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June 7, 2011

Ms. Janice Davis
Chief Financial Officer
North Texas Tollway Authority
5900 West Plano Parkway, Suite 100
Plano, TX 75093

Re: North Texas Tollway Authority System (NTTA System) Traffic and Revenue

Dear Ms. Davis:

Pursuant to your recent request, Wilbur Smith Associates (WSA) is pleased to provide you with a letter update of the traffic and toll revenue estimates for the North Texas Tollway Authority System (NTTA System). It is our understanding that this letter update is intended to support the upcoming refunding of NTTA First Tier Revenue Bonds, Series 2008J scheduled for June 2011. Currently, the NTTA System consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT), the President George Bush Turnpike Eastern Extension (PGBT EE), the Sam Rayburn Tollway (SRT), the Addison Airport Toll Tunnel (AATT), the Mountain Creek Lake Bridge (MCLB) and the Lewisville Lake Toll Bridge (LLTB).

BACKGROUND AND ASSUMPTIONS

WSA prepared the NTTA System Investment Grade Traffic and Toll Revenue Study report in July 2009 (the "July 2009 Report"). In October 2010, WSA prepared the NTTA System Traffic and Revenue (T&R) Letter Update (the "October 2010 Update") by using transaction and revenue data available through September 2010 and by incorporating changes to some of the T&R study assumptions including facility opening dates, All-ETC conversion schedule changes, TollTag/ZipCash shares and revenue recovery assumptions. The October 2010 Update recommended minor modifications to the T&R forecasts included in the July 2009 Report.

This letter incorporates new information that has become available after the completion of the October 2010 Update.

Regional Mobility Plan and Demographics

The North Central Texas Council of Governments (NCTCOG) has recently developed new regional demographic forecasts and a new long range transportation plan, “Mobility 2035”. NCTCOG’s executive board approved the new demographic forecasts for years 2035 and 2040 on February 24, 2011. The Mobility 2035 plan was approved by the Regional Transportation Council (RTC) on March 10, 2011. Air quality conformity determination of Mobility 2035 is expected to be received from FHWA in summer 2011.

NCTCOG is expected to review and update the regional demographics datasets throughout 2011. NCTCOG staff is currently providing the opportunity for local government review (including a review by NTTA) of the finer-level geographic distribution of the demographics. NCTCOG would also like to integrate into the review process the recently released 2010 Census information. Subsequent modifications, if any, would be taken into account in a future update of the conformity determination that is currently anticipated to occur in 2012. The long range transportation plan may be updated again by 2013 which will include the utilization of an updated travel demand model, integration of new information acquired from the 2011 household survey and other data collection efforts.

NCTCOG recently provided WSA with the travel demand model databases from Mobility 2035. The following are observations gathered from a preliminary review of Mobility 2035 and the new demographics:

- There are three major components in any metropolitan transportation plan:
  - Demographics (transportation demand)
  - Roadway and transit networks (transportation supply)
  - Algorithms used in the travel demand models that determine the trip generation rates, roadway/transit shares, traffic assignment, etc.

  In Mobility 2035, there are changes in all of the above three components compared to the previous long range transportation plan, Mobility 2030: 2009 Amendment (which was utilized as a background assumption in the October 2010 Update). In addition, the travel demand model area has doubled (about 10,000 square miles vs. about 5,000 square miles). Figure 1 shows a comparison of the previous and current NCTCOG modeling areas.
- Greatly reduced fiscal capacity of the transportation system: There is a $44 billion reduction in funding in the new plan for transportation infrastructure, which is about a third of the funding in the Mobility 2030: 2009 Amendment. Most of the reduction in commitments in Mobility 2035 is in roadway infrastructure. Figure 2 shows the funded roadway recommendations included in the Mobility 2035 (in green). Also shown (in orange) are the roadway additions/improvements that were included in the Mobility 2030: 2009 Amendment (which was the current plan at the time of the July 2009 Report and the October 2010 Update) that are not included in the current plan but may be considered for future evaluation. Some planned transportation improvements near the NTTA System that were assumed in the previous long range transportation plan have been removed or modified in the Mobility 2035. These include the following:
  - IH 30 improvements, including managed lanes from Rockwall county line to downtown Dallas have been removed in the current plan (originally planned by 2025)
  - IH 30 capacity expansions between Dalrock Road and SH 205 from six lanes to eight lanes and between SH 205 and FM 2642 from four lanes to six lanes have been removed from the current plan (originally planned by 2030)
  - IH 635 improvements, including managed lanes from east of US 75 to IH 30 have been removed in the current plan (originally planned by 2025)
  - Regional outer loop is removed from the current plan, except for the segments in the northeast Collin County and south Dallas and Ellis Counties (originally planned by 2025-2030)
  - Removal of SH 114 managed lanes between DFW airport and Loop 12 (originally planned by 2025)
  - IH 35E capacity expansion between Loop 12 and Regal Row from 6 lanes to 8 lanes and between Regal Row and SH 183 from 6 lanes to 10 lanes (originally planned by 2030)
  - Removal of HOV lanes on Loop 12 between Spur 408 and IH 35E (originally planned by 2025)
  - Delay in the opening of SH 190 East Branch from 2025 to 2035

