonds, in no event lower than any Rating on the related Hedged Bonds at the time of execution of the Hedge Agreement, or (ii) in any such lower Rating categories which each Rating Agency indicates in writing to the City will not, by itself, result in a reduction or withdrawal of its Rating on the related Hedged Bonds that is in effect prior to entering into the Hedge Agreement. An entity's status as a "Qualified Hedge Provider" is determined only at the time the City enters into a Hedge Agreement with such entity and cannot be redetermined with respect to that Hedge Agreement.

"Rating" means a rating in one of the categories by a Rating Agency, disregarding pluses, minuses and numerical gradations.

"Rating Agencies" or **"Rating Agency"** means Fitch, Moody's, and Standard & Poor's or any successors thereto and any other nationally recognized credit rating agency then maintaining a rating on any Bonds at the request of the City. If at any time a particular Rating Agency does not have a rating outstanding with respect to the relevant Bonds, then a reference to Rating Agency or Rating Agencies shall not include such Rating Agency.

"Rebate Account" means the Rebate Account of the Construction Fund established in the Master Bond Ordinance.

"Reimbursement Obligation" means the obligation of the City to directly reimburse any Credit Issuer for amounts paid under a Credit Facility or by a Reserve Account Credit Facility Provider for amounts paid under a Reserve Account Credit Facility, whether or not such obligation to so reimburse is evidenced by a promissory note or other similar instrument. The term Reimbursement Obligation includes obligations pursuant to a Credit Facility Agreement either to make payments for interest based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices, in return for the Credit Issuer's fixed obligations under the Credit Facility or to make fixed payments for interest in return for the Credit Issuer's payments based on such variables.

The term **"related"** means, when used to refer to Bonds, subaccounts, category of Revenues or liens, the item modified by such term has a definite relationship to the subject as described in the Bond Ordinance. The term "related" means, when used to refer to Operating Expenses, (i) for Special Purpose Revenue Bonds or Special Purpose Revenues, Operating Expenses with respect to Special Purpose Facilities, (ii) for Released Revenue Bonds other than Released PFC Bonds or Released Revenues other than Released PFC Revenues, Operating Expenses with respect to Released Revenue Facilities, (iii) for Identified Revenue Bonds or Identified Revenues, Operating Expenses with respect to Identified Revenue Facilities, and (iv) for General Revenue Bonds or General Revenues, all Operating Expenses of the Airport less Operating Expenses with respect to Special Purpose Facilities and Released Revenue Facilities. There are no Operating Expenses related to PFC Revenues, PFC Revenues Bonds, Released PFC Revenues or Released PFC Bonds.

"Released PFC Revenues" means Released Revenues which would be PFC Revenues but for action taken under Section 505 of the Master Bond Ordinance.

"Released Revenue Account" means the Released Revenue Account within the Revenue Fund established in the Master Bond Ordinance.

"Released Revenue Bonds" means Bonds secured by a Senior Lien on one or more categories of Released Revenues.

"Released Revenue Facilities" means the portion of the Airport with respect to which Released Revenues arise or from which they are generated, other than PFC Facilities.

"Released Revenues" means particular categories of Revenues which would otherwise be General Revenues or PFC Revenues but have been identified in accordance with Section 505 of the Master Bond Ordinance and therefore do not constitute a part of General Revenues or PFC Revenues, until the City has acted to include such categories of Revenues within General Revenues of PFC Revenues again.

"Renewal and Extension Fund" means the City of Atlanta Airport Renewal and Extension Fund established in the Master Bond Ordinance.

"Reserve Account Credit Facility" means any letter of credit, insurance policy, line of credit, surety bond, or similar obligation, arrangement or instrument issued by a bank, insurance company, or other financial institution, together with any substitute or replacement therefor, if any, and related Reimbursement Obligation, if any, complying with the provisions of the Bond Ordinance, thereby fulfilling all or a portion of a Debt Service Reserve Requirement.

"Reserve Account Credit Facility Provider" means any provider of a Reserve Account Credit Facility.

"Revenue Fund" means the City of Atlanta Airport Revenue Fund established in the Master Bond Ordinance.

"Senior Lien" means a lien on one or more categories of Revenues that entitles the Beneficiaries of such lien to have a claim on such Revenues prior to any other Person and ahead of the use of such Revenues for any purpose other than payment of Operating Expenses; provided one or more series of Bonds, Contracts and related Beneficiaries may have parity Senior Liens on the same categories of Revenues pursuant to the terms of the Bond Ordinance. Except as otherwise specifically stated in the Master Bond Ordinance, 1977 Ordinance Bonds shall be considered to have a Senior Lien on General Revenues.

"Senior Lien Bonds" means General Revenue Bonds, PFC Revenue Bonds and Released Revenue Bonds but not Identified Revenue Bonds or Subordinate Lien Bonds, provided "Senior Lien Bonds" also includes Additional Senior Lien Bonds issued in compliance with Section 502 of the Master Bond Ordinance and obligations secured by a Senior Lien pursuant to Sections 502(d) or 508 of the Master Bond Ordinance. A Hybrid Bond may be a Senior Lien Bond if it has a Senior Lien on a category of Revenues but then will only be a Senior Lien Bond as to such category.

The term **"series"** means all Bonds which (i) are issued on the same date, (ii) have the same tax status (tax-exempt or taxable under the federal income tax and subject or not to the alternative minimum income tax), and (iii) have the same lien status and priority with respect to each category of Revenues on which any such Bonds have a lien; as well as all Bonds delivered in lieu of or in substitution for such Bonds pursuant to provisions of the Bond Ordinance with respect to exchange, transfer and replacement (for mutilation, loss, theft or destruction) of Bonds.

"Second Supplemental Bond Ordinance" means the Supplemental Bond Ordinance with respect to the City's Airport Limited Obligation Bond Anticipation Notes, Series 2002, adopted on October 7, 2002.

"Seventh Supplemental Bond Ordinance" means the Supplemental Bond Ordinance with respect to the Series 2004A-B General Revenue Bonds, Series 2004C PFC Revenue Bonds and Series 2004D/E PFC Revenue Bonds adopted on April 19, 2004.

"Signatory Air Line" means one or more air carriers, as the context suggests, which are required to pay landing fees pursuant to Airport Use Agreements.

"Sinking Fund" means the City of Atlanta Airport Sinking Fund established in the Master Bond Ordinance.

"Sinking Fund Year" means the 12 month period ending on January 1 of each year.

"Sixth Supplemental Bond Ordinance" means the Supplemental Bond Ordinance with respect to the Series 2003RF-D Bonds adopted on November 17, 2003.

"Special Purpose Facilities" means facilities which (i) will not result, upon completion, in a material reduction in Net General Revenues, (ii) will not be of such a type or design that the subsequent closing thereof (with the functions thereof not provided by a substitute facility) will materially impair the general operations of the Airport and (iii) the City has designated, either in Section 507 of the Master Bond Ordinance or in a Supplemental Ordinance, as "Special Purpose Facilities;" provided (1) such facilities, if owned or operated by the City, cease to be Special Purpose Facilities (and become General Revenue Facilities) when there are no longer any Outstanding Special Purpose Revenue Bonds related thereto and, (2) clauses (i) and (ii) shall not apply to the consolidated rental car facility described in the First Supplemental Bond Ordinance as a part of the Series 2000 Project. For purposes of this definition, **"material reduction"** means Net General Revenues for the first complete Fiscal Year following completion of such facilities will be either (i) more than 10 percent below Net General Revenues during the preceding Fiscal Year or (ii) less than the amount required by Section 601 of the Master Bond Ordinance.

"Special Purpose Revenue Account" means the Special Purpose Revenue Account within the Revenue Fund established in Article IV of the Master Bond Ordnance.

"Special Purpose Revenue Bonds" means Bonds secured by a Senior Lien on Special Purpose Revenues.

"Special Purpose Revenues" means Revenues arising from or generated by one or more Special Purpose Facilities.

"Standard & Poor's" or **"S&P"** means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City. The notice address of Standard & Poor's shall be 55 Water Street, New York, New York 10041.

"State" means the State of Georgia.

"Subordinate Lien" means a lien on one or more categories of Revenues which is not a Senior Lien.

"Subordinate Lien Bonds" means Bonds which only have a Subordinate Lien and obligations secured by a Subordinate Lien pursuant to Section 503(h) of the Master Bond Ordinance.

"Supplemental Bond Ordinance" means a bond ordinance of the City supplemental to the Master Bond Ordinance (which bond ordinance itself may be supplemented by one or more bond ordinances) to be adopted prior to and authorizing the issuance and delivery of any series of Bonds, including the First Supplemental Bond Ordinance. Such a bond ordinance as supplemented shall establish the date or dates of the pertinent series of Bonds, the schedule of maturities of such Bonds, whether any such Bonds will be Compound Interest Bonds, the name of the purchaser(s) of such series of Bonds, the purchase price thereof, the rate or rates of interest to be borne thereby, whether fixed or variable, the interest payment dates for such Bonds, the terms and conditions, if any, under which such Bonds may be made subject to redemption (mandatory or optional) prior to maturity, the form of such Bonds, the liens relating to such Bonds, the Contracts, if any, relating to such Bonds, and such other details as the City may determine.

"Supplemental Ordinance" means (i) any Supplemental Bond Ordinance and (ii) any modification, amendment, or supplement to the Master Bond Ordinance other than a Supplemental Bond Ordinance.

"Tenth Supplemental Bond Ordinance" means the Supplemental Bond Ordinance to amend certain provisions of the Eighth Supplemental Bond Ordinance with respect to the use of the proceeds of the Series 2005F-K Bonds adopted on April 17, 2006.

"Third Supplemental Bond Ordinance" means the Amended and Restated Third Supplemental Bond Ordinance with respect to the Series 2003 Bonds adopted on May 19, 2003.

"Variable Rate" means a rate of interest applicable to Bonds, other than a fixed rate of interest which applies to a particular maturity of Bonds so long as that maturity of Bonds remains Outstanding.

"1977 Bond Ordinance" means the Bond Ordinance of the City adopted on May 18, 1977.

THE BOND ORDINANCE

In addition to information given under **"SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2006A/B BONDS"**, the following is a summary of certain provisions of the Bond Ordinance. A separate summary of certain provisions of the Eleventh Supplemental Bond Ordinance is provided under the "**ELEVENTH SUPPLEMENTAL BOND ORDINANCE**" below. This summary does not purport to be complete and is qualified in its entirety by express reference to the Bond Ordinance. See "**DEFINITIONS**" above for definitions of certain terms used in the following summary.

MASTER BOND ORDINANCE

In connection with the issuance of the Series 2000 Bonds, the 1977 Bond Ordinance was amended and restated by the Master Bond Ordinance. With limited exceptions applicable to the 1977 Ordinance Bonds, the Bond Ordinance governs all terms and provisions with respect to the 1977 Ordinance Bonds, the outstanding Senior Lien General Revenue Bonds, the outstanding Senior Lien PFC Revenue Bonds, and any Additional Bonds issued after the adoption of the Master Bond Ordinance.

FUNDS CREATED AND FLOW OF FUNDS

The Bond Ordinance creates and requires the City to maintain the following funds with respect to the Airport:

(1) the Revenue Fund and therein the following five accounts:

- (a) General Revenue Account, and within the General Revenue Account, the General Revenue Enhancement Subaccount,
- (b) Special Purpose Revenue Account,
- (c) Released Revenue Account, and
- (d) Identified Revenue Account;

(2) the PFC Revenue Fund and therein the following two accounts:

- (a) PFC Revenue Enhancement Account, and
- (b) Released PFC Account;

(3) the Sinking Fund and therein the following two accounts:

- (a) Payments Account, and
- (b) Debt Service Reserve Account;

(4) the Renewal and Extension Fund; and

(5) the Construction Fund and therein the following two accounts:

(a) Capitalized Interest Account, and
(b) Rebate Account.

Revenue Fund and PFC Revenue Fund

The Bond Ordinance requires the City to deposit and continue to deposit all Revenues of the Airport other than PFC Revenues and Released PFC Revenues in the Revenue Fund. General Revenues other than Identified Revenues will be immediately allocated to the General Revenue Account (other than the General Revenue Enhancement Subaccount); Special Purpose Revenues to the Special Purpose Revenue Account; Released Revenues to the Released Revenue Account; and Identified Revenues to the Identified Revenue Account. All PFC Revenues and Released PFC Revenues must be deposited in the PFC Revenue Fund from time to time as and when received, with Released PFC Revenues deposited into the Released PFC Account.

Under the terms of the Bond Ordinance, moneys in the Revenue Fund and in the PFC Revenue Fund are to be applied by the City from time to time to the following purposes and, prior to the occurrence and continuation of an Event of Default under the Bond Ordinance, in the order of priority determined by the City in its sole discretion: (a) to pay Operating Expenses of the Airport, (b) to deposit into the Payments Account within the Sinking Fund the amounts required for debt service on Bonds and certain related Contracts, (c) to deposit into the Debt Service Reserve Account within the Sinking Fund any required amounts, (d) to deposit into the Rebate Account the amounts required to make provision for arbitrage rebate payments to the United States government, (e) to pay to any party to a Contract the amounts due thereon, including Additional Interest, continuing commission or commitment fees, remarketing agent fees and repayment of amounts equivalent to principal on related Bonds, (f) to pay any amounts required to be paid with respect to any Other Airport Obligations, (g) for transfer to the Renewal and Extension Fund, and (h) for any other lawful purpose, provided (i) amounts from each account in the Revenue Fund are only to be used for Operating Expenses, Bonds, Contracts, Other Airport Obligations and other purposes related to the category of Revenues allocated thereto and (ii) no deposit may be made to the Renewal and Extension Fund unless there is at least 45 days estimated Operating Expenses remaining in the Revenue Fund. Any amounts to be withdrawn from the General Revenue Account for the purposes described in (a) through (e) above shall be drawn first from the General Revenue Enhancement Subaccount. Any amounts to be withdrawn from the PFC Revenue Fund for payments on related Bonds and Contracts shall be drawn first from the PFC Revenue Enhancement Account.

Payments Account

The Bond Ordinance requires the City to deposit sufficient moneys in periodic installments from the Revenue Fund into subaccounts of the Payments Account within the Sinking Fund related to particular series of Bonds for the purpose of paying debt service when due and for the purpose of paying amounts (other than termination, indemnity, and expense payments) due to providers of credit facilities, hedge agreements (such as interest rate swap agreements) and other Contracts relating to Bonds.

No payments may be made to subaccounts relating to Subordinate Bonds or Hybrid Bonds unless all required payments have been made to subaccounts relating to Bonds, or Contracts relating to Bonds, having a lien on a category of Revenues ahead of or on a parity with such Subordinate Lien Bonds or Hybrid Bonds, and no payments may be made with respect to any Other Airport Obligations unless all required payments have been made to all subaccounts with respect to Bonds or Contracts relating to Bonds; provided that if required by the terms thereof, all obligations treated as Senior Lien Bonds or Subordinate Lien Bonds pursuant to the Bond Ordinance shall be paid with the other Senior Lien Bonds or Subordinate Lien Bonds. The Bond Ordinance requires PFC Revenues to be applied equally and ratably to the 2004K PFC Revenue Bonds.

