

## Winston Closes Financing of the Landmark San Juan Bay Cruise Terminals Project

FEBRUARY 15, 2024

Winston represented the initial purchaser of US\$110M of tax-exempt bonds (including US\$42.6M of forward delivery bonds) and the institutional investors that purchased US\$77M of privately placed taxable bonds issued by the Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority (known by its Spanish acronym “AFICA”). The proceeds were loaned to San Juan Cruise Port LLC (a subsidiary of Global Ports Holding Plc, the world’s largest independent cruise port operator) to finance a project to repair, expand, finance, maintain, and operate certain marine cruise terminals (consisting of Pier 1, Pier 3, Pier 4, Piers 11 to 14, and the Pan American Piers, along with the quay wall and walkways between Pier 1, Pier 2, Pier 3, and Pier 4) in the San Juan Bay pursuant to a 30-year concession.

San Juan is an anchor of Eastern and South Caribbean cruise itineraries. As a marquee destination, cruise lines have continued to grow capacity to the market at a higher rate than the overall region. The Project will further enhance San Juan’s position in the industry through required capital investments for repairs, rehabilitation, and expansion works, which are need following the destruction of Hurricane Irma and Hurricane Marie, and are expected to upgrade the facilities to meet the needs of the modern cruise industry and become more resilient against future hurricanes.

As a condition precedent to closing, the Puerto Rico Ports Authority settled all of its remaining outstanding debt with the Government Development Bank Debt Recovery Authority in the amount of approximately US\$320M, which allowed the release of existing mortgages on the cruise port terminals. At the closing of the financing, the Puerto Rico Ports Authority was debt free.

The project reached financial close on February 14, 2024.

1 Min Read

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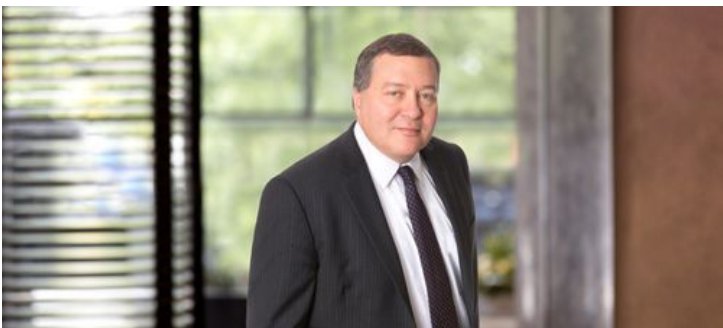
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David A. Sakowitz



Dan Shapiro



David Neier



Leslie Jacomino



Karen Neugroschl