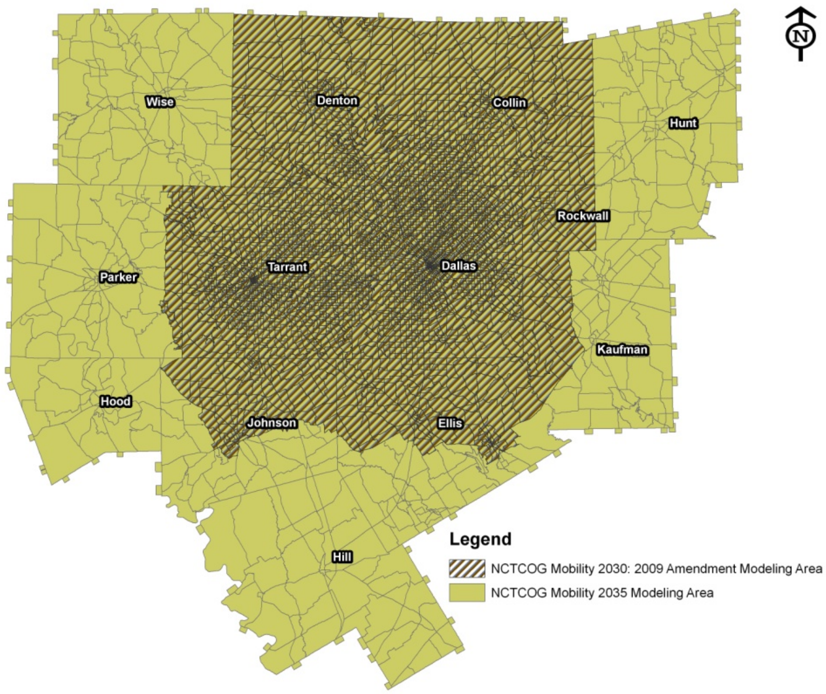

Figure 1: Comparison of the Mobility 2030: 2009 Amendment and Mobility 2035 Model Areas

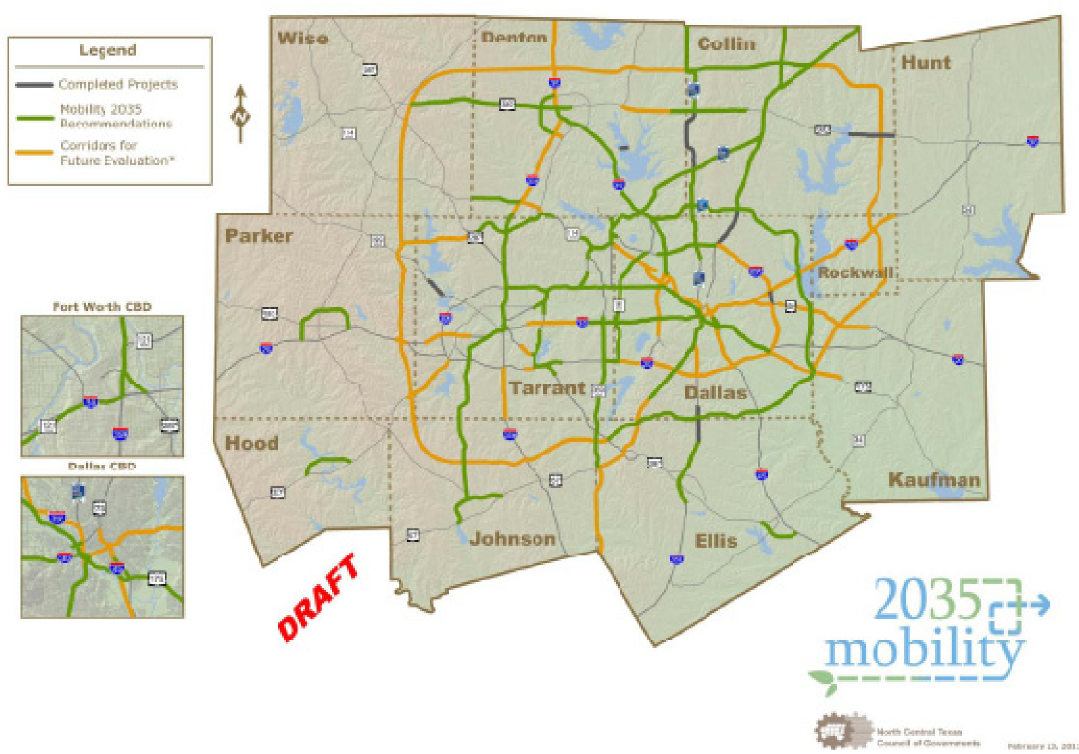

Figure 2: Mobility 2035: Funded and Unfunded/Planned Roadway Improvements
Source: Draft "Mobility 2035/The Metropolitan Transportation Plan: Mobility Options Appendix" (www.nctcog.org)