If at any time the amounts in any subaccount of the Sinking Fund to be funded by General Revenues are less than the amounts required by the Bond Ordinance, and there are not on deposit in the Renewal and Extension Fund available moneys to cure such deficiency, then the City shall withdraw the amount necessary to make up such deficiency from amounts constituting Net General Revenues on deposit in the subaccounts related to Subordinate Lien Bonds and Hybrid Bonds, such as the Series 2004K PFC Revenue Bonds (taking such amounts first from amounts constituting Net General Revenues on deposit in subaccounts relating to Subordinate Lien Bonds, *pro rata*, and second from amounts constituting Net General Revenues on deposit in subaccounts relating to Hybrid Bonds, *pro rata*), and deposit such amounts in such subaccount of the Sinking Fund; provided that no such amounts shall be withdrawn from subaccounts relating to Special Purpose Revenue Bonds.

Debt Service Reserve Account

The Debt Service Reserve Requirement for the outstanding Senior Lien General Revenue Bonds and for any Series of Bonds issued pursuant to the Master Bond Ordinance as Additional Bonds with a Senior Lien on General Revenues, is the aggregate sum of, for each series of Bonds so secured, the lesser of (a) 125 percent of the average annual Debt Service Requirement, (b) the Maximum Annual Debt Service Requirement, and (c) 10 percent of the original issue price, provided the specific amount mandated by such Debt Service Reserve Requirement may be reduced by the City without the consent of the holders of any Bonds upon receipt of evidence such reduction will not adversely affect any rating on the Bonds so secured and upon receipt of written consent by the bond insurers insuring such Bonds. The subaccount in the Debt Service Reserve Account securing the outstanding Senior Lien General Revenue Bonds will not secure the outstanding Senior Lien PFC Revenue Bonds.

The Debt Service Reserve Requirement for the outstanding Senior Lien PFC Revenue Bonds and for any Additional Bonds issued pursuant to the Master Bond Ordinance as Additional Bonds with a Subordinate Lien on General Revenues is the aggregate sum of, for each series of Bonds so secured, the lesser of (a) 125 percent of the average annual Debt Service Requirement, (b) the Maximum Annual Debt Service Requirement, and (c) 10 percent of the original issue price, provided the specific amount mandated by such Debt Service Reserve Requirement may be reduced by the City without the consent of the holders of any Bonds upon receipt of evidence such reduction will not adversely affect any rating on the Bonds so secured and upon receipt of written consent by the bond insurers insuring such Bonds. The subaccount in the Debt Service Reserve Account securing the outstanding Senior Lien PFC Revenue Bonds will not secure the outstanding General Revenue Bonds.

The 1977 Ordinance Bonds Reserve Subaccount held within the Debt Service Reserve Account holds the Debt Service Reserve Requirement for the 1977 Ordinance Bonds. Amounts in the 1977 Ordinance Bonds Reserve Subaccount secure only the remaining Outstanding 1977 Ordinance Bonds.

Any increases in the amount of the Debt Service Reserve Requirement resulting from the issuance of any Additional Bonds which also are secured by an existing subaccount of the Debt Service Reserve Account must be funded immediately upon the issuance of any such Additional Bonds, either with funds or through a Reserve Account Credit Facility, or a combination thereof. The balance of each subaccount of the Debt Service Reserve Account must be maintained in an amount equal to the Debt Service Reserve Requirement for the related Bonds (or such lesser amount that is required to be accumulated in such subaccount of the Debt Service Reserve Account upon the failure of the City to provide a substitute Reserve Account Credit Facility in certain events). The City may elect to satisfy in whole or in part the Debt Service Reserve Requirement for any Bonds by means of a Reserve Account Credit Facility, subject to restrictions provided in the Bond Ordinance.

Renewal and Extension Fund

Under the terms of the Bond Ordinance, amounts held in the Renewal and Extension Fund must be used first to prevent default in the payment of interest on or principal of any General Revenue Bonds when due and then will be applied by the City from time to time, as and when the City shall determine, to the following purposes and, prior to the occurrence and continuation of an Event of Default under the Bond Ordinance, in the order of priority determined by the City in its sole discretion: (a) for the purposes for which moneys held in the Revenue Fund may be applied as described above, (b) to pay any amounts which may then be due and owing under any Hedge Agreement relating to Bonds (including termination payments, fees, expenses, and indemnity payments), (c) to pay any governmental charges and assessments against the Airport or any part thereof which may then be due and owing, (d) to make acquisitions, betterments, extensions, repairs, or replacements or other capital improvements (including the purchase of equipment) to the Airport deemed necessary by the City (including payments under contracts with vendors, suppliers, and contractors for the foregoing purposes), (e) to acquire Senior Lien Bonds (other than Special Purpose Revenue Bonds) by redemption or by purchase in the open market at a price not exceeding the callable price, and (f) to transfer to the General Revenue Enhancement Subaccount. Notwithstanding the preceding sentence, any PFC Revenues or Released PFC Revenues in the Renewal and Extension Fund may only be used for PFC Revenue Bonds, Released Revenue Bonds secured by Released PFC Revenues, related Contracts, Costs of PFC Facilities or transfer to the PFC Revenue Enhancement Subaccount.

RATE COVENANT

General

The City has covenanted and agreed at all times while any Bonds are outstanding and unpaid to prescribe, fix, maintain, and collect rates, fees, and other charges for the services and facilities of the Airport to: (i) provide for 100 percent of the Operating Expenses of the Airport (except for certain specific facilities) and for the accumulation in the Revenue Fund, as defined in the Bond Ordinance, of a reasonable reserve therefor, and (ii) produce Net General Revenues, as defined in the Bond Ordinance, in each Fiscal Year, as defined in the Bond Ordinance, which will: (a) equal at least 120 percent (110 percent without regard to amounts in the General Revenue Enhancement Subaccount) of the debt service requirement of all 1977 Ordinance Bonds and General Revenue Bonds, as defined in the Bond Ordinance, and all Subordinate Lien Bonds having a lien on General Revenues, (b) enable the City to make all payments required to come from Net General Revenues into any Debt Service Reserve Account and the Rebate Account and on Contracts or Other Airport Obligations, as each is defined in the Bond Ordinance, (c) enable the City to accumulate an amount to be held in the Renewal and Extension Fund, as defined in the Bond Ordinance, which in the judgment of the City is adequate to meet the costs of major renewals, replacements, repairs, additions, betterments, and improvements to the Airport, necessary to keep the same in good operating condition or as is required by any governmental agency having jurisdiction over the Airport, and (d) with other revenues, remedy all deficiencies in required payments into any of the funds and accounts mentioned in the Bond Ordinance from prior Fiscal Years. The City has covenanted and agreed at all times while any Bonds are outstanding and unpaid to prescribe, fix, maintain, and collect PFC Revenues which will equal at least 100 percent, without regard to amounts in the PFC Revenue Enhancement Subaccount, of the debt service requirement of PFC Revenue Bonds, as defined in the Bond Ordinance, including the outstanding Senior Lien PFC Revenue Bonds.

If the City fails to prescribe, fix, maintain, and collect rates, fees, and other charges, or to revise such rates, fees, and other charges in accordance with the Master Bond Ordinance, the owners of not less than 25 percent in aggregate principal amount of the Senior Lien General Revenue Bonds then Outstanding, without regard to whether any Event of Default shall have occurred, may institute and prosecute in any court of competent jurisdiction an appropriate action to compel the City to prescribe, fix, maintain, or collect such rates, fees, and other charges, or to revise such rates, fees, and other charges. The rates, fees, and other charges shall be classified in a reasonable manner to cover users of the services and facilities furnished by the Airport so that, as nearly as practicable, such rates, fees, and other charges shall be uniform in application to all users falling within any reasonable class.

The City's ability to prescribe, fix, maintain and collect certain rates, fees and other charges may be limited by various contractual obligations to third parties including specifically its agreements with Signatory Airlines.

Provisions Applicable to Hybrid Bonds

For the purposes of the Master Bond Ordinance, in determining the Debt Service Requirement on Hybrid Bonds with a Senior Lien on PFC Revenues and a Subordinate Lien on General Revenues, (i) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, General Revenues, such debt service will be taken into account in determining the Debt Service Requirement of General Revenue Bonds only and will not be taken into account in determining the Debt Service Requirement of PFC Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on PFC Revenues; and (ii) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, PFC Revenues (for this purpose, including amounts in the PFC Revenue Enhancement Subaccount), such debt service will be taken into account in determining the Debt Service Requirement of PFC Revenue Bonds only and will not be taken into account in determining the debt service requirement of General Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on General Revenues.

ADDITIONAL GENERAL REVENUE BONDS

Upon satisfaction of certain conditions, the Bond Ordinance permits the City to issue additional revenue bonds without express limit as to principal amount to finance capital improvements to or expansions of the Airport (or to refinance obligations issued for such purposes), which will be equally and ratably secured as to the lien on General Revenues on a parity basis with the Senior Lien General Revenue Bonds. The Master Bond Ordinance allows revenue bonds issued to refund General Revenue Bonds to constitute parity bonds if the City obtains a report from an independent certified public accountant or a financial advisor, demonstrating that the refunding will reduce the total debt service payments on Outstanding General Revenue Bonds, including 1977 Ordinance Bonds, on a present value basis and if the requirements of paragraphs (2), (5), (6) and (7) below are met.

The Bond Ordinance also allows revenue bonds to constitute parity bonds upon satisfaction of the following conditions:

(1) There is procured and filed with the City:

(a) a report by an Independent Certified Public Accountant to the effect that the historical Net Revenues (for General Revenues, without consideration of (x) amounts in the General Revenue Enhancement Subaccount or (y) gifts or grants or expenditures of such gifts or grants) for each of the two most recent audited Fiscal Years, were equal to at least 120 percent (for PFC Revenue Bonds the percentage specified in the Supplemental Bond Ordinance with respect to the Outstanding PFC Revenue Bonds) of the Maximum Annual Debt Service Requirement of all related Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed parity bonds and, for Additional General Revenue Bonds, all Outstanding 1977 Ordinance Bonds, or

(b) a report by an Airport Consultant to the effect that in each Fiscal Year of the Forecast Period the forecasted related Net Revenues (for General Revenues, without consideration of (x) amounts in the General Revenue Enhancement Subaccount or (y) gifts or grants or expenditures of such gifts or grants) are expected to equal at least 130 percent (for PFC Revenue Bonds the percentage specified in the Supplemental Bond Ordinance with respect to the Outstanding PFC Revenue Bonds) of the Maximum Annual Debt Service Requirement during such period on all related Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed parity bonds and, for Additional General Revenue Bonds, all Outstanding 1977 Ordinance Bonds.

The report by the Independent Certified Public Accountant described in paragraph (a) above may contain pro forma adjustments to historical related Net Revenues of the Airport equal to 100 percent of the increased annual amount attributable to any revision in the schedule of rates, fees, and charges for the services and facilities furnished by the Airport, imposed prior to the date of delivery of the proposed parity bonds and not fully reflected in the historical related Net Revenues of the Airport actually received during such historical period used.

(2) The City shall have received, at or before issuance of the Additional Bonds, a report from an Independent Certified Public Accountant to the effect that the payments required to be made into each account or subaccount of the Sinking Fund have been made and the balance in each account or subaccount of the Sinking Fund is not less than the balance required by the Bond Ordinance as of the date of issuance of the proposed Additional Bonds.

(3) The Supplemental Bond Ordinance authorizing the proposed Additional Bonds must require (i) that the amount to be accumulated and maintained in the subaccount of the Debt Service Reserve Account for Senior Lien Bonds which are to be secured on a parity with such Additional Bonds, if any, be increased to not less than 100 percent of the Debt Service Reserve Requirement computed on a parity with the Additional Bonds immediately after the issuance of the proposed Additional Bonds and (ii) that the amount of such increase be deposited in such subaccount on or before the date and at least as fast as the rate specified in the Bond Ordinance.

(4) The Supplemental Bond Ordinance authorizing the proposed Additional Bonds must require the proceeds of such proposed Additional Bonds to be used solely to make capital improvements to the Airport, to fund interest on the proposed Additional Bonds, to refund other obligations issued for such purposes (whether or not such refunding Bonds satisfy the requirements of the Bond Ordinance relating to the issuance of refunding Bonds), and to pay expenses incidental thereto and to the issuance of the proposed Additional Bonds.

(5) If any Additional Bonds would bear interest at a Variable Rate, the Supplemental Bond Ordinance under which such Additional Bonds are issued shall provide a maximum rate of interest per annum which such Additional Bonds may bear.

(6) The Airport Manager and the Chief Finance Officer shall have certified, by written certificate dated as of the date of issuance of the Additional Bonds, that the City is in compliance with all requirements of the Bond Ordinance.

(7) The City shall have received an opinion of Bond Counsel, dated as of the date of issuance of the Additional Bonds, to the effect that the Supplemental Bond Ordinance and any related Supplemental Ordinance authorizing the issuance of Additional Bonds have been duly adopted by the City.

(8) If the Additional Senior Lien Bonds are to have Senior Liens on more than one category of Revenues, the requirements of paragraph (1) above must be met with respect to each category of Revenues.

ADDITIONAL PFC REVENUE BONDS

No PFC Revenue Bonds having a Senior Lien on the PFC Revenues may be issued, unless such PFC Revenue Bonds are issued in compliance with the terms of the Seventh Supplemental Bond Ordinance set forth below as Hybrid Bonds having, in addition to a Senior Lien on PFC Revenues, a Subordinate Lien on General Revenues. The City expressly reserves the right to issue additional PFC Revenue Bonds having a Subordinate Lien on PFC Revenues in accordance with the provisions of the Master Bond Ordinance without complying with the terms of the Seventh Supplemental Bond Ordinance.

All Hybrid Bonds having a Senior Lien on PFC Revenues shall comply with Subsections (2), (3), (4), (5), (6) and (7) of Section 502(b) of the Master Bond Ordinance (set forth above in paragraphs (2) through (7) above), as well as the following additional conditions:

(1) There shall have been procured and filed with the City either:

(A) a report by an Independent Certified Public Accountant to the effect that historical Net Revenues consisting of PFC Revenues for each of the two most recent audited Fiscal Years were equal to at least 120 percent of the Maximum Annual Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues to the extent such Debt Service Requirement was actually paid from General Revenues for each such Fiscal Year, as shown in such report) which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith; or

(B) a report by an Airport Consultant to the effect that in each Fiscal Year of the Forecast Period forecasted PFC Revenues are expected to equal at least 130 percent of the Maximum Annual Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues to the extent the Debt Service Requirement of such Hybrid Bonds is expected to be paid from General Revenues for each year of the Forecast Period, as shown on in such report) which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith.

In computing PFC Revenues, the City may take into account pro forma adjustments to historical PFC Revenues equal to 100 percent of the increased PFC Revenues attributable to any increase in the passenger facility charge imposed prior to the date of delivery of the proposed Additional Bonds and not fully reflected in the historical PFC Revenues actually received during such historical period used. Such pro forma adjustments, if any, shall be based upon a report of an Airport Consultant as to the amount of PFC Revenues which would have been received during such period had the increased passenger facility charge been in effect throughout such period.

