

RatingsDirect®

Summary:

University of Puerto Rico; Appropriations; Public Coll/Univ - Unlimited Student Fees

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Table Of Contents

Rationale

Related Criteria And Research

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Credit Profile

University of Puerto Rico

Long Term Rating

BB+/Watch Neg

Downgraded

Puerto Rico Indl Tourist Educl Med Environ Cntl Facs Fincg Auth, Puerto Rico

University of Puerto Rico, Puerto Rico

Puerto Rico Indl Tour Ed Med & Environ Ctrl Fac Fin Auth ed fac rev bnds (Plaza Universitaria Proj) ser 2000A

Unenhanced Rating

BB+(SPUR)/Watch Neg

Downgraded

Many issues are enhanced by bond insurance.

Rationale

Standard & Poor's Ratings Services lowered its long-term rating and underlying rating (SPUR) to 'BB+' from 'BBB-' on the University of Puerto Rico's (UPR) existing university system revenue bonds, some of which were issued by the Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Finance Authority. We also lowered the standalone credit profile on the university to 'bb+' from 'bbb-'. The rating remains on CreditWatch with negative implications.

Per our government related entities (GRE) criteria, a rating change on Puerto Rico (BB+/Watch Negative) would result in a rating change to the UPR given the high likelihood of extraordinary support. For more information regarding the rating action on Puerto Rico, please refer to the article published Feb. 4, 2014, on RatingsDirect.

Related Criteria And Research

Related Criteria

- USPF Criteria: Higher Education, June 19, 2007
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, Dec. 9, 2010

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