- Population and employment forecasts included in Mobility 2035, the "revised-lag" demographics used in the October 2010 Update and the demographics used in the Mobility 2030: 2009 Amendment are shown in Tables 1 and 2. Also shown for 2010 is the recently released census population. In the five counties nearest to the NTTA System, the population forecasts for 2030 in Mobility 2035 are 2.7 percent lower than the "revised-lag" demographics and 5.1 percent greater than the Mobility 2030 demographics. The employment forecasts for 2030 in Mobility 2035 are 1.0 percent lower than the "revised-lag" demographics and 5.7 percent greater than the Mobility 2030 demographics. The population for 2010 from the Mobility 2035 was 0.9 percent lower than census. On the other hand, the "revised-lag" estimate for 2010 was 4.1 percent greater than the census population.

Table 1: Population Comparisons (in thousands)

	2010				2012			2020			2030		
	Old COG*	Revised**	New COG***	Census	Old COG*	Revised**	New COG***	Old COG*	Revised**	New COG***	Old COG*	Revised**	New COG***
County	**A1**	**B1**	**C1**	**D1**	**A2**	**B2**	**C2**	**A3**	**B3**	**C3**	**A4**	**B4**	**C4**
Collin	766.1	804.8	761.4	782.3	804.3	869.3	806.4	959.9	1,118.0	1,007.6	1,187.6	1,354.9	1,264.0
Dallas	2,499.4	2,548.7	2,397.6	2,368.1	2,528.9	2,602.0	2,443.1	2,653.1	2,816.2	2,666.4	2,829.6	3,074.2	2,976.8
Denton	663.3	711.8	625.6	662.6	707.7	765.5	660.9	886.9	976.7	787.3	1,102.2	1,188.2	962.2
Rockwall	81.6	81.5	79.2	78.3	89.6	89.5	86.2	120.5	120.2	117.6	147.2	147.2	154.9
Tarrant	1,773.1	1,787.0	1,785.2	1,809.0	1,833.3	1,860.9	1,848.8	2,070.6	2,149.1	2,151.7	2,310.4	2,414.9	2,604.1
Total	**5,783.5**	**5,933.8**	**5,649.0**	**5,700.5**	**5,963.9**	**6,187.2**	**5,845.5**	**6,691.0**	**7,180.2**	**6,730.6**	**7,576.9**	**8,179.3**	**7,962.1**
	(C1/A1)-1	(C1/B1)-1		(C1/D1)-1	(C2/A2)-1	(C2/B2)-1		(C3/A3)-1	(C3/B3)-1		(C4/A4)-1	(C4/B4)-1	
Collin	-0.6%	-5.4%		-2.7%	0.3%	-7.2%		5.0%	-9.9%		6.4%	-6.7%	
Dallas	-4.1%	-5.9%		1.2%	-3.4%	-6.1%		0.5%	-5.3%		5.2%	-3.2%	
Denton	-5.7%	-12.1%		-5.6%	-6.6%	-13.7%		-11.2%	-19.4%		-12.7%	-19.0%	
Rockwall	-2.9%	-2.8%		1.2%	-3.8%	-3.6%		-2.4%	-2.2%		5.2%	5.2%	
Tarrant	0.7%	-0.1%		-1.3%	0.8%	-0.7%		3.9%	0.1%		12.7%	7.8%	
Total	**-2.3%**	**-4.8%**		**-0.9%**	**-2.0%**	**-5.5%**		**0.6%**	**-6.3%**		**5.1%**	**-2.7%**	

Notes:

Old COG*: Demographics from Mobility 2030: 2009 Amendment (demographics released in 2003)

Revised: Demographics from October 2010 Update**

New COG*: Demographics from Mobility 2035**

Table 2: Employment Comparisons (in thousands)