ADDITIONAL PARITY GENERAL REVENUE SUBORDINATE LIEN PFC REVENUE BONDS

Additional Subordinate Lien Bonds may be issued ranking as to the lien on the General Revenues on a parity with the Senior Lien PFC Revenue Bonds in accordance with Section 503 of the Master Bond Ordinance (as described in the following subheading), but only if the following additional conditions are met:

(1) There shall have been procured and filed with the City either:

(A) a report by an Independent Certified Public Accountant to the effect that historical Net General Revenues (for this purpose, without consideration of (i) amounts in the General Revenue Enhancement Subaccount, or (ii) gifts or grants or expenditures of such gifts or grants) for each of the two most recent audited Fiscal Years, were equal to at least 120 percent of the Maximum Annual Debt Service Requirement of all related Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds, all Outstanding 1977 Ordinance Bonds and all outstanding Subordinate Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Subordinate Lien on General Revenues to the extent the Debt Service Requirement of such Subordinate Lien Bonds was actually paid from PFC Revenues for each such Fiscal Year, as shown in such report); or

(B) a report by an Airport Consultant to the effect that in each Fiscal Year of the Forecast Period the forecasted Net General Revenues (without consideration of (i) any amounts in the General Revenue Enhancement Subaccount, or (ii) gifts or grants or expenditures of such gifts or grants) are expected to equal at least 130 percent of the Maximum Annual Debt Service Requirement of all Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds, all Outstanding 1977 Ordinance Bonds and all outstanding Subordinate Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Subordinate Lien on General Revenues to the extent the Debt Service Requirement of such Hybrid Bonds is expected to be paid from PFC Revenues for each year of the Forecast Period, as shown in such report).

The report by the Independent Certified Public Accountant that is required by (1)(A) may contain pro forma adjustments to historical Net General Revenues equal to 100 percent of the increased annual amount attributable to any revision in the schedule of rates, fees, and charges for the services and facilities furnished by the Airport, imposed prior to the date of delivery of the proposed Additional Bonds and not fully reflected in the historical Net General Revenues actually received during such historical period used. Such pro forma adjustments, if any, shall be based upon a report of an Airport Consultant as to the amount of General Revenues which would have been received during such period had the new rate schedule been in effect throughout such period.

ADDITIONAL SUBORDINATE LIEN BONDS

The Bond Ordinance also allows the City to issue obligations (including, without limitation, Subordinate Lien Bonds) secured by General Revenues which are junior and subordinate to the Senior Lien General Revenue Bonds and the Senior Lien PFC Revenue Bonds as to the lien and right of payment as well as subordinate obligations secured by PFC Revenues and other revenues upon satisfaction of the following conditions:

(1) The Supplemental Bond Ordinance authorizing the Subordinate Lien Bonds shall provide that such Subordinate Lien Bonds shall be junior and subordinate in lien and right of payment (A) directly, to any Outstanding Senior Lien Bonds or Senior Lien Bonds issued in the future which have a Senior Lien on a category of Revenues as to which such proposed Additional Bonds have a Subordinate Lien, and (B) indirectly (as a result of the requirements under the Master Bond Ordinance, to withdraw certain amounts at certain times from subaccounts related to Subordinate Lien Bonds), to any other Outstanding Senior Lien Bonds or Senior Lien Bonds issued in the future.

(2) The Supplemental Bond Ordinance authorizing the Subordinate Lien Bonds shall, unless such Bonds are Identified Revenue Bonds or to be secured by PFC Revenues or Released PFC Revenues, establish funds and accounts for the moneys which would otherwise be deposited in the Renewal and Extension Fund, to be used to pay debt service on the Subordinate Lien Bonds, to pay Hedge Payments under related Hedge Agreements, and to provide reserves therefore. If Subordinate Lien Bonds are to be secured by PFC Revenues, Released PFC Revenues or Identified Revenues, the Supplemental Bond Ordinance shall establish funds and accounts for the moneys securing such Bonds, to be used to pay debt service on such Bonds, to pay Hedge Payments under related Hedge Agreements, and to provide reserves therefor.

(3) The requirements for Additional General Revenue Bonds under the subheading "Additional General Revenue Bonds" contained in paragraphs (4), (5), (6) and (7) are met with respect to such Subordinate Lien Bonds.

The Bond Ordinance permits the accession of Subordinate Lien Bonds and related hedge agreements to the status of complete parity with any Senior Lien Bonds (other than 1977 Ordinance Bonds) and related hedge agreements if, among other things, as of the date of accession, the report described in paragraph (1)(a) under the heading "Additional General Revenue Bonds" above is obtained on a basis which includes all outstanding Bonds with a lien on the same category of Revenues and for General Revenue Bonds, all Outstanding 1977 Ordinance Bonds and such Subordinate Lien Bonds.

RELEASED REVENUES

A separable category or portion of revenues, income, receipts and money relating to a definable service, facility or program of the Airport may, upon meeting certain conditions, be withdrawn from General Revenues or PFC Revenues and thereafter treated as Released Revenues for all purposes including the security for Released Revenue Bonds. The Bond Ordinance requires the City to obtain a report of an Independent Certified Public Accountant to the effect that historical Net General Revenues, excluding the category of Revenues proposed to become Released Revenues and without consideration of any amounts in the General Revenue Enhancement Subaccount or the PFC Revenue Enhancement Account, for each of the two most recent audited Fiscal Years prior to the date of such report were equal to at least 150 percent, as to General Revenues, of the Maximum Annual Debt Service Requirement on all General Revenue Bonds (excluding 1977 Ordinance Bonds which continue to be secured by such Released Revenues) which will be Outstanding after the category of Revenues becomes Released Revenues. With respect to PFC Revenues, the Bond Ordinance provides that historical PFC Revenues, excluding the proposed Released Revenues and without consideration of any amounts in the PFC Revenue Enhancement Account, for each of the two most recent audited Fiscal Years shall be equal to at least 150 percent of the Maximum Annual Debt Service Requirement of all PFC Revenue Bonds which will be Outstanding after the category of Revenues becomes Released Revenues. For purposes of this paragraph, "Debt Service Requirement" of PFC Revenue Bonds shall be computed in accordance with the provisions of the Bond Ordinance described under "THE BOND ORDINANCE - Rate Covenant - Provisions Applicable to Hybrid Bonds" herein.

SPECIAL PURPOSE REVENUE BONDS

The City may designate facilities at the Airport as Special Purpose Facilities if such facilities meet the tests stated in the definition thereof – facilities which (i) will not result, upon completion, in a material reduction (defined as more than 10 percent) in Net General Revenues and (ii) will not be of such a type or design that the subsequent closing thereof (with the functions thereof not provided by a substitute facility) will materially impair the general operations of the Airport; provided such tests shall not be applicable to the consolidated car rental facility described in the Airport's Capital Improvement Plan if so designated by the City. If a facility meets such tests and is so designated, the revenues arising therefrom or generated thereby will not be General Revenues for the period during which any Special Purpose Revenue Bonds for such facility are Outstanding; provided if the consolidated car rental facility is so designated and financed with Special Purpose Revenue Bonds, the related Special Purpose Revenues shall not include any privilege fee or similar charge assessed by the City or the Airport for rental car concessions.

The Bond Ordinance permits the issuance of Special Purpose Airport Revenue Bonds to finance Special Purpose Facilities. The City has issued from time to time Special Purpose Airport Revenue Bonds to finance and refinance the construction and expansion of certain Delta overhaul and maintenance facilities and to finance a portion of the costs of the acquisition, construction, improvement, equipping, renovation and furnishing of certain Delta facilities and related storage and training facilities at the Airport. Special Purpose Airport Revenue Bonds are secured solely by Revenues generated by Special Purpose Facilities and are not secured by a lien on General Revenues or PFC Revenues, and Bonds secured by General Revenues or PFC Revenues are not secured by such Special Purpose Revenues. There are currently no outstanding Special Purpose Airport Revenue Bonds of the City.

MAINTENANCE, INSURANCE, AND SALE OF THE AIRPORT; ANNUAL BUDGET; TAX COVENANTS

The City covenanted in the Bond Ordinance to (i) maintain the Airport in good repair and in sound operating condition, (ii) carry adequate public liability, fidelity, and property insurance or self-insurance, such as is maintained by similar airports, and (iii) adopt an annual budget for the Airport for each fiscal year of the City in compliance with the rate covenant described above.

The City also covenanted in the Bond Ordinance not to sell, lease, encumber, or in any manner dispose of the Airport as a whole or in part, except for property not necessary, useful, or profitable in the operation of the Airport or property the disposition of which will be advantageous to the Airport and will not adversely affect the security for the Bonds.

The City reserved the right in the Bond Ordinance to sell any portion of the Airport or to transfer the Airport as a whole to any political subdivision or authority or agency of one or more political subdivisions of the State, provided that the City obtains an opinion of an Airport Consultant expressing the view that such sale will not result in any diminution of Net Revenues to the extent that in any future Fiscal Year of the City the Net Revenues will be less than 120 percent of the average annual Debt Service Requirement of all Senior Lien Bonds to be Outstanding after such sale, in the then current or any succeeding Fiscal Year of the City.

Notwithstanding the above paragraphs in this section, the City may sell, lease or otherwise transfer any portion of the Airport which is (i) not a part of Hartsfield-Jackson Atlanta International Airport and (ii) not used for any airport or aviation purpose, and all Revenues and receipts associated with such portion of the Airport and its transfer shall be released from the lien of the Bond Ordinance and the City may use or deliver such amounts without restriction under the Bond Ordinance.

The City also covenanted in the Bond Ordinance to take all actions to assure the tax-exempt status of interest on tax-exempt Bonds and to refrain from taking any action which would adversely affect such status.

EVENTS OF DEFAULT AND REMEDIES

The Bond Ordinance defines an "Event of Default" to mean, among other things, (i) failure to pay debt service on Senior Lien Bonds when due, (ii) failure to perform any obligation with respect to the Debt Service Reserve Account, which remains unremedied for more than 30 days, (iii) certain events of insolvency affecting the City, (iv) the appointment of a receiver of the Airport or the funds held under the Master Bond Ordinance, (v) failure to perform any other covenant contained in the Master Bond Ordinance for 90 days (or 180 days if such default cannot be cured in 90 days and if corrective action is instituted and diligently pursued) after notice from the owners of (or a Credit Issuer securing) at least 25 percent in aggregate principal amount of Senior Lien Bonds, (vi) an Event of Default under any Supplemental Bond Ordinance relating to Senior Lien Bonds, (vii) failure by any Credit Issuer to pay the purchase price of Senior Lien Bonds, (viii) delivery of notice that an "Event of Default" has occurred under any agreement relating to a credit facility supporting Senior Lien Bonds, and (ix) delivery of notice that an "Event of Default" has occurred under a hedge agreement relating to Senior Lien Bonds; provided (a) if the Event of Default relates solely to Bonds (other than 1977 Ordinance Bonds) related to a particular category of Revenues and no other event has occurred which could become an Event of Default with respect to any other Bonds then Outstanding, such Event of Default shall be deemed to apply solely to the related Bonds and Contracts and the provisions of the Bond Ordinance shall otherwise remain in full force and effect with respect to all other Bonds and related Contracts and (b) if 1977 Ordinance Bonds are Outstanding, no Event of Default which would not be a 1977 Bond Ordinance Event of Default may be the basis for acceleration under the Master Bond Ordinance.

Upon the happening and continuance of any Event of Default (except for events described in clauses (vii), (viii) and (ix) above), the Bond Ordinance allows the owners of more than 50 percent in aggregate principal amount of outstanding Senior Lien Bonds affected thereby or a Credit Issuer securing more than 50 percent in aggregate principal amount of outstanding Senior Lien Bonds affected thereby to accelerate such Bonds affected thereby. If the City cures the Event of Default, the Bond Ordinance allows the owners of more than 50 percent in aggregate principal amount of outstanding Senior Lien Bonds to waive the acceleration, subject to the consent of each Credit Issuer securing Senior Lien Bonds.

Notwithstanding the Event of Default remedies provided in the Bond Ordinance stated above, if a 1977 Bond Ordinance Event of Default has occurred, the holders of not less than 25 percent in principal amount of the 1977 Ordinance Bonds may, by notice in writing to the City, declare the principal of all such Bonds to be due and payable immediately provided if all arrears of interest upon such Bonds, and interest on overdue installments of interest at the rate on such Bonds shall have been paid by the City, the principal of such Bonds which has matured (except the principal of any Bonds not then due by their terms except as provided above) has been paid, and the City also shall have performed all other things in respect to which it may have been in default and the Credit Issuer, if any, shall have reinstated the Credit Facility in the full amount available to the be drawn thereunder by written notice to the City, then the holders of not less than 25 percent in principal amount of such Bonds may waive such default and its consequences by written notice to the City, but no such waiver shall extend to or affect any subsequent default or impose any right or remedy consequent thereon. No Event of Default with respect to 1977 Ordinance Bonds may be waived without the express written consent of the related Credit Issuers.

The Bond Ordinance provides that, upon the occurrence and continuation of an Event of Default, the City or a receiver appointed for the purpose must apply all Pledged Revenues as follows and in the following order of priority: (i) first, to the payment of the reasonable and proper charges, expenses, and liabilities of the receiver and any paying agent and bond registrar under the Bond Ordinance (with such amounts payable, if related to a particular series and therefore to a particular category of Revenues, first from such category), (ii) second, to the payment of all reasonable and necessary expenses of operation and maintenance of the Airport and major renewals and replacements to the Airport, (iii) third, to the payment of debt service on the 1977 Ordinance Bonds, and (iv) fourth, to the payment of debt service on Senior Lien Bonds and amounts (other than termination, indemnity, and expense payments) due under hedge agreements relating to Senior Lien Bonds.

Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, known as the "Revenue Bond Law," provides that the provisions of the Revenue Bond Law and the Bond Ordinance constitute a contract between the City and the owners of the Bonds. In addition to the remedies set forth in the Bond Ordinance, the Revenue Bond Law provides that the duties of the City, the City Council, and the officers of the City under the Revenue Bond Law and the Bond Ordinance are enforceable by any owner of the Bonds by mandamus or other appropriate action or proceeding at law or in equity.

The Revenue Bond Law also provides that in the event the City defaults in the payment of the principal or interest on any of the Bonds after the same becomes due, whether at maturity or upon call for redemption, and such default continues for a period of 30 days, or in the event the City or the City Council or the officers, agents, or employees of the City fail or refuse to comply with the essential provisions of the Revenue Bond Law or default in any material respect in the Bond Ordinance, any holders of the Bonds or any trustee therefor shall have the right to apply in an appropriate judicial proceeding to the Superior Court of Fulton County or to any court of competent jurisdiction for the appointment of a receiver of the Airport, whether or not all Bonds have been declared due and payable and whether or not such holder or trustee therefor is seeking or has sought to enforce any other right or to exercise any remedy in connection with the Bonds. Upon such application, the Superior Court, if it deems such action necessary for the protection of the bondholders, may appoint and, if the application is made by the holders of 25 percent in principal amount of the Bonds then outstanding or by any trustee for the holder of Bonds in such principal amount, shall appoint a receiver of the Airport.