	2010			2012			2020			2030		
	Old COG*	Revised**	New COG***	Old COG*	Revised**	New COG***	Old COG*	Revised**	New COG***	Old COG*	Revised**	New COG***
County	**A1**	**B1**	**C1**	**A1**	**B1**	**C1**	**A2**	**B2**	**C2**	**A3**	**B3**	**C3**
Collin	302.5	368.3	361.3	324.7	419.8	380.2	413.2	613.4	459.4	527.9	743.9	569.0
Dallas	2,081.2	1,980.9	2,080.7	2,138.2	2,047.5	2,146.8	2,361.2	2,307.9	2,407.6	2,540.1	2,536.4	2,710.8
Denton	236.7	254.8	220.3	255.4	277.9	233.2	328.5	366.7	287.8	423.3	463.6	365.3
Rockwall	23.6	23.6	24.0	25.0	25.0	25.9	31.3	31.4	34.2	50.4	50.4	47.0
Tarrant	1,091.0	1,091.7	1,053.9	1,127.9	1,141.9	1,099.0	1,271.8	1,334.3	1,282.2	1,393.5	1,472.7	1,522.3
Total	**3,735.0**	**3,719.3**	**3,740.2**	**3,871.2**	**3,912.1**	**3,885.0**	**4,405.9**	**4,653.6**	**4,471.3**	**4,935.1**	**5,266.9**	**5,214.5**
	(C1/A1)-1	(C1/B1)-1		(C2/A2)-1	(C2/B2)-1		(C3/A3)-1	(C3/B3)-1		(C4/A4)-1	(C4/B4)-1	
Collin	19.4%	-1.9%		17.1%	-9.4%		11.2%	-25.1%		7.8%	-23.5%	
Dallas	0.0%	5.0%		0.4%	4.8%		2.0%	4.3%		6.7%	6.9%	
Denton	-7.0%	-13.5%		-8.7%	-16.1%		-12.4%	-21.5%		-13.7%	-21.2%	
Rockwall	1.8%	1.7%		3.9%	3.8%		9.3%	9.2%		-6.7%	-6.7%	
Tarrant	-3.4%	-3.5%		-2.6%	-3.8%		0.8%	-3.9%		9.2%	3.4%	
Total	**0.1%**	**0.6%**		**0.4%**	**-0.7%**		**1.5%**	**-3.9%**		**5.7%**	**-1.0%**	

Notes:

Old COG*: Demographics from Mobility 2030: 2009 Amendment (demographics released in 2003)

Revised: Demographics from October 2010 Update**

New COG*: Demographics from Mobility 2035**

Inclement Weather in Early 2011

It should be noted that the inclement weather in early February 2011 that impacted the activities prior to the Super Bowl also had a significant negative impact on the NTTA System toll revenue by about $4.1 million (based on unaudited data from NTTA). The updated 2011 T&R estimates in this report incorporate these impacts.

Underlying Economic Climate

In September 2010 the National Bureau of Economic Research (NBER) announced that the nation-wide recession that began in December 2007 ended in June 2009 and that recovery began in that month. As can be seen in Figure 3, the actual annualized percentage change in the national Gross Domestic Product (GDP) was positive throughout 2010.

WSA tracks the monthly Economic Forecasting Surveys published by The Wall Street Journal (WSJ). Illustrated in Figure 3 are the average GDP change monthly forecasts from January 2010 through May 2011. It is forecasted that the national GDP will continue to show positive growth through the end of 2011. However, it should be noted that the actual GDP change recorded for the first quarter of 2011 was lower than previous forecasts.

Texas continues to experience a relatively smaller impact from the recent recession and seems to be on a faster track for recovery than many other parts of the country. Economists have referred to this as the "last in-first out" effect. Figures 4 and 5 show that the DFW area has been performing better than the rest of the nation in terms of unemployment rates and employment growth.

Gasoline prices in Texas have risen steadily since the latter part of 2010 and are currently over $3.50/gallon. Gasoline prices in May 2011 were 35 percent greater than those in May 2010. As was shown in WSA's report, "The Impacts of Gasoline Price on Traffic and Toll Revenue", dated August 2008, transactions on the NTTA System facilities seem to be relatively inelastic to gasoline price increases. However, sharp increases in gasoline price in mid-2008 combined with the recession produced some small noticeable impacts on NTTA System transactions at that time. The following are some excerpts from a recently published toll road sector study by National Public Finance Guarantee:

- "….it is apparent that Vehicle Miles Traveled (VMT) is more closely correlated to Gross Domestic Product than to the price of gasoline."
- "Regardless of the price of gasoline, individuals still need to commute for employment and businesses requiring an efficient road network for the shipment of manufactured products. On a more discretionary basis, family members go shopping and transport children to and from activities. There may be an inflection point where higher energy prices trigger a decline in GDP and thereby indirectly lead to a decline in VMT but the direct correlation between gasoline prices and toll ridership appears weak."

Figure 6 shows the average national crude oil price monthly forecasts from January 2010 through May 2011 by WSJ. It is forecasted that the crude oil price will remain around $100/barrel through the end of 2011.

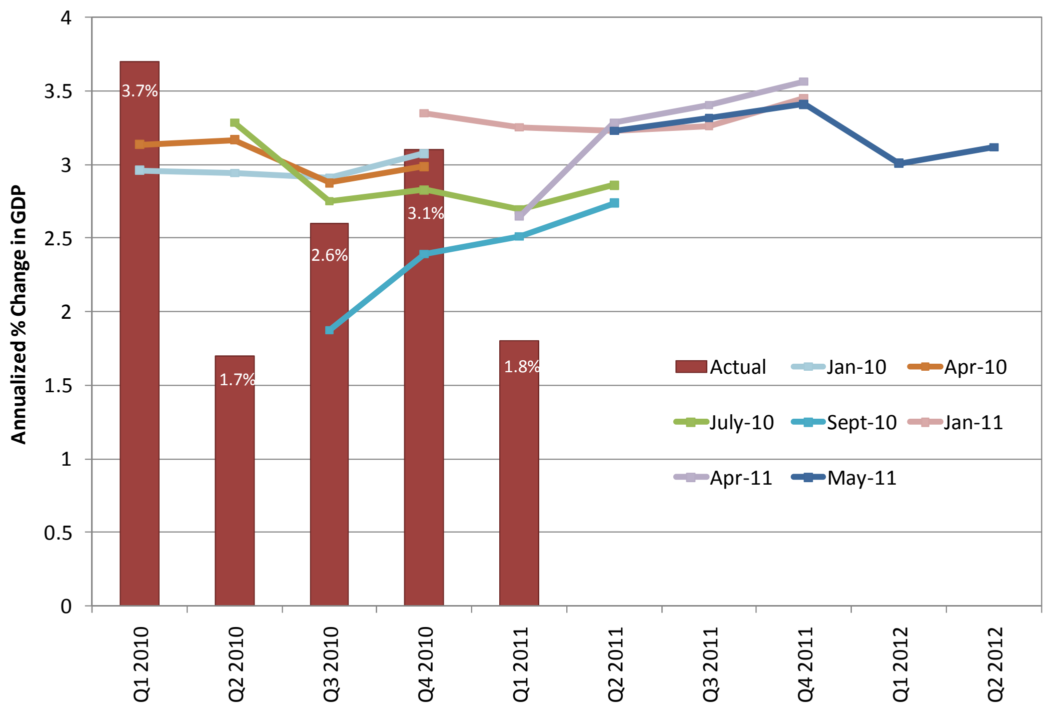

Figure 3: GDP Growth Forecast Comparisons
Source: Wall Street Journal Economic Forecasting Survey, US Bureau of Economic Analysis (May 2011)

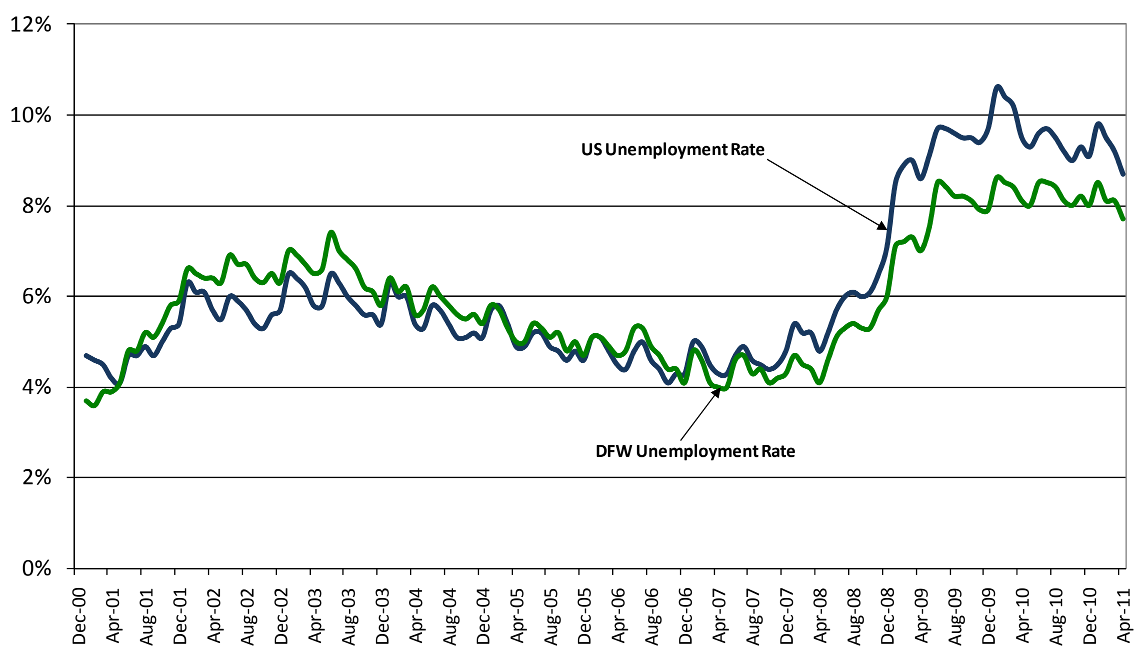

Figure 4: Unemployment Rate Comparisons
Source: Texas Workforce Commission (May 2011)