The receiver so appointed under the Revenue Bond Law, directly or by his agents and attorneys, is required under the Revenue Bond Law to forthwith enter into and upon and take possession of the Airport. If the court so directs, the receiver may exclude the City, the City Council, and the City's officers, agents, and employees, and all persons claiming under them, wholly from the Airport. Under the Revenue Bond Law, the receiver will have, hold, use, operate, manage, and control the Airport, in the name of the City or otherwise, as the receiver may deem best. Under the Revenue Bond Law, the receiver will exercise all the rights and powers of the City with respect to the Airport as the City itself might do. The receiver will maintain, restore, insure, and keep insured the Airport and from time to time will make all such necessary or proper repairs as the receiver may deem expedient. Under the Revenue Bond Law, the receiver will establish, levy, maintain, and collect such fees, tolls, rentals, and other charges in connection with the Airport as he deems necessary or proper and reasonable. Under the Revenue Bond Law, the receiver will collect and receive all revenues and will deposit the same in a separate account and apply the revenues so collected and received in such manner as the court shall direct.

Notwithstanding the provisions of the Revenue Bond Law described above, the receiver has no power to sell, assign, mortgage, or otherwise dispose of any assets of whatever kind or character belonging to the City and useful for the Airport. The authority of any such receiver is limited to the operation and maintenance of the Airport. No court may have jurisdiction to enter any order or decree requiring or permitting the receiver to sell, assign, mortgage, or otherwise dispose of any such assets.

The receiver must, in the performance of the powers conferred upon him, act under the direction and supervision of the court making such appointment and will at all times be subject to the orders and decrees of such court and may be removed by such court.

Under the terms of the Revenue Bond Law, whenever all amounts due upon the Bonds and interest thereon and upon any other notes, bonds, or other obligations and interest thereon having a charge, lien, or encumbrance on the revenues of the Airport and under any of the terms of the Bond Ordinance have been paid or deposited as provided therein and whenever all defaults have been cured and made good and it appears to the court that no default is imminent, the court must direct the receiver to surrender possession of the Airport to the City. The same right of the holders of the Bonds to secure the appointment of a receiver exists upon any subsequent default as is provided in the Revenue Bond Law.

If the City were to default on the Bonds, the realization of value from the pledge of the Pledged Revenues to secure the payment of the Bonds would depend upon the exercise of various remedies specified by the Bond Ordinance and Georgia law (including the Revenue Bond Law). These remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Bonds may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no municipality created under the Constitution or laws of the State of Georgia shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive, mayor, city council, or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any municipality created under the Constitution or laws of the State of Georgia of any petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

DEFEASANCE

The Bond Ordinance provides that any Bonds for the payment or redemption of which sufficient moneys or sufficient direct obligations of, or obligations fully guaranteed by, the United States of America have been deposited with the Paying Agent or the depository of the Sinking Fund (whether upon or prior to the maturity or the redemption date of such bonds) will be deemed to be paid and no longer outstanding under the Bond Ordinance.

If all Bonds and obligations secured by a lien on a category of Revenues have been paid or provision for payment thereof made as set forth in the preceding paragraph, at the option of the City the terms and provisions of the Bond Ordinance relating solely to such category of Revenues may be determined as void and of no further force or effect; provided the other terms and provisions of the Bond Ordinance shall remain in effect until the election of the City after payment or provision for payment of all Bonds and obligations secured by a lien created pursuant to the Bond Ordinance on any Revenues.

SUPPLEMENTAL ORDINANCES

The Bond Ordinance permits the City to adopt supplemental ordinances modifying, amending, or supplementing the Bond Ordinance, without the consent of or notice to the owners of any of the Bonds for certain purposes including to modify any of the provisions of the Bond Ordinance in any respect (other than a modification of the type described below requiring the unanimous consent of the owners of Bonds); provided that for (i) any outstanding Bonds which are assigned a rating and which are not secured by a credit facility providing for the payment of the full amount of principal and interest to be paid thereon, each rating agency rating such Bonds shall have notified the City that such modification will not cause the then applicable rating on any such Bonds to be reduced or withdrawn, and (ii) any outstanding Bonds which are secured by credit facilities providing for the payment of the full amount of the principal and interest to be paid thereon, each Credit Issuer shall have consented in writing to such modification.

The Bond Ordinance also provides that, with the consent of the owners of not less than a majority in aggregate principal amount of the outstanding Bonds of each class (senior and subordinate), voting separately by class, the City may adopt a supplemental ordinance for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Master Bond Ordinance; provided, however, that for any Supplemental Ordinance adversely affecting the rights of holders of the 1977 Ordinance Bonds approval must be received from the holders of at least 66-2/3 percent of the principal amount thereof Outstanding and no such supplemental ordinance shall: (i) extend the maturity date or due date of any mandatory sinking fund redemption with respect to any Bond outstanding under the Bond Ordinance; (ii) reduce or extend the time for payment of debt service on any Bond outstanding under the Bond Ordinance; (iii) reduce any premium payable upon the redemption of any Bond under the Bond Ordinance or advance the date upon which any Bond may first be called for redemption prior to its stated maturity date; (iv) give to any Senior Lien Bonds (or related hedge agreements) a preference over any other Senior Lien Bonds (or related hedge agreements); (v) permit the creation of any lien or any other encumbrance on the Pledged Revenues having a lien equal to or prior to the lien created under the Bond Ordinance for the Senior Lien Bonds; (vi) reduce the percentage of owners of either class of Bonds or of the 1977 Ordinance Bonds required to approve any such supplemental ordinance; or (vii) deprive the owners of Senior Lien Bonds or Subordinate Lien Bonds of the right to payment of such Bonds or from the Pledged Revenues, without, in each case, the consent of the owners of all the Bonds then outstanding.

ELEVENTH SUPPLEMENTAL BOND ORDINANCE

The Series 2006A/B Bonds are being issued pursuant to an Eleventh Supplemental Bond Ordinance adopted by the City on April 17, 2006 (Ordinance No. 06-O-0552) (the “Eleventh Supplemental Bond Ordinance”). The following is a summary, which does not purport to be comprehensive or definitive, of certain provisions of the Eleventh Supplemental Bond Ordinance. Reference is made to the Eleventh Supplemental Bond Ordinance in its entirety for a complete recital of the detailed provisions thereof, copies of which are available from the Issuer upon request.

Definitions

The Eleventh Supplemental Bond Ordinance sets forth the following definitions:

"CFC" means the "Customer Facility Charge" defined in the CFC Ordinance.

"CFC Administrative Costs" means the following expenses that are incurred in connection with the Released CFC Bonds and the imposition and collection of the CFC: (i) the ongoing fees and expenses of the Paying Agent and Bond Registrar for the Released CFC Bonds, (ii) the ongoing fees and expenses of the Rate Consultant, (iii) fees and expenses of the Issuer and the City, including, but not limited to, those of attorneys, financial advisors, accountants, and consultants incurred in connection with any regulatory or administrative requirements, including specifically, but without limitation, the preparation and filing of annual financial statements and audits and compliance with continuing disclosure requirements, (iv) the reasonable legal fees and expenses of the City incurred with respect to defending any actions or proceedings brought by third parties challenging the CFC or the collection or remittance thereof under the CFC Ordinance, and (v) such other reasonable fees and expenses of the City, including reasonable overhead expenses, in carrying out its obligations related to the Released CFC Bonds and the imposition and collection of the CFC.

"CFC Administrative Costs Fund" means the City of Atlanta Airport Released CFC Bond Administrative Costs Fund established by the Eleventh Supplemental Bond Ordinance.

"CFC Coverage Fund" means the City of Atlanta Airport Released CFC Bond Debt Service Coverage Fund established by the Eleventh Supplemental Bond Ordinance.

"CFC Coverage Fund Requirement" means 25% of the Maximum Annual Debt Service Requirement for all Outstanding Released CFC Bonds.

"CFC Coverage Revenues" means the sum of (1) CFC Revenues, plus (2) Investment Earnings on amounts deposited in the CFC Revenue Subaccount of the Released Revenue Account, the Released CFC Bond Subaccounts of the Interest Subaccount, the Principal Subaccount, and the Debt Service Reserve Account, the related Hedge Payments Subaccounts, the CFC Coverage Fund, the CFC Administrative Costs Fund, and the CFC Surplus Fund, plus (3) the amount on deposit in the CFC Coverage Fund on the date of calculation of CFC Coverage Revenues.

"CFC Ordinance" means the ordinance adopted by the City on December 6, 2004 (Ordinance No. 04-O-2116), as supplemented by the ordinance adopted by the City on September 19, 2005 (Ordinance No. 05-O-1510).

"CFC Revenues" means the CFC collections to be received by the City pursuant to the CFC Ordinance.

"CFC Surplus Fund" means the City of Atlanta Airport CFC Revenue Surplus Fund established by the Eleventh Supplemental Bond Ordinance.

"Debt Service Reserve Requirement," as that term is used with respect to Released CFC Bonds, means the Maximum Annual Debt Service Requirement for all Outstanding Released CFC Bonds.

The term **"Pledged Revenues,"** when used with respect to CFC Revenues, shall not exclude (i) amounts in the Revenue Fund required to be used to pay Operating Expenses and (ii) any amounts required in the Bond Ordinance to be set aside pending, or used for, rebate to the United States government pursuant to Section 148(f) of the Code.

"Projected CFC Bond Interest Payment" means that sum, redetermined by the City monthly, which would have to be accumulated in the Released CFC Bond Subaccount of the Interest Subaccount by the next Interest Payment Date to pay interest on Released CFC Bonds that bear interest at a Variable Rate if such Variable Rate should continue to equal the rate borne by such Released CFC Bonds on the date of calculation.

"**Rate Consultant**" means a nationally recognized firm chosen by the City and qualified to review and assess the anticipated CFC Revenues and recommend to the City the amount of the CFC.

"**Rate Consultant's Report**" means the report required to be prepared by the Rate Consultant pursuant to the Eleventh Supplemental Bond Ordinance.

"**Rate Consultant's Report Period**" means the period beginning with the Fiscal Year after any audited Fiscal Year in which the CFC Coverage Revenues were less than 140% of the Maximum Annual Debt Service Requirement of all Released CFC Bonds that were Outstanding as of the end of such Fiscal Year and ending with the Fiscal Year after the CFC Coverage Revenues for two consecutive audited Fiscal Years equal at least 140% of the Maximum Annual Debt Service Requirement of all Released CFC Bonds that are Outstanding as of the end of each such Fiscal Year.

"Released CFC Bonds" means Bonds secured by a Senior Lien on CFC Revenues and other obligations pursuant to the Master Bond Ordinance secured by a Senior Lien on CFC Revenues.

"Senior Lien," when used with respect to CFC Revenues, shall entitle the Beneficiaries of such lien to have a claim on CFC Revenues ahead of the use of CFC Revenues to pay Operating Expenses.

Funds and Accounts Created and Flow of Funds

The Seventh Supplement Bond Ordinance creates and requires the City to maintain the following additional funds and accounts with respect to the Airport:

(1) the CFC Revenue Subaccount within the Released Revenue Account of the Revenue Fund;

(2) the Released CFC Bond Subaccount within the Interest Subaccount of the Payments Account within the Sinking Fund;

(3) the Released CFC Bond Subaccount within the Principal Subaccount of the Payments Account within the Sinking Fund;

(4) the Released CFC Bond Subaccount within the Debt Service Reserve Account of the Sinking Fund;

(5) the CFC Coverage Fund;

(6) the CFC Administrative Costs Fund;

(7) the CFC Surplus Fund; and

(8) the Released CFC Bond Subaccount within the Capitalized Interest Account of the Construction Fund.

CFC Revenue Subaccount

The Eleventh Supplemental Bond Ordinance requires the City to deposit and continue to deposit all CFC Revenues in the CFC Revenue Subaccount of the Released Revenue Account from time to time as and when received. Moneys in the CFC Revenue Subaccount of the Released Revenue Account are required to be applied by the City from time to time to the following purposes and in the following order of priority: (1) deposited monthly into the Released CFC Bond Subaccount of the Interest Subaccount, the amount summarized in **"-Payments Account- Interest Subaccount**," below; (2) deposited monthly into the related Hedge Payments Subaccounts, the amount summarized in **"-Payments Account- Hedge Payments Subaccount**," below; (3) deposited monthly into the Released CFC Bond Subaccount of the Principal Subaccount, the amount summarized in **"-Payments Account- Principal Subaccount**," below; (4) paid monthly to any Credit Issuer securing Released CFC Bonds, all amounts required to be paid to such Credit Issuer as compensation for the Credit Facility securing Released CFC Bonds and as satisfaction of any other amounts due under the Credit Facility Agreement that are not considered to be subrogated payments of principal and interest on Released CFC Bonds under the Master Bond Ordinance, including Additional Interest on Released CFC Bonds; (5) deposited monthly into the Released CFC Bond Subaccount of the Debt Service Reserve Account and paid monthly to any Reserve Account Credit Facility Provider providing a Reserve Account Credit Facility for the Released CFC Bond Subaccount of the Debt Service Reserve Account, on a pro rata basis, the amount required by the Master Bond Ordinance; (6) paid monthly, repayments of any draw-down on any Reserve Account Credit Facility credited to the Released CFC Bond Subaccount of the Debt Service Reserve Account (other than repayments that reinstate such Reserve Account Credit Facility) and any interest or fees due the related Reserve Account Credit Facility Provider under such Reserve Account Credit Facility; (7) deposited monthly into the CFC Coverage Fund, the amount summarized in *"-**CFC Coverage Fund,**"* below; (8) deposited monthly into the CFC Administrative Costs Fund, the amount summarized in ***"-CFC Administrative Costs Fund,"*** below; (9) deposited monthly, any amounts required to be deposited into the Rebate Fund, as estimated by the City, or as estimated for the City and approved by the City, for purposes of complying with the requirement for rebate to the United States government under Section 148(f) of the Code; and (10) deposited monthly into the CFC Surplus Fund, all remaining moneys and securities held in the Revenue Fund, after all of the other transfers set forth above have been made.

Payments Account

The Eleventh Supplemental Bond Ordinance requires that sufficient moneys be paid in monthly installments from the CFC Revenue Subaccount of the Released Revenue Account into (1) the Released CFC Bond Subaccount of the Interest Subaccount and the Released CFC Bond Subaccount of the Principal Subaccount for the purpose of paying the principal of and interest (excluding Additional Interest) on the Released CFC Bonds as they become due and payable and (2) the related Hedge Payments Subaccounts for the purpose of making related Hedge Payments under related Hedge Agreements. Amounts held in the Released CFC Bond Subaccount of the Interest Subaccount shall not be used to pay Additional Interest.

Interest Subaccount

The Eleventh Supplemental Bond Ordinance requires that there be paid into the Released CFC Bond Subaccount of the Interest Subaccount monthly, on or before the 25th day of the month, an installment equal to 1/6 of the amount of interest (excluding Additional Interest) falling due and payable on all Outstanding Released CFC Bonds on the next Interest Payment Date, adjusted to give credit for any other available moneys then in the Released CFC Bond Subaccount of the Interest Subaccount or the Released CFC Bond Subaccount of the Capitalized Interest Account, and further adjusted if necessary to assure the timely accumulation of the required amount in approximately equal installments. To the extent that any of the Released CFC Bonds bear interest at a Variable Rate, this requirement shall be deemed satisfied with respect to such Released CFC Bonds if the installment paid into the Released CFC Bond Subaccount of the Interest Subaccount in each month shall be sufficient to accumulate for such Released CFC Bonds an amount equal to 1/6 of the Projected CFC Bond Interest Payment multiplied by the number of months and fractions of months expired since delivery of such Released CFC Bonds or the most recent Interest Payment Date. Notwithstanding the foregoing, any Supplemental Bond Ordinance that authorizes the issuance of Additional Bonds which pay interest other than semiannually may establish a different method of accumulating money in the Released CFC Bond Subaccount of the Interest Subaccount to pay interest on such Additional Bonds, so long as such method provides for the accumulation, in equal installments of no greater frequency than monthly, of sufficient funds to pay interest due on such Additional Bonds on each Interest Payment Date established for such Additional Bonds. The City shall also deposit and continue to deposit all Hedge Receipts under related Hedge Agreements in the Released CFC Bond Subaccount of the Interest Subaccount from time to time as and when received. Moneys in the Released CFC Bond Subaccount of the Interest Subaccount shall be used solely to pay interest (excluding Additional Interest) on the Released CFC Bonds when due.