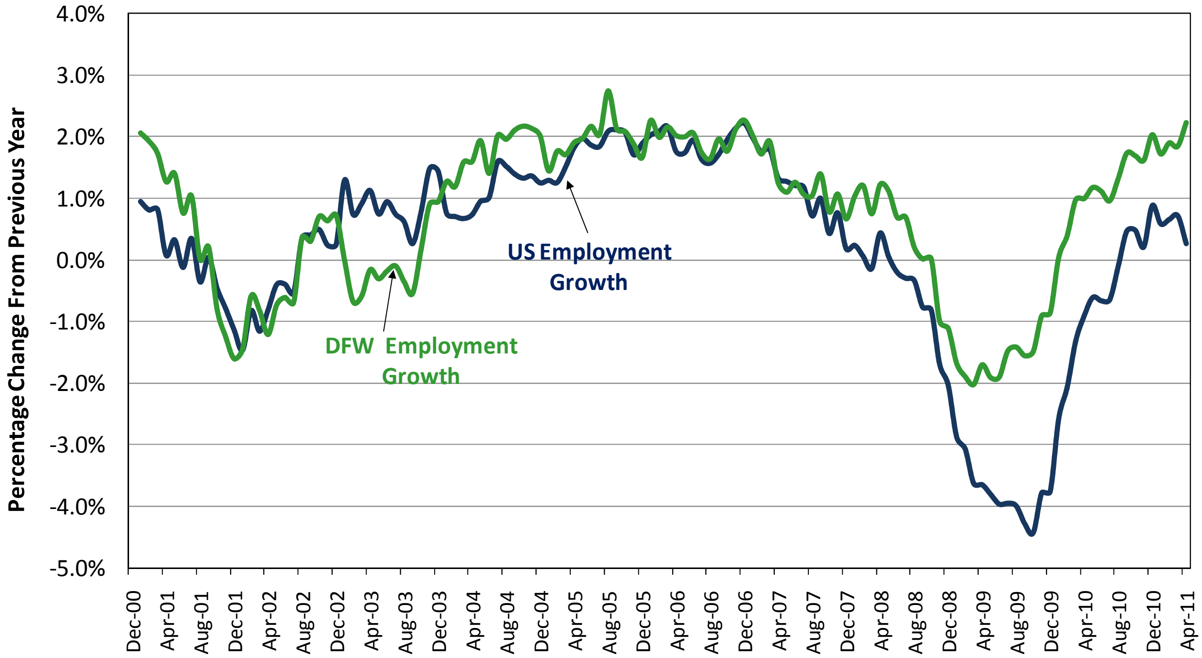

Figure 5: Employment Growth Comparisons
Source: Texas Workforce Commission (May 2011)

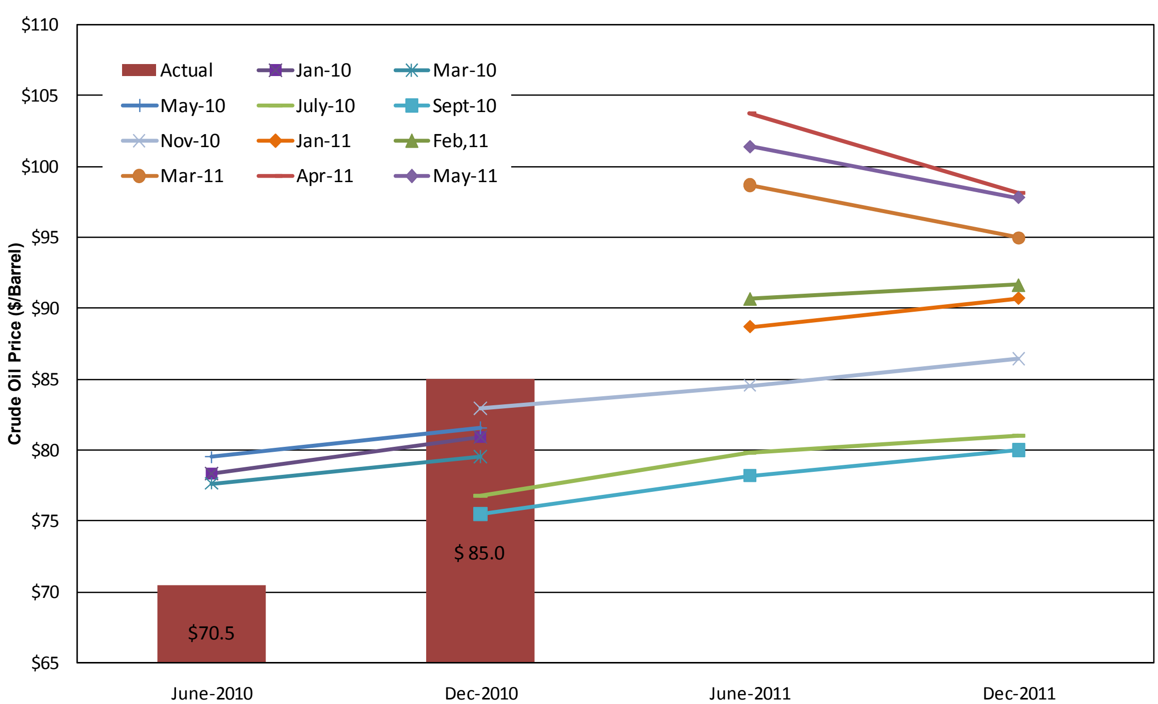

Figure 6: Crude Oil Price Comparisons
Source: Wall Street Journal Economic Forecasting Survey, US Energy Information Administration (May 2011)

NTTA System Investment Grade (IG) T&R Update - 2011

WSA has been authorized to perform an investment grade T&R update study for the NTTA System. This IG study will incorporate the recently approved Mobility 2035 plan and results of an independent review of the recently released NCTCOG's demographic forecasts that is being performed by Research and Demographic Solutions (RDS) along the NTTA System corridors. In addition, a comprehensive traffic count and travel time study program that was conducted in late 2010/early 2011 along NTTA System corridors and the NTTA System origin-destination and stated preference/revealed preference survey study that is currently underway will be incorporated. It is expected that the IG study will be completed by the end of September 2011.