Hedge Payments Subaccounts

On or before each payment date for Hedge Payments under Hedge Agreements related to Released CFC Bonds, the City shall deposit in the related Hedge Payments Subaccounts from moneys in the CFC Revenue Subaccount of the Released Revenue Account an amount which, together with any other moneys already on deposit therein and available to make such payment, is not less than such Hedge Payments coming due on such payment date. In addition, on or before the 25th day of each month, the City shall deposit in the related Hedge Payments Subaccounts from moneys in the CFC Revenue Subaccount of the Released Revenue Account an amount which, together with an equal amount to be deposited in each such month, if any, occurring prior to the next succeeding payment date for Hedge Payments under such related Hedge Agreements, will not be less than the amount of such Hedge Payments to become due on such next succeeding payment date for such Hedge Payments. No deposit pursuant to this paragraph need be made to the extent that there is a sufficient amount already on deposit in the related Hedge Payments Subaccount to pay such related Hedge Payments on each such payment date. Moneys in the related Hedge Payments Subaccounts shall be used solely to pay Hedge Payments under related Hedge Agreements when due.

Principal Subaccount

The Eleventh Supplemental Bond Ordinance requires that there be paid into the Released CFC Bond Subaccount of the Principal Subaccount monthly, on or before the 25th day of the month, an installment equal to 1/12 of the principal amount falling due and payable on all Outstanding Released CFC Bonds on the next Principal Maturity Date plus whatever additional amounts may be necessary in equal monthly installments to accumulate in the Released CFC Bond Subaccount of the Principal Subaccount the full principal amount falling due in such Sinking Fund Year. For purposes of this requirement, the amount of principal falling due in any Sinking Fund Year shall include all amounts of principal maturing during the Sinking Fund Year and all amounts of principal that are subject to mandatory redemption during the Sinking Fund Year. Notwithstanding the foregoing, any Supplemental Bond Ordinance that authorizes the issuance of Additional Bonds which pay principal other than annually may establish a different method of accumulating money in the Released CFC Bond Subaccount of the Principal Subaccount to pay principal on such Additional Bonds, so long as such method provides for the accumulation, in equal installments of no greater frequency than monthly, of sufficient funds to pay principal on such Additional Bonds when due. Moneys in the Released CFC Bond Subaccount of the Principal Subaccount must be used solely for the payment of principal of the Released CFC Bonds as the same shall become due and payable at maturity or upon redemption.

CFC Coverage Fund

Upon the issuance of each series of Released CFC Bonds, the Eleventh Supplemental Bond Ordinance requires that there be deposited into the CFC Coverage Fund an amount sufficient to cause the balance held therein to equal at least the CFC Coverage Fund Requirement, computed on a basis that includes all Released CFC Bonds, which will be Outstanding immediately after the issuance of such series of Released CFC Bonds. The balance of the CFC Coverage Fund shall be maintained at an amount equal to the CFC Coverage Fund Requirement. There is required to be transferred from the CFC Revenue Subaccount of the Released Revenue Account to the CFC Coverage Fund the amount necessary to restore the amount of cash and securities in the CFC Coverage Fund to the CFC Coverage Fund Requirement. Whenever for any reason the amount in the Released CFC Bond Subaccount of the Interest Subaccount or the Principal Subaccount is insufficient to pay all interest or principal falling due on the Released CFC Bonds within the next seven days, the City is required to make up any deficiency by transfers from the CFC Surplus Fund. Whenever, on the date that such interest or principal is due, there are insufficient moneys in the Released CFC Bond Subaccount of the Interest Subaccount or the Principal Subaccount available to make such payment, the City is required, without further instructions, to apply so much as may be needed of the moneys in the CFC Coverage Fund to prevent default in the payment of such interest or principal, with priority to interest payments, before applying any amounts held in the Released CFC Bond Subaccount of the Debt Service Reserve Account for such purposes. Whenever by reason of any such application or otherwise the amount remaining to the credit of the CFC Coverage Fund is less than the amount then required to be in the CFC Coverage Fund, such deficiency must be remedied by monthly deposits from the CFC Revenue Subaccount of the Released Revenue Account, to the extent funds are available in the CFC Revenue Subaccount of the Released Revenue Account for such purpose after all required transfers set forth above have been made.

CFC Administrative Fund

The Eleventh Supplemental Bond Ordinance requires that there be transferred from the CFC Revenue Subaccount of the Released Revenue Account to the CFC Administrative Costs Fund all moneys remaining on deposit in the CFC Revenue Subaccount of the Released Revenue Account, after all of the other transfers with a higher priority are made, until there shall have been deposited to the CFC Administrative Costs Fund an amount equal to the then budgeted CFC Administrative Costs for the current Sinking Fund Year. Thereafter, no additional transfers to the CFC Administrative Costs Fund are to be made during such Sinking Fund Year unless the City amends the budgeted CFC Administrative Costs for such Sinking Fund Year and such amendment increases the budgeted CFC Administrative Costs for such Sinking Fund Year. In such event, there shall be transferred from the CFC Revenue Subaccount of the Released Revenue Account to the CFC Administrative Costs Fund all moneys remaining on deposit in the CFC Revenue Subaccount of the Released Revenue Account, after all of the other transfers with a higher priority are made, until there shall have been deposited to the CFC Administrative Costs Fund an amount equal to the increased budgeted CFC Administrative Costs for such Sinking Fund Year. The City is required to use moneys credited to the CFC Administrative Costs Fund to pay CFC Administrative Costs as such costs are due and payable.

CFC Surplus Fund

In addition to the deposits to be made to the CFC Surplus Fund pursuant to the Eleventh Supplemental Ordinance, the City is required to deposit in the CFC Surplus Fund all termination payments received under any Hedge Agreements relating to the Released CFC Bonds. All sums accumulated and retained in the CFC Surplus Fund must be used first to prevent default in the payment of interest on or principal of the Released CFC Bonds when due and then applied by the City from time to time, as and when the City shall determine, to the following purposes and in the following order of priority: (1) to the restoration of the Released CFC Bond Subaccount of the Interest Subaccount, the Released CFC Bond Subaccount of the Principal Subaccount, and the related Hedge Payments Subaccounts to the respective amounts required at that time to be held therein; (2) to the payment of any and all amounts that may then be due and owing to any Credit Issuer securing Released CFC Bonds; (3) to the restoration of the Released CFC Bond Subaccount of the Debt Service Reserve Account (including the reinstatement of any related Reserve Account Credit Facility) to the amount required at that time to be held therein; (4) to the payment of any and all amounts that may then be due and owing to any related Reserve Account Credit Facility Provider; (5) to the restoration of the CFC Coverage Fund to the amount required at that time to be held therein; (6) to the payment of CFC Administrative Costs, to the extent moneys are not available for such purpose in the CFC Administrative Costs Fund; (7) to the payment of any and all amounts that may then be due and owing under any related Hedge Agreement (including termination payments, fees, expenses, and indemnity payments); (8) to the restoration of the Rebate Fund to the amount required at that time to be held therein; (9) to the payment of any Operating Expenses, capital expenditures, or other costs authorized by the Airport Manager that are attributable to the CONRAC Project, the automated people mover system that will serve the CONRAC Project, or the APM Maintenance Project; (10) to pay intra-Airport transportation system costs to provide for the CONRAC Project access for the customers of the rental car companies to and from the Airport's Maynard Holbrook Jackson, Jr. International Terminal; (11) at the option of the City, to the acquisition of Released CFC Bonds by redemption or by purchase in the open market at a price not exceeding the callable price as provided and in accordance with the terms and conditions of the Bond Ordinance, which Released CFC Bonds may be any of the Released CFC Bonds, prior to their respective maturities, and when so used for such purposes the moneys shall be withdrawn from the CFC Surplus Fund and deposited into the Released CFC Bond Subaccounts of the Interest Subaccount and the Principal Subaccount for the Released CFC Bonds to be so redeemed or purchased; and (12) if no Event of Default has occurred that is then continuing and if the historical CFC Coverage Revenues for each of the two most recent audited Fiscal Years were equal to at least 125% of the Maximum Annual Debt Service Requirement of all Released CFC Bonds then Outstanding, any moneys in the CFC Surplus Fund in excess of $1,000,000 may be withdrawn from the CFC Surplus Fund and used for any lawful purpose of the Airport.

Rate Covenant

The City shall cause the CFC to be calculated, established, and imposed as provided below so long as any Released CFC Bonds remain Outstanding, and the City shall use diligence to cause the CFC to be collected by the rental car companies in accordance with the terms of the CFC Ordinance and deposited with the City by the rental car companies. The CFC shall be established initially and reviewed and adjusted (if necessary) annually by the City, based upon the Rate Consultant's Report (if required), at rates estimated to generate CFC Coverage Revenues in each Fiscal Year equal to at least: (i) 125% of the Debt Service Requirement on all Released CFC Bonds then

Outstanding for such Fiscal Year; and (ii) the amounts necessary to restore any deficiencies in the CFC Bond Subaccount of the Debt Service Reserve Account and in the CFC Administrative Costs Fund.

The initial CFC shall continue until the end of the Fiscal Year during which such initial CFC was commenced, unless adjusted pursuant to the provisions set forth below. Not less than 90 days prior to the end of each Fiscal Year during the Rate Consultant's Report Period, the City shall cause the Rate Consultant to prepare and present to the City the Rate Consultant's Report, which shall make a recommendation as to the amount of the CFC for the ensuing Fiscal Year. In making such recommendation the Rate Consultant shall consider, among other factors: (i) the historical and forecasted origination and destination traffic at the Airport; (ii) the historical and forecasted rental car transaction days at the Airport; (iii) the Debt Service Requirement on all Released CFC Bonds then Outstanding for the Fiscal Year; (iv) the budgeted CFC Administrative Costs and the actual CFC Administrative Costs; (v) the amounts required to be deposited to the CFC Bond Subaccount of the Debt Service Reserve Account and the CFC Coverage Fund and any existing or projected deficiencies therein; (vi) information provided by the rental car companies; and (vii) such other factors deemed relevant by the Rate Consultant and the City. If during the first six months of such ensuing Fiscal Year the monthly collections of CFC Revenues are less than 80% of the forecasted monthly collections for the corresponding period as shown in the Rate Consultant's Report filed with the City, the City shall promptly direct the Rate Consultant to review the rental car transaction days and CFC collection history and to issue a new Rate Consultant's Report recommending appropriate action with respect to the CFC rate (which may include recommending the use of amounts in the CFC Surplus Fund), which Rate Consultant's Report recommendation shall be implemented as promptly as practicable.

In the event the rate covenant set forth above is not satisfied in any Fiscal Year, it will not constitute an Event of Default so long as no payment default has occurred with respect to the Released CFC Bonds and the City promptly engages a Rate Consultant to recommend a rate for the CFC that will enable the rate covenant set forth above to be satisfied, and the City promptly causes the CFC to be imposed at the recommended rate.

The City may not reduce the CFC below $4.00 so long as any Released CFC Bonds remain Outstanding, unless the City first obtains a Rate Consultant's Report demonstrating that the CFC Coverage Revenues in each of the five Fiscal Years following such reduction will equal at least 140% of the Debt Service Requirement on all Released CFC Bonds Outstanding for each such Fiscal Year.

Additional Released CFC Bonds

The conditions of the Master Bond Ordinance (set forth above in paragraphs (2) through (7) of the section **"THE BOND ORDINANCE – ADDITIONAL GENERAL REVENUE BONDS"** in this Appendix D) are required to be satisfied with respect to Released CFC Bonds issued after the Series 2006A/B Bonds are issued, as well as the following additional conditions, which shall be satisfied in lieu of the condition set forth in the Master Bond Ordinance (set forth above in paragraph (1) of the section **"THE BOND ORDINANCE – ADDITIONAL GENERAL REVENUE BONDS"** in this Appendix D):

(1) There have been procured and filed with the City either:

(A) a report by an Independent Certified Public Accountant to the effect that the historical CFC Coverage Revenues for each of the two most recent audited Fiscal Years were equal to at least 125% of the Maximum Annual Debt Service Requirement of all Released CFC Bonds that will be Outstanding immediately after the issuance of the proposed Released CFC Bonds; or

(B) a report by an Airport Consultant to the effect that in each Fiscal Year of the Forecast Period the forecasted CFC Coverage Revenues are expected to equal at least 125% of the Maximum Annual Debt Service Requirement of all Released CFC Bonds that will be Outstanding immediately after the issuance of the proposed Released CFC Bonds.

The report by the Independent Certified Public Accountant that is required by (1)(A) may contain pro forma adjustments to historical CFC Revenues equal to 100% of the increased CFC Revenues attributable to any increase in the CFC imposed prior to the date of delivery of the proposed Released CFC Bonds and not fully reflected in the historical CFC Revenues actually received during such historical period used. Such pro forma adjustments, if any, shall be based upon a report of an Airport Consultant as to the amount of CFC Revenues that would have been received during such period had the increased CFC been in effect throughout such period.

(2) The Supplemental Bond Ordinance authorizing the proposed Released CFC Bonds must require (i) that the amount to be accumulated and maintained in the CFC Coverage Fund be increased to not less than 100% of the CFC Coverage Fund Requirement computed on a basis that includes all Released CFC Bonds which will be Outstanding immediately after the issuance of the proposed Released CFC Bonds and (ii) that the amount of such increase, as well as the increase in the Released CFC Bond Subaccount of the Debt Service Reserve Account required by the Master Bond Ordinance (set forth above in paragraph (3) of the section **"THE BOND ORDINANCE-Additional General Revenue Bonds**" in this Appendix D), be deposited in such fund and subaccount on or before the date of delivery of the proposed Released CFC Bonds.

CFC Revenues Not to Be Included in General Revenues

The City covenants in the Eleventh Supplemental Bond Ordinance that so long as any of the Released CFC Bonds are Outstanding the CFC Revenues are withdrawn from General Revenues, and it will not take any actions under the Bond Ordinance to include CFC Revenues within General Revenues.

Modification of the Master Bond Ordinance

Upon the occurrence and continuation of any Event of Default related to the Released CFC Bonds, no CFC Revenues will be used for purposes specified in the provision of the Master Bond Ordinance, which provides for the application of moneys after default, within each category of Revenues, to the payment of all reasonable and necessary related Operating Expenses and major renewals and replacements to the related facilities at the Airport.