Recent Traffic Patterns and Characteristics

Table 3 shows the monthly transactions for DNT, PGBT, SRT and NTTA System from January 2006 through May 2011. SRT transactions are included from September 2008. As can be seen, there was a drop in DNT transactions in early 2009 due to the economic downturn. The reduction in transactions seen in the latter part of 2009 is attributable to the NTTA System toll rate increases that went into effect in September 2009. There was a decrease in PGBT transactions starting in mid-2008 through mid-2009 mostly attributable to the economic downturn and the opening in late 2008 of the SRT Segment 2 mainlanes, which compete with sections of the PGBT. The opening in August 2009 of the PGBT – Western Extension (PGBT-WE) Phase 2 mainlanes and PGBT-WE Phase 3 in April 2010 continues to help the growth of PGBT transactions, especially in the westernmost sections. SRT's Segment 4, which includes the SRT/US 75 interchange, was substantially completed in late 2010 and SRT continued to show strong ramp-up in 2010. The annual transactions in 2010 were greater than the 2009 transactions on DNT, PGBT, SRT and NTTA System by 0.4 percent, 3.6 percent, 28.5 percent and 6.2 percent respectively.

DNT transactions in 2011 through May were greater than the corresponding transactions in 2010 by 3.1 percent. PGBT transactions through May 2011 have exceeded corresponding transactions in 2010 by 3.3 percent. Transactions on the SRT in 2011 were 12.2 percent greater than transactions in 2010. Through May 2011, NTTA System transactions in 2011 are 4.9 percent greater than this same period in 2010.

Figure 7 shows the recorded NTTA System monthly transactions in comparison to the transactions estimated in the July 2009 Report for years 2009 and 2010, and in the October 2010 Update for year 2011. As was mentioned earlier, inclement weather had a negative impact on the NTTA System transactions in early 2011. The actual number of transactions in 2010 was lower than the estimates made in the July 2009 Report by 0.9 percent. The actual transactions recorded on the NTTA System from January 2011 through May 2011 were lower than the forecasts made in the October 2010 Update by 3.7 percent.

Updated 2011 and 2012 T&R Estimates

On April 30, 2011, updated 2011 and 2012 T&R estimates for the NTTA System were submitted to NTTA in support of the monitoring of NTTA's FY2011 budget and for preparation of NTTA's FY2012 budget. Those estimates were based on the same assumptions included in the October 2010 Update, but with some additional minor adjustments to reflect updated information influencing the T&R estimates. Such information included recent traffic and revenue trends, surge in gasoline prices in early 2011, slower than anticipated economic recovery, TollTag/ZipCash shares and construction activity along the NTTA System. The updated 2011 transaction and revenue estimates were based on the unaudited transaction and revenue information from NTTA through end of March 2011. The updated 2011 T&R estimates assume the opening of PGBT EE from IH 30 to SH 78 on December 31, 2011, except for the toll ramps west of Crist Road which are expected to be open in June 2012. As part of Segment 5 of the SRT (DNT/SRT interchange), new ramps along DNT near that interchange are assumed to be open in June 2011. All the direct connectors at the DNT/SRT interchange are assumed to be open by late December 2011. In addition, System-wide toll rate increases are assumed starting July 1, 2011 with an average increase of about 5.6 percent from the current toll rates.