THE CFC ORDINANCE

In addition to the information pertaining to the CFC Ordinance set forth elsewhere in this Preliminary Official Statement, the following is a summary of the provisions of the CFC Ordinance. This summary does not purport to be complete and is qualified in its entirety by express reference to the CFC Ordinance. See "**DEFINITIONS**" above for definitions of certain terms used in the following summary but not otherwise defined therein.

Introduction

The City Council adopted an ordinance on December 6, 2004 (Ordinance No. 04-0-2116) pursuant to which the Aviation General Manager was required to designate a consolidated rental car facility at the Airport, to be designed and operated as a single, consolidated location for all Off-Airport and On-Airport Rental Car Companies.

Definitions

The CFC Ordinance amended Chapter 22, Article 3, Division 7, Subdivision 1, Section 22-201 of the City of Atlanta Code of Ordinances by adding the following definitions:

"Consolidated Rental Car Facility (CONRAC)" means the facility to be designed and operated to allow a single, consolidated facility for operation of all Off-Airport Rental Car Companies and On-Airport Rental Car Companies at the Airport. All customers utilizing the services of a car rental company shall be transported between the Central Passenger Terminal Complex and the CONRAC facility by the use of a common transportation system.

"Off-Airport Rental Car Company" means a commercial business entity that that is engaged in the rental of passenger motor vehicles to customers at the Airport but does not have transaction facilities at the Airport and does not have a concession contract or lease with the City for the use of facilities on the Airport.

“On-Airport Rental Car Company” means a commercial business entity that is engaged in the rental of passenger motor vehicles to customers at the Airport, having rental transaction facilities at the Airport, including, but not limited to, rental counters, vehicle storage areas and kiosks and having a concession contract, or lease with the City for the use of facilities on the Airport.

“Customer Facility Charge (CFC)” means a charge imposed on each Airport car rental transaction, which shall be a fixed uniform amount applied to each car rental transaction day of each customer’s car rental contract and shall be added to the amount collected from the customer by every Off-Airport Rental Car Company and On-Airport Rental Car Company.

Provisions of the CFC Ordinance

The CFC Ordinance made the following additions to Chapter 22, Article 3, Division 7, Subdivision 1, Section 22-205, of the City of Atlanta Code of Ordinances with respect to CONRAC and the CFCs.

Consolidated Rental Car Facility (CONRAC). The Aviation General Manager shall designate a Consolidated Rental Car Facility at the Airport. The CONRAC facility shall be designed and operated as a single, consolidated location for all Off-Airport and On-Airport Rental Car Company operations. All customers utilizing the services of all On-Airport and Off-Airport Rental Car Companies will be transported between the Central Passenger Terminal Complex and the CONRAC facility by the use of a common transportation system. This designation becomes effective when the CONRAC facility begins operations, as determined by the Aviation General Manager. The Aviation General Manager shall likewise designate successor and substitute facilities. After a designation becomes effective:

(1) The designated CONRAC Facility becomes part of the terminal complex at the Airport; and

(2) It shall be unlawful for any person owning, possessing, controlling, or operating a commercial passenger vehicle to cause or allow any passenger to board the vehicle, or to alight from the vehicle, anywhere at the Central Passenger Terminal Complex or the Airport’s public parking facilities by use of an Off-Airport or On-Airport Rental Car Company courtesy bus, shuttle or other vehicle. All Off-Airport Rental Car Companies shall pick up and drop off their customers at the CONRAC Facility and all Off-Airport and On-Airport Rental Car Companies shall utilize the APM System to transport their customers.

Customer Facility Charge. A Resolution by the City Council shall establish, and periodically adjust as needed, a daily Customer Facility Charge to be added to each Off-Airport and On-Airport Rental Car Company’s customer’s car rental contract.

(1) The Customer Facility Charges collected by the Off-Airport and On-Airport Rental Car Companies shall be held in trust by the Off-Airport and On-Airport Rental Car Companies for the benefit of the Airport and shall be remitted to the City in accordance with procedures established by the Aviation General Manager.

(2) Off-Airport and On-Airport Rental Car Companies and their agents hold only a possessory interest in the Customer Facility Charge, and no legal or equitable interest.

The Customer Facility Charge shall become effective on October 1, 2004.

Supplemental CFC Ordinance

The City Council further adopted a supplemental ordinance on September 19, 2005 (Ordinance No. 05-O-1510) (the “Supplemental CFC Ordinance”), pursuant to which it established the CFC at $4.00 per rental car transaction day, effective October 1, 2005, to run concurrently with the transaction day terms of the bonds to be issued to finance the CONRAC, to be added to each Off-Airport and On-Airport Rental Car Company’s customer’s car rental contract. The Supplemental CFC Ordinance requires that the CFC be collected by the rental car companies and remitted by them to the City’s Department of Aviation on a monthly basis.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

FORM OF CO-BOND COUNSEL OPINION

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF CO-BOND COUNSEL OPINION

June __, 2006

City of College Park
College Park, Georgia

City of Atlanta
Atlanta, Georgia

Re: $211,880,000 City of College Park Taxable Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A (the "Series 2006A Bonds")

$21,980,000 City of College Park Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B (the "Series 2006B Bonds")

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and delivery on this date by the City of College Park (the "Issuer") of $233,860,000 in original aggregate principal amount of the captioned revenue bonds, dated the date hereof (collectively the "Series 2006 Bonds").

We have examined the law and such certified proceedings and other papers authorizing and relating to the Series 2006 Bonds as we deem necessary to render this opinion, including the following:

1. Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, known as the "Revenue Bond Law" (the "Revenue Bond Law").

2. Certified copies of a Master Bond Resolution of the Issuer adopted on April 3, 2006, as supplemented by a Supplemental Bond Resolution of the Issuer adopted on June 7, 2006 (collectively the "Bond Resolution").

3. Certified copies of an Eleventh Supplemental Bond Ordinance (the "Eleventh Supplemental Ordinance") of the City of Atlanta (the "Purchaser") adopted on April 17, 2006 (including the ordinance adopted by the Purchaser on December 6, 2004, as supplemented by the ordinance adopted by the Purchaser on September 19, 2005 (collectively the "CFC Ordinance"), which is incorporated by reference in the Eleventh Supplemental Ordinance), supplementing and amending an Amended and Restated Master Bond Ordinance adopted on March 20, 2000, as

supplemented and amended by a First Supplemental Bond Ordinance adopted on March 30, 2000, a Second Supplemental Bond Ordinance adopted on October 7, 2002, an Amended and Restated Third Supplemental Bond Ordinance adopted on May 19, 2003, a Fourth Supplemental Bond Ordinance adopted on June 2, 2003, a Fifth Supplemental Bond Ordinance adopted on September 15, 2003, a Sixth Supplemental Bond Ordinance adopted on November 17, 2003, a Seventh Supplemental Bond Ordinance adopted on April 19, 2004, an Eighth Supplemental Bond Ordinance adopted on October 18, 2004, a Ninth Supplemental Bond Ordinance adopted on October 3, 2005, and a Tenth Supplemental Bond Ordinance adopted on April 17, 2006 (collectively the "Bond Ordinance").

4. Certified transcript of the validation proceedings in the Superior Court of Fulton County, Georgia, resulting in a final judgment entered on April 26, 2006, validating and confirming the Series 2006 Bonds and the security therefor.

5. Fully executed counterpart of the Ground Lease Agreement (the "Ground Lease"), dated as of June 1, 2006, between the Purchaser, as landlord, and the Issuer, as tenant.

6. Fully executed counterpart of the Installment Purchase Agreement (the "Agreement"), dated as of June 1, 2006, between the Issuer, as seller, and the Purchaser, as purchaser.

7. Fully executed counterpart of the Certificate as to Arbitrage Matters of the Issuer (the "Non-Arbitrage Certificate"), dated the date hereof.

8. Fully executed counterpart of the Purchaser's Tax Certificate (the "Tax Certificate"), dated the date hereof.

The Series 2006A Bonds are being issued under and pursuant to the Revenue Bond Law and the Bond Resolution for the purpose of financing the costs of acquiring, constructing, and installing a consolidated rental car facility, to be sold by the Issuer to the Purchaser pursuant to the Agreement. The Series 2006B Bonds are being issued under and pursuant to the Revenue Bond Law and the Bond Resolution for the purpose of financing the costs of acquiring, constructing, and installing a maintenance facility for an automated people mover system, to be sold by the Issuer to the Purchaser pursuant to the Agreement.

As to questions of fact material to our opinion, we have relied upon the following items, without undertaking to verify any of them by independent investigation: (a) certified proceedings and other certifications of public officials furnished to us, (b) certifications furnished to us by or on behalf of the Issuer and the Purchaser (including certifications made in the Non-Arbitrage Certificate and the Tax Certificate), and (c) representations of the Issuer and the Purchaser contained in such proceedings and in documents delivered in connection with the issuance of the Series 2006 Bonds.

In our capacity as Bond Counsel, we have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement or any other offering material relating to the Series 2006 Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement).

Based upon the foregoing, it is our opinion, as of the date hereof and under existing law, that:

(1) The Issuer has all requisite power and authority (i) to adopt and perform its obligations under the Bond Resolution, (ii) to issue, sell, and deliver the Series 2006 Bonds and use the proceeds thereof for the purposes and upon the terms and conditions set forth in the Bond Resolution, and (iii) to enter into and perform its obligations under the Agreement and the Ground Lease.

(2) The Bond Resolution has been duly adopted by the Issuer and constitutes the legal, valid, and binding obligation of the Issuer enforceable upon the Issuer. The Agreement and the Ground Lease have been duly authorized, executed, and delivered by the Issuer and constitute the legal, valid, and binding obligations of the Issuer enforceable upon the Issuer.

(3) Pursuant to the Revenue Bond Law, the Bond Resolution creates a valid and enforceable lien on the funds pledged by the Bond Resolution to secure the Series 2006 Bonds, on a parity with any other Bonds (as defined in the Bond Resolution) issued or to be issued by the Issuer under the Bond Resolution, subject to no prior lien granted under the Revenue Bond Law.

(4) The Series 2006 Bonds have been duly authorized, executed, issued, and delivered by the Issuer and are the legal, valid, and binding special or limited obligations of the Issuer, payable solely from the amounts pledged under the Bond Resolution, which include amounts paid to the Issuer by the Purchaser under the Agreement.

(5) The Agreement and the Ground Lease have been duly authorized, executed, and delivered by the Purchaser and constitute the legal, valid, and binding obligations of the Purchaser enforceable upon the Purchaser. The Purchaser's obligations under the Agreement constitute special or limited obligations of the Purchaser, payable solely from the amounts pledged under the Bond Ordinance.

(6) The Bond Ordinance (including the Eleventh Supplemental Ordinance and the CFC Ordinance) have been duly adopted by the Purchaser and constitute the legal, valid, and binding obligations of the Purchaser enforceable upon the Purchaser. Pursuant to the Revenue Bond Law, the Bond Ordinance creates a valid and enforceable lien on the funds pledged by the Bond Ordinance to secure the Purchaser's obligations under the Agreement, on a parity with any other Released CFC Bonds (as defined in the Bond Ordinance) issued or to be issued by the Purchaser under the Bond Ordinance, subject to no prior lien granted under the Revenue Bond Law, except for the lien securing the 1977 Ordinance Bonds (as defined in the Bond Ordinance).

(7) The interest on the Series 2006B Bonds is excluded from gross income for federal income tax purposes and is not a specific "item of tax preference" for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinions set forth in the immediately preceding sentence are subject to the condition that the Issuer and the Purchaser comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2006B Bonds in order that the interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of the interest on the Series 2006B Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 2006B Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Series 2006 Bonds.

(8) The interest on the Series 2006B Bonds is exempt from State of Georgia income taxation.

The rights of the owners of the Series 2006 Bonds and the enforceability of the Series 2006 Bonds, the Bond Resolution, the Bond Ordinance, the Ground Lease, and the Agreement (i) may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the enforcement of creditors' rights, (ii) may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and (iii) may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX F

SPECIMEN OF BOND INSURANCE POLICY

Exhibit A

FGIC

Financial Guaranty Insurance Company
125 Park Avenue
New York, NY 10017
T 212-312-3000
T 800-352-0001

Municipal Bond
New Issue Insurance Policy

Issuer:	**Policy Number:**
	Control Number: 0010001
Bonds:	**Premium:**

Financial Guaranty Insurance Company ("Financial Guaranty"), a New York stock insurance company, in consideration of the payment of the premium and subject to the terms of this Policy, hereby unconditionally and irrevocably agrees to pay to U.S. Bank Trust National Association or its successor, as its agent (the "Fiscal Agent"), for the benefit of Bondholders, that portion of the principal and interest on the above-described debt obligations (the "Bonds") which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

Financial Guaranty will make such payments to the Fiscal Agent on the date such principal or interest becomes Due for Payment or on the Business Day next following the day on which Financial Guaranty shall have received Notice of Nonpayment, whichever is later. The Fiscal Agent will disburse to the Bondholder the face amount of principal and interest which is then Due for Payment but is unpaid by reason of Nonpayment by the Issuer but only upon receipt by the Fiscal Agent, in form reasonably satisfactory to it, of (i) evidence of the Bondholder's right to receive payment of the principal or interest Due for Payment and (ii) evidence, including any appropriate instruments of assignment, that all of the Bondholder's rights to payment of such principal or interest Due for Payment shall thereupon vest in Financial Guaranty. Upon such disbursement, Financial Guaranty shall become the owner of the Bond, appurtenant coupon or right to payment of principal or interest on such Bond and shall be fully subrogated to all of the Bondholder's rights thereunder, including the Bondholder's right to payment thereof.

This Policy is non-cancellable for any reason. The premium on this Policy is not refundable for any reason, including the payment of the Bonds prior to their maturity. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Bond.

As used herein, the term "Bondholder" means, as to a particular Bond, the person other than the Issuer who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof. "Due for Payment" means, when referring to the principal of a Bond, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity and means, when referring to interest on a Bond, the stated date for payment of interest. "Nonpayment" in respect of a Bond means the failure of the Issuer to have provided sufficient funds to the paying agent for payment in full of all

FGIC

Financial Guaranty Insurance Company
125 Park Avenue
New York, NY 10017
T 212·312·3000
T 800·352·0001

Municipal Bond
New Issue Insurance Policy

---

principal and interest Due for Payment on such Bond. "Notice" means telephonic or telegraphic notice, subsequently confirmed in writing, or written notice by registered or certified mail, from a Bondholder or a paying agent for the Bonds to Financial Guaranty. "Business Day" means any day other than a Saturday, Sunday or a day on which the Fiscal Agent is authorized by law to remain closed.

In Witness Whereof, Financial Guaranty has caused this Policy to be affixed with its corporate seal and to be signed by its duly authorized officer in facsimile to become effective and binding upon Financial Guaranty by virtue of the countersignature of its duly authorized representative.

SPECIMEN

President

Effective Date: **Authorized Representative**

U.S. Bank Trust National Association, acknowledges that it has agreed to perform the duties of Fiscal Agent under this Policy.

Authorized Officer

FGIC

Financial Guaranty Insurance Company
125 Park Avenue
New York, NY 10017
T 212·312·3000
T 800·352·0001

Endorsement
To Financial Guaranty Insurance Company Insurance Policy

Policy Number:	**Control Number:** 0010001

It is further understood that the term "Nonpayment" in respect of a Bond includes any payment of principal or interest made to a Bondholder by or on behalf of the issuer of such Bond which has been recovered from such Bondholder pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction.

NOTHING HEREIN SHALL BE CONSTRUED TO WAIVE, ALTER, REDUCE OR AMEND COVERAGE IN ANY OTHER SECTION OF THE POLICY. IF FOUND CONTRARY TO THE POLICY LANGUAGE, THE TERMS OF THIS ENDORSEMENT SUPERSEDE THE POLICY LANGUAGE.

In Witness Whereof, Financial Guaranty has caused this Endorsement to be affixed with its corporate seal and to be signed by its duly authorized officer in facsimile to become effective and binding upon Financial Guaranty by virtue of the countersignature of its duly authorized representative.

President

Effective Date: **Authorized Representative**

Acknowledged as of the Effective Date written above:

Authorized Officer
U.S. Bank Trust National Association, as Fiscal Agent

FGIC

Financial Guaranty Insurance Company
125 Park Avenue
New York, NY 10017
T 212·312·3000
T 800·352·0001

Endorsement
To Financial Guaranty Insurance Company Insurance Policy

Policy Number:	**Control Number:** 0010001

Notwithstanding the terms and provisions contained in this Policy, it is further understood that the term "Bondholder" shall not include the ___________ [Conduit Obligor] (as such term is defined in the bond documentation).

NOTHING HEREIN SHALL BE CONSTRUED TO WAIVE, ALTER, REDUCE OR AMEND COVERAGE IN ANY OTHER SECTION OF THE POLICY. IF FOUND CONTRARY TO THE POLICY LANGUAGE, THE TERMS OF THIS ENDORSEMENT SUPERSEDE THE POLICY LANGUAGE.

In Witness Whereof, Financial Guaranty has caused this Endorsement to be affixed with its corporate seal and to be signed by its duly authorized officer in facsimile to become effective and binding upon Financial Guaranty by virtue of the countersignature of its duly authorized representative.

President

Effective Date: **Authorized Representative**

Acknowledged as of the Effective Date written above:

Authorized Officer
U.S. Bank Trust National Association, as Fiscal Agent

APPENDIX G

FORM OF DISCLOSURE AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF CONTINUING DISCLOSURE AGREEMENT

By and Between

CITY OF ATLANTA,

and

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as Dissemination Agent

Relating to:

$211,880,000
CITY OF COLLEGE PARK TAXABLE REVENUE BONDS
(HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT CONSOLIDATED RENTAL CAR FACILITY PROJECT), SERIES 2006A
and

$21,980,000
CITY OF COLLEGE PARK REVENUE BONDS
(HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT AUTOMATED PEOPLE MOVER SYSTEM MAINTENANCE FACILITY PROJECT), SERIES 2006B

Dated as of June 1, 2006

[THIS PAGE INTENTIONALLY LEFT BLANK]

THIS CONTINUING DISCLOSURE AGREEMENT (this "Disclosure Agreement") is dated as of June 1, 2006, by and between the **CITY OF ATLANTA, GEORGIA** ("Atlanta"), as obligated person, and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.,** as disclosure dissemination agent hereunder (in such capacity, the "Dissemination Agent").

WHEREAS, contemporaneously with the execution and delivery of this Disclosure Agreement, the City of College Park, Georgia, as issuer (the "Issuer"), will issue $211,880,000 in aggregate principal amount of its Taxable Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A (the "Series 2006A Bonds") and $21,980,000 in aggregate principal amount of its Revenue Bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Series 2006A/B Bonds"), pursuant to, among others, the Master Bond Resolution (CONRAC) adopted by the Issuer on April 3, 2006 (as supplemented and amended from time to time in accordance with its terms, the "Bond Resolution") and an Intergovernmental Agreement between the Issuer and Atlanta (the "Intergovernmental Agreement");

WHEREAS, the Issuer will issue the Series 2006A/B Bonds to finance the cost of acquiring, constructing, installing and equipping the CONRAC Project and the APM Maintenance Project (as defined in the Bond Resolution) and to pay certain costs in connection therewith (collectively, the "Project);

WHEREAS, Atlanta and the Issuer have determined that the acquisition, construction and equipping of the Project are in the best interests of the citizens of the City of Atlanta and the City of College Park, and therefore the Issuer and Atlanta have entered into various contracts and agreements relating thereto, including, without limitation, and Installment Sale and Purchase Agreement and a Ground Lease Agreement, each dated as of even date herewith, in order to facilitate the completion of the Project; and

WHEREAS, the Series 2006A/B Bonds will be limited obligations of the Issuer payable solely from and secured solely by payments received from Atlanta pursuant to the Installment Purchase Agreement, and Atlanta's obligation to make payments under the Installment Purchase Agreement will be limited obligations secured under the Atlanta Bond Ordinance (as defined in the Intergovernmental Agreement), as supplemented and amended by an Eleventh Supplemental Bond Ordinance adopted by Atlanta on April 17, 2006, and will be payable from and limited to revenues derived from and actually received by Atlanta from the imposition by Atlanta and the collection by the rental car operators of a customer facility charge upon all rental car transactions (the "CFC Revenues") occurring at, from, arising out of or in connection with the Hartsfield-Jackson Atlanta International Airport (the "Airport"); and

WHEREAS, the Issuer and Atlanta have authorized the preparation and distribution of the Preliminary Official Statement dated May 25, 2006 with respect to the Series 2006A/B Bonds (the "Preliminary Official Statement") and, on or before the date of the Preliminary Official Statement, the Issuer deemed that the Preliminary Official Statement was final within the meaning of Rule 15c2-12, as amended (the "Rule"), of the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended;

WHEREAS, upon the initial sale of the Series 2006A/B Bonds to the underwriters named in the hereinafter referenced Official Statement (collectively, the "Underwriter"), the Issuer and Atlanta authorized the preparation and distribution of the Official Statement dated June 8, 2006 with respect to the Series 2006A/B Bonds (the "Official Statement");

WHEREAS, as a condition precedent to the initial purchase of the Series 2006A/B Bonds by the Underwriter in accordance with the Bond Purchase Agreement, dated June 8, 2006 (the "Bond Purchase Agreement") between the Issuer and the Underwriter, and in compliance with the Underwriter's obligations under the Rule, Atlanta has agreed to provide for the public disclosure of certain information concerning the CFC Revenues and other matters on an ongoing basis for so long as the Series 2006A/B Bonds remain outstanding as set forth herein and has agreed to retain the Dissemination Agent to perform certain disclosure dissemination tasks as provided for herein on their respective behalf;

NOW THEREFORE, in consideration of the purchase of the Series 2006A/B Bonds by the Underwriter and all subsequent beneficial owners of the Series 2006A/B Bonds, and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, Atlanta and the Dissemination Agent do hereby certify and agree as follows:

Section 1. **Definitions.** (a) For the purposes of this Disclosure Agreement, all capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed thereto in the Bond Ordinance, the Intergovernmental Agreement and the Official Statement.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Disclosure Agreement:

"actual knowledge" as used herein, and for the purposes hereof, a party shall be deemed to have "actual knowledge" of the occurrence of any event only if and to the extent the individual or individuals employed by such party and directly responsible for the administration of this Disclosure Agreement on behalf of such party have actual knowledge of or receive written notice of the occurrence of such event.

"Dissemination Agent" means Digital Assurance Certification, L.L.C. or any successor thereto serving hereunder.

"Filing" means, as applicable, any Annual Filing or Listed Event Filing or any other notice or report made public under this Disclosure Agreement.

"Listed Event Filings" means, collectively and each respectively, the Issuer Listed Event Filings as defined in Section 4(a) hereof and the Atlanta Listed Event Filings as defined in Section 4(b) hereof.

"Listed Event" means, collectively and each respectively, the Listed Events specified in Section 4(a) hereof.

"make public" (or any variation thereof) as used herein means the disclosure of the information specified in Sections 3 and 4 hereof at the times, by the means and to the parties specified in Sections 6 and 7 hereof, and otherwise as provided in this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor to its functions for the purpose of the Rule; the address, phone number and fax number of the MSRB for the purposes of the Rule as of the date hereof are set forth on Exhibit B hereto.

"National Repository" or "NRMSIR" means each "nationally recognized municipal securities information repository" recognized for the purposes of the Rule.

"Repository" means each National Repository and the State Repository, if any, which as of the date hereof are set forth in Exhibit A hereto.

"State Repository" or "SID" means the information depository, if any, designated by the State of Georgia for the purposes of the Rule or for similar municipal securities information depository purposes.

Section 2. Scope of this Disclosure Agreement. (a) Atlanta has agreed to enter into this Disclosure Agreement, undertake the disclosure obligations hereunder and retain the Dissemination Agent to perform the disclosure dissemination tasks set forth herein on its behalf, all at the request of the Underwriter and as a condition precedent to the Underwriter's purchase of the Series 2006A/B Bonds in order to assist the Underwriters with compliance with the Rule. The disclosure obligations of Atlanta under this Disclosure Agreement relate solely to the Series 2006A/B Bonds. Such disclosure obligations are not applicable to any other securities issued or to be issued by the Issuer, whether issued for the benefit of Atlanta or otherwise, nor to any other securities issued by or on behalf of Atlanta.

(b) Atlanta is an "obligated person" with respect to the Series 2006A/B Bonds within the meaning of the Rule. Nothing in this Disclosure Agreement shall be construed to mean or imply that either the Issuer or the Dissemination Agent is an "obligated person" under the Rule.

(c) Atlanta, in accordance with the terms of this Disclosure Agreement, is responsible for preparing all information to be made public hereunder. The Dissemination Agent shall have no obligation to make or determine disclosure about the Series 2006A/B Bonds, Atlanta, the Issuer, the Installment Sale Agreement, the Intergovernmental Agreement, the CFC Revenues or any other matter, and shall only be obligated to make public in accordance with this Disclosure Agreement the Listed Event Filings provided to the Dissemination Agent by Atlanta in accordance with this Disclosure Agreement. The Dissemination Agent is acting in its capacity as the disclosure dissemination agent for Atlanta for the purposes set forth herein.

(d) Neither this Disclosure Agreement, nor the performance by Atlanta or the Dissemination Agent of their respective obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, the Underwriter and each Beneficial Owner of the Series 2006A/B Bonds is hereby made a third-party beneficiary hereof (collectively and each respectively, "Third-Party Beneficiaries") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(e) This Disclosure Agreement shall terminate upon the defeasance, redemption or payment in full of all Series 2006A/B Bonds, subject to the Dissemination Agent's right to resign under Sections 11 and 12 hereof.

Section 3. Annual Disclosure Reports. Atlanta shall make public in accordance with Sections 5, 6 and 7 hereof within 180 days following the last day of each fiscal year of Atlanta, commencing with its fiscal year ending December 31, 2005 and thereafter for each of its revised fiscal years ending June 30, 2006 and each June 30 thereafter, the following annual reports, each for the respective annual period ending on the last day of Atlanta's fiscal year:

(i) An annual financial and operating data disclosure report containing the annual CFC Revenues received by Atlanta and the amount of the annual Installment Payments made by Atlanta to the Issuer pursuant to the Installment Sale Agreement (the "Atlanta Annual Disclosure Report"); and

(ii) The annual audited financial statement of Atlanta (including the annual audited financials of the Airport) prepared by a firm of certified public accountants in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board, as such principles are modified by the governmental accounting standards promulgated by the Governmental Accounting Standards Board, as in effect from time to time, and presented on a two year comparative basis for informational purposes (the "Annual Audited Financials" and, together with the Atlanta Annual Disclosure Report, the "Annual Filings").

Section 4. Occurrence Disclosure Notices. (a) Issuer Listed Event Filings. Atlanta shall prepare and provide to the Dissemination Agent, the Issuer, and the Bond Insurer promptly upon having actual knowledge of the occurrence of any of the following events with respect to the Series 2006A/B Bonds (collectively and each respectively, the "Listed Events"), if material, a form of written notice of the occurrence of each such Listed Event, in a form suitable for distributing publicly (the "Issuer Listed Event Filings"), with written direction to the Dissemination Agent to make public such Issuer Listed Event Filing in accordance herewith:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) substitution of credit or liquidity providers or their failure to perform;

(5) unscheduled draws on credit enhancements reflecting financial difficulties;

(6) adverse tax opinions or events affecting the tax-exempt status of the Series 2006A/B Bonds;

(7) modifications to rights of Bondholders;

(8) unscheduled redemptions of Series 2006A/B Bonds;

(9) defeasances;

(10) release, substitution or sale of property securing repayment of the Series 2006A/B Bonds;

(11) rating changes;

(12) failure of Atlanta to make public the Annual Disclosure Report and/or Annual Audited Financials required under Section 3 hereof by the date required under such Section 3; or

(13) any amendment to or modification of this Disclosure Agreement (except any automatic amendment of Repositories under Section 10(b) hereof) or the type of financial information or operating data included in the respective Annual Disclosure Reports of Atlanta or the accounting principles pursuant to which the Annual Audited Financials are prepared or any change of the fiscal year of Atlanta.

(b) Atlanta Listed Event Filings. Upon having actual knowledge of the occurrence of any of the Listed Events, if material, Atlanta shall prepare and provide to the Dissemination Agent a form of written notice of the occurrence of each such Listed Event, in a form suitable for distributing publicly (the "Atlanta Listed Event Filings"), with written direction to the Dissemination Agent to make public such Atlanta Listed Event Filing in accordance herewith.

(c) At the written direction of Atlanta, the Dissemination Agent shall make public in accordance with this Disclosure Agreement such other information regarding the Series 2006A/B Bonds, Atlanta, the Airport or any other matter related thereto as such directing party shall from time to time deem necessary or appropriate. Such information shall be made public in such form and at such time as the directing party shall direct the Dissemination Agent in writing consistent with this Disclosure Agreement.

Section 5. Responsibility for Content of Reports and Notices. (a) Atlanta shall be solely responsible for the content of each Filing (or any portion thereof) provided to the Dissemination Agent pursuant to this Disclosure Agreement. The Dissemination Agent shall not be responsible for reviewing or verifying the accuracy or completeness of any such Filings and shall be indemnified, to the extent legally permissible, under Section 8 hereof against any and all claims, damages, losses, liabilities, costs and expenses whatsoever (including, without limitation, reasonable attorney's fees and expenses) incurred or suffered by the Dissemination Agent as a result of the Dissemination Agent's making public any such Filings furnished by Atlanta in accordance with this Disclosure Agreement.

(b) Each Annual Filing and each Listed Event Filing prepared by Atlanta pursuant to Section 3 or 4 hereof shall be in a form suitable for distributing publicly and shall contain the CUSIP numbers of the Series 2006A/B Bonds and shall be in substantially the form set forth in Exhibit C hereto**.** If an item of information contained in any Annual Filing or any Listed Event Filing pursuant to this Disclosure Agreement would be misleading without additional information, Atlanta shall additionally include such additional information as a part of such Annual Filing or Listed Event Filing as may be necessary in order that the Filing will not be misleading in light of the circumstances in which made.

(c) Nothing in this Disclosure Agreement shall be deemed to prevent the Atlanta from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Filing or Listed Event Filing, in addition to that which is required by this Disclosure Agreement. If Atlanta chooses to include any information in any Annual Filing or Listed Event Filing in addition to the information specifically required by this Disclosure Agreement, then and in such cases, Atlanta shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Filing or Listed Event Filing.

(d) Any report, notice or other filing to be made public pursuant to this Disclosure Agreement may consist of a single document or as separate documents comprising a package and may incorporate by reference other clearly identified documents or specified portions thereof previously filed with each Repository (or, as applicable, the MSRB) or the SEC, provided that any final official statement incorporated by reference must be available from the MSRB.

(e) Notwithstanding any provision herein to the contrary, nothing in this Disclosure Agreement shall be construed to require Atlanta or Issuer or the Dissemination Agent to interpret or provide an opinion concerning information made public pursuant to this Disclosure Agreement.

(f) Notwithstanding any provision herein to the contrary, neither Atlanta nor the Issuer shall make public, or direct the Dissemination Agent to make public, information which is not permitted to be publicly disclosed under any applicable data confidentiality or privacy law or other legal requirement.

Section 6. Timing of Disclosure to the Public. Atlanta shall make public its Annual Filings within 180 days following the last day of each fiscal year, commencing with the fiscal year specified in Section 3 hereof, in accordance with such Section 3.

The Dissemination Agent shall make public the Listed Event Filings described in Section 4(a) or (b) hereof within five (5) Business Days after the receipt thereof by the Dissemination Agent and with respect to the other reports and notices described in Section 4(c) hereof, at such other time as Atlanta shall direct in writing with respect thereto.

Notwithstanding the foregoing, the Dissemination Agent shall not be required to make public any Listed Event Filings which under the terms hereof are to be provided by Atlanta unless and until such reports and notices are prepared and delivered to the Dissemination Agent with written direction to make public such reports and notices as required hereunder.

Section 7. Means of Making Information Public. (a) Atlanta or the Dissemination Agent, as applicable, shall make information public under this Disclosure Agreement by providing such Filing to each National Repository (or, as to Listed Event Filings, to the MSRB) and to the State Repository, if any, in each case by electronic facsimile transmissions or by whatever means that are mutually acceptable to the sending party and Repository and that comply with the Rule.

(b) At the time Atlanta or the Dissemination Agent provides any Filing to the Repositories (or the MSRB, if applicable), such party shall simultaneously notify the Issuer, the Underwriter, Atlanta or the Dissemination Agent, as applicable, that such Filing has been made public and specify each Repository to which such Filing has been provided. Such notice to Atlanta, the Issuer, the Dissemination Agent and the Underwriter shall be provided by telephone or electronic transmission, confirmed by hard copy, which confirming notification shall include a copy of such Filing.

Section 8. Indemnification. (a) To the extent permitted by law, Atlanta shall indemnify and hold harmless the Dissemination Agent and its officers, directors, employees, agents and representatives (individually, an "Indemnified Party", and collectively, the "Indemnified Parties") from and against all liability, losses, damages, costs, expenses (including reasonable attorneys fees), taxes, causes of action, suits, claims, demands and judgments of any nature or form, suffered or incurred by the Indemnified Party or Indemnified Parties as a result of or in connection with (i) any untrue or alleged untrue statement of a material fact included in any information and/or materials provided to the Dissemination Agent by Atlanta for disclosure under this Disclosure Agreement, (ii) the omission or alleged omission to state a material fact in any information and/or materials provided to the Dissemination Agent by Atlanta for disclosure under this Disclosure Agreement, (iii) the failure or the alleged failure of Atlanta to provide any Annual Filing or any Listed Event Filing pursuant to Section 3 or 4 hereof, and/or (vi) the performance of its duties and obligations hereunder, except in each case only as caused by the willful misconduct or gross negligence of the Dissemination Agent in the performance of its duties hereunder.

(b) The indemnification obligations of Atlanta under this Section shall survive the termination of this Disclosure Agreement.

Section 9. Defaults; Remedies. (a) A party shall be in default of its obligations hereunder if it fails and refuses to carry out or perform its obligations hereunder for a period of five (5) Business

Days following notice of default given in writing to such party by any other party hereto or by any Third Party Beneficiary hereof, unless such default is cured within such five (5) Business Day notice period. An extension of such five (5) Business Day cure period may be granted for good cause (in the reasonable judgment of the party granting the extension) by written notice from the party who gave the default notice.

(b) If a default occurs and continues beyond the cure period specified above, any nondefaulting party or any Third-Party Beneficiary may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default, excepting, however, that the party seeking such specific performance may recover from the defaulting party any reasonable attorneys' fees and expenses incurred in the course of enforcing this Disclosure Agreement as a consequence of such default. Each of the parties hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance shall be available in proceedings to enforce this Disclosure Agreement.

(c) Notwithstanding any provision of this Disclosure Agreement, the Installment Sale Agreement or the Intergovernmental Agreement to the contrary, no default under this Disclosure Agreement shall constitute a default or Event of Default under the Installment Sale Agreement or the Intergovernmental Agreement.

Section 10. Amendment or Modification. (a) This Disclosure Agreement shall not be amended or modified except as provided in this Section and, except as provided in subsection (b) hereof, may not be amended or modified except in writing executed by the Dissemination Agent, Atlanta and the Issuer. No modification, amendment, alteration or termination of all or any part of this Disclosure Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Indenture.

(b) The listing of Repositories herein shall be automatically amended from time to time if the SEC designates or recognizes additional or other entities as "nationally recognized municipal securities information repositories" or "NRMSIRs" under the Rule, or if the SEC revokes the designation of an entity as a NRMSIR under the Rule, or if the State of Georgia designates an information depository or changes its designated information depository, and the addresses, telephone numbers, et cetera, of any Repository or the MSRB shall be automatically amended from time to time as necessary.

(c) This Disclosure Agreement shall be amended or modified from time to time as may be necessary or desirable to conform the terms hereof to the Rule or any official release of the SEC with respect to the Rule, to the extent applicable to the subject matter hereof, provided, however, that (i) this Disclosure Agreement as so amended would have complied with the Rule at the time of initial issuance and sale of the Series 2006A/B Bonds, after taking into account any amendments or interpretative releases of the SEC with respect to the Rule and any change in circumstances occurring since such time of initial issuance and sale and (ii) the amendment does not materially impair the interests of the Beneficial Owners of the Series 2006A/B Bonds, as determined by either (1) an opinion of Bond Counsel or (2) approving vote of the owners of the Series 2006A/B Bonds in accordance with the procedures and requirements substantially similar to those applicable to amendments to the Bond Resolution (including, without limitation, the percentage of Series 2006A/B Bond owners whose approval is required).

(d) Atlanta shall prepare or cause to be prepared a notice of any such amendment or modification and shall direct the Dissemination Agent to make such notice public in accordance with Section 4(a)(13) hereof.

Section 11. Reimbursement of Dissemination Agent's Expenses. The Dissemination Agent shall be reimbursed by Atlanta for all out-of-pocket expenses incurred by it in performance of its duties under this Disclosure Agreement, payable promptly upon written request. The Dissemination Agent shall have the right to resign and terminate its agency relationship and all of its obligations under this Disclosure Agreement upon non-payment of its expenses by written notice to Atlanta.

Section 12. Agency Relationship. (a) The Dissemination Agent agrees to perform such duties, but only such duties, as are specifically set forth in this Disclosure Agreement, and no implied duties or obligations of any kind shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Dissemination Agent may conclusively rely, as to the truth, accuracy and completeness of the statements set forth therein, upon all notices, reports, certificates or other materials furnished to the Dissemination Agent pursuant to this Disclosure Agreement, and in the case of notices and reports required to be furnished to the Dissemination Agent pursuant to this Disclosure Agreement, the Dissemination Agent shall have no duty whatsoever to examine the same to determine whether they conform to the requirements of this Disclosure Agreement.

(b) The Dissemination Agent shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Dissemination Agent unless it shall be proved that the Dissemination Agent engaged in negligent or willful misconduct in ascertaining the pertinent facts related thereto.

(c) The Dissemination Agent shall perform its rights and duties under this Disclosure Agreement using the same standard of care as a prudent person would exercise under the circumstances, and the Dissemination Agent shall not be liable for any action taken or failure to act in good faith under this Disclosure Agreement unless it shall be proven that the Dissemination Agent was negligent or engaged in willful misconduct.

(d) The Dissemination Agent may perform any of its duties hereunder by or through attorneys or agents selected by it with reasonable care, and shall be entitled to the advice of counsel concerning all matters arising hereunder, and may in all cases pay such reasonable compensation as it may deem proper to all such attorneys and agents, and the Dissemination Agent shall not be responsible for the acts or negligence of such attorneys, agents or counsel if selected with reasonable care.

(e) None of the provisions of this Disclosure Agreement or any notice or other document delivered in connection herewith shall require the Dissemination Agent to advance, expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or rights under this Disclosure Agreement.

(f) The Dissemination Agent shall not be required to monitor the compliance of Atlanta with the provisions of this Disclosure Agreement or to exercise any remedy, institute a suit or take any action of any kind without indemnification satisfactory to the Dissemination Agent.

(g) The Dissemination Agent may become the owner of any Series 2006A/B Bonds with the same rights it would have if it were not the Dissemination Agent.

(h) The Dissemination Agent may include in any dissemination correspondence enclosing or furnishing any Listed Event Filings made public by it under this Disclosure Agreement the following disclaimer with respect to the source of the information contained in, and the identity of the party responsible for compiling or preparing, such reports or notices: "The information set forth in the attached notice has been provided by Atlanta to Digital Assurance Certification, L.L.C. in its capacity as disclosure dissemination agent (the "Dissemination Agent") for Atlanta, together with written dissemination directions to the Dissemination Agent. The Dissemination Agent has not prepared or verified, and is not responsible in any way for, the content of this notice or the accuracy, timeliness or completeness thereof. Under no circumstances shall the Dissemination Agent, Atlanta or the Issuer have any obligation or liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstances involved in processing, collecting, compiling or interpreting the data included in this notice or (b) for any direct, indirect, special, consequential, incidental or punitive damages whatsoever arising from any investment decision or otherwise. This notice has not been reviewed or approved by any state or federal regulatory body."

(i) The Dissemination Agent may resign at any time by giving at least ninety (90) days prior written notice thereof to Atlanta. The Dissemination Agent may be removed for good cause at any time by written notice to the Dissemination Agent from Atlanta, provided that such removal shall not become effective until a successor dissemination agent has been appointed by Atlanta under this Disclosure Agreement.

(j) In the event the Dissemination Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Dissemination Agent for any reason, Atlanta shall promptly appoint a successor, and shall make public notice of the resignation or removal of the Dissemination Agent and the appointment of a successor dissemination agent pursuant to Section 4(a)(13) hereof.

(k) Any company or other legal entity into which the Dissemination Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Dissemination Agent may be a party or any company to whom the Dissemination Agent may sell or transfer all or substantially all of its agency business shall be the successor dissemination agent hereunder without the execution or filing of any paper or the performance of any further act and shall be authorized to perform all rights and duties imposed upon the Dissemination Agent by this Disclosure Agreement, anything herein to the contrary notwithstanding.

Section 13. **Miscellaneous.** (a) Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Disclosure Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver and perform this Disclosure Agreement under applicable law and any resolutions or other actions of such party now in effect, (iii) that the execution and delivery of this Disclosure Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Disclosure Agreement, or its due authorization, execution and delivery of this Disclosure Agreement, or otherwise contesting or questioning the issuance of the Series 2006A/B Bonds.

(b) This Disclosure Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia and applicable federal law.

(c) If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) This Disclosure Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, Atlanta and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement to be effective as of the day and year so specified hereinabove.

CITY OF ATLANTA, GEORGIA,
as Obligated Person

By: ______________________________
Mayor

Attest: ______________________________
City Clerk

[Signatures Continued on Following Page]

DIGITAL ASSURANCE CERTIFICATION, L.L.C.
as Dissemination Agent

By:____________________________________
Its:_______________________________

[Signatures Concluded on this Page]

EXHIBIT A

REPOSITORIES

Bloomberg Municipal Repository

100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
http://www.bloomberg.com/markets/rates/municontacts/html
Email: Munis@Bloomberg.com

DBC Data Inc.

One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
http://www.dpcdata.com
Email: nrmsir@dpcdata.com

FT Interactive Data

100 William Street, 15th Floor
New York, NY 10038
Attn: NRMSIR
Phone: (212) 771-6999; 800-689-8466
Fax: (212) 771-7390
http://www.ftid.com
Email: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluation, Inc.

55 Water Street
45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
www.jjkenny.com//jjkenny/pser_descrip_data_rep.html
Email: nrmsir_respository@sandp.com

EXHIBIT B

Municipal Securities Rulemaking Board

Municipal Securities Rulemaking Board
1640 King Street
Suite 300
Alexandria, Virginia 22314-2719
Phone: (202) 223-9503
Fax: (202) 872-0347/(703) 683-1930

EXHIBIT C

NOTICE TO NATIONAL REPOSITORIES [OR**MSRB**]
AND STATE REPOSITORY OF THE OCCURRENCE OF
[INSERT THE LISTED EVENT]**

Relating to

**$[A amount] CITY OF COLLEGE PARK TAXABLE REVENUE BONDS
(HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT CONSOLIDATED RENTAL CAR FACILITY PROJECT), SERIES 2006A
and**

**$[B amount] CITY OF COLLEGE PARK REVENUE BONDS
(HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT AUTOMATED PEOPLE MOVER SYSTEM MAINTENANCE FACILITY PROJECT), SERIES 2006B**

**Originally Issued on June __, 2006
[**CUSIP NUMBERS**[1])]**

Notice is hereby given by the City of Atlanta ("Atlanta"), as obligated person with respect to the above-referenced Bonds issued by College Park (Georgia) (the "College Park"), under the Securities and Exchange Commission's Rule 15c2-12, that **[**INSERT THE LISTED EVENT**]** has occurred. **[**DESCRIBE LISTED EVENT AND MATERIAL CIRCUMSTANCES RELATED THERETO**]**.

This Notice is based on the best information available to Atlanta at the time of dissemination hereof and is not guaranteed by Atlanta or College Park as to the accuracy or completeness of such information. Atlanta will disseminate additional information concerning **[**LISTED EVENT**]**, if material, as and when such information becomes available to Atlanta. **[****Any questions regarding this notice should be directed in writing only to Atlanta. However, Atlanta will not provide additional information or answer questions concerning **[**LISTED EVENT**]** except in future written notices, if any, disseminated by Atlanta in the same manner and to the same recipients as this Notice**].

DISCLAIMER: All information contained in this Notice has been obtained by Atlanta from sources believed to be reliable as of the date hereof. Due to the possibility of human or mechanical error as well as other factors, however, such information is not guaranteed as to the accuracy, timeliness or completeness. Under no circumstances shall College Park or Atlanta have any liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from or relating to this Notice, including, without limitation, any error (negligent or otherwise) or other circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any information contained in this Notice or (b) any direct, indirect, special, consequential or incidental damages whatsoever related thereto.

Dated: ____________________

CITY OF ATLANTA

By: ______________________________
Name:

[1] "No representation is made as to the correctness of the CUSIP number either as printed on the Series 2006A/B Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

CITY OF COLLEGE PARK (GEORGIA) REVENUE BONDS • HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT

Consolidated Rental Car Facility Project, Series 2006A (Taxable) • Automated People Mover System Maintenance Facility Project, Series 2006B

Recycled Paper - Printed by
IMAGEMASTER 800.452.5152