	2006 Txns (millions)	Percent Change	2007 Txns (millions)	Percent Change	2008 Txns (millions)	Percent Change	2009 Txns (millions)	Percent Change	2010 Txns (millions)	Percent Change	2011 Txns (millions)
Dallas North Tollway											
January	15.8	(7.0)	14.7	16.2	17.1	(3.7)	16.5	(1.5)	16.2	3.2	16.8
February	14.5	1.0	14.7	14.3	16.8	(3.7)	16.2	(4.9)	15.4	(4.8)	14.6
March	16.7	(0.3)	16.7	3.9	17.3	0.9	17.5	1.5	17.8	6.1	18.8
April	15.9	0.6	16.0	10.8	17.8	(1.0)	17.6	0.2	17.6	4.7	18.4
May	16.6	1.3	16.8	6.6	17.9	(1.1)	17.7	(1.0)	17.5	5.5	18.5
June	16.2	(0.7)	16.1	6.9	17.2	2.6	17.6	(1.0)	17.4	--	--
July	15.4	4.5	16.1	8.4	17.4	0.2	17.5	(1.5)	17.2	--	--
August	16.4	3.3	16.9	2.8	17.4	0.4	17.5	0.3	17.5	--	--
September	15.4	1.5	15.7	7.1	16.8	(1.8)	16.5	2.0	16.8	--	--
October	16.2	10.9	17.9	1.2	18.1	(4.2)	17.4	2.5	17.8	--	--
November	15.1	10.8	16.8	(3.4)	16.2	(0.3)	16.2	2.8	16.6	--	--
December	15.7	8.1	17.0	1.5	17.3	(1.5)	17.0	5.0	17.9	--	--
Total	190.0	2.8	195.4	6.1	207.3	(1.1)	205.0	0.4	205.8	--	--
Jan.-May (2010-2011)									84.5	3.1	87.2
President George Bush Turnpike											
January	14.0	(1.2)	13.9	8.6	15.1	(8.4)	13.8	0.7	13.9	6.1	14.7
February	13.1	5.3	13.8	7.5	14.8	(8.8)	13.5	(2.2)	13.2	(5.4)	12.5
March	15.2	2.8	15.7	(2.7)	15.2	(2.9)	14.8	4.8	15.5	5.8	16.4
April	14.6	4.4	15.3	3.2	15.7	(5.8)	14.8	4.4	15.5	3.9	16.1
May	15.4	4.4	16.1	(1.4)	15.8	(5.8)	14.9	4.4	15.6	5.3	16.4
June	15.1	3.5	15.6	(2.3)	15.2	(1.3)	15.0	3.1	15.5	--	--
July	14.4	7.5	15.5	(0.9)	15.4	(2.9)	15.0	2.7	15.4	--	--
August	15.4	7.3	16.5	(7.7)	15.3	(0.7)	15.1	4.3	15.8	--	--
September	14.5	4.0	15.1	(3.1)	14.6	(0.8)	14.5	4.8	15.2	--	--
October	15.1	5.9	16.0	(3.8)	15.4	(1.3)	15.2	4.6	15.9	--	--
November	14.2	4.9	14.9	(7.9)	13.7	3.2	14.2	5.1	14.9	--	--
December	14.4	1.8	14.7	(1.9)	14.4	0.4	14.5	5.6	15.3	--	--
Total	175.5	4.2	182.9	(1.2)	180.7	(3.0)	175.3	3.6	181.6	--	--
Jan.-May (2010-2011)									73.7	3.3	76.1
Sam Rayburn Tollway											
January	--	--	--	--	--	--	4.7	37.2	6.5	16.7	7.5
February	--	--	--	--	--	--	4.6	32.1	6.1	5.5	6.5
March	--	--	--	--	--	--	5.2	38.5	7.3	14.9	8.3
April	--	--	--	--	--	--	5.4	35.3	7.3	11.8	8.2
May	--	--	--	--	--	--	5.6	38.3	7.7	11.8	8.6
June	--	--	--	--	--	--	5.8	32.5	7.7	--	--
July	--	--	--	--	--	--	6.0	30.5	7.8	--	--
August	--	--	--	--	--	--	5.9	33.8	7.9	--	--
September	--	--	--	--	4.6	30.2	6.0	23.9	7.5	--	--
October	--	--	--	--	4.9	35.2	6.7	18.8	7.9	--	--
November	--	--	--	--	4.7	42.2	6.6	13.8	7.5	--	--
December	--	--	--	--	5.0	38.4	6.9	17.0	8.1	--	--
Total	--	--	--	--	19.2	--	69.5	28.5	89.3	--	--
Sept.-Dec. (2008-2009)					19.2	36.5	26.2				
Jan.-May (2010-2011)									34.9	12.2	39.1
NTTA System											
January	30.3	(4.3)	29.0	12.3	32.6	8.7	35.4	5.0	37.2	6.7	39.7
February	28.0	3.0	28.9	10.9	32.0	8.5	34.7	1.5	35.2	(3.2)	34.1
March	32.4	1.2	32.8	0.5	33.0	15.1	37.9	8.4	41.1	7.7	44.3
April	31.0	2.5	31.8	7.0	34.0	12.7	38.3	7.3	41.1	5.7	43.4
May	32.4	2.9	33.3	2.6	34.2	12.9	38.6	7.2	41.4	6.7	44.2
June	31.6	1.5	32.1	2.2	32.8	18.5	38.9	6.1	41.3	--	--
July	30.2	6.1	32.1	3.7	33.3	16.7	38.8	5.6	41.0	--	--
August	32.2	5.2	33.9	(2.4)	33.1	18.3	39.2	7.0	41.9	--	--
September	30.4	2.5	31.1	17.1	36.5	3.1	37.6	6.7	40.1	--	--
October	31.8	8.2	34.4	13.3	38.9	2.4	39.8	6.2	42.3	--	--
November	29.8	7.8	32.1	9.1	35.0	7.2	37.5	5.7	39.7	--	--
December	30.6	4.9	32.1	15.5	37.0	5.1	38.9	7.4	41.8	--	--
Total	370.7	3.5	383.5	7.5	412.3	10.5	455.7	6.2	484.1	--	--
Jan.-May (2010-2011)									196.0	4.9	205.6

Table 3: Monthly Transaction Trends (see end note[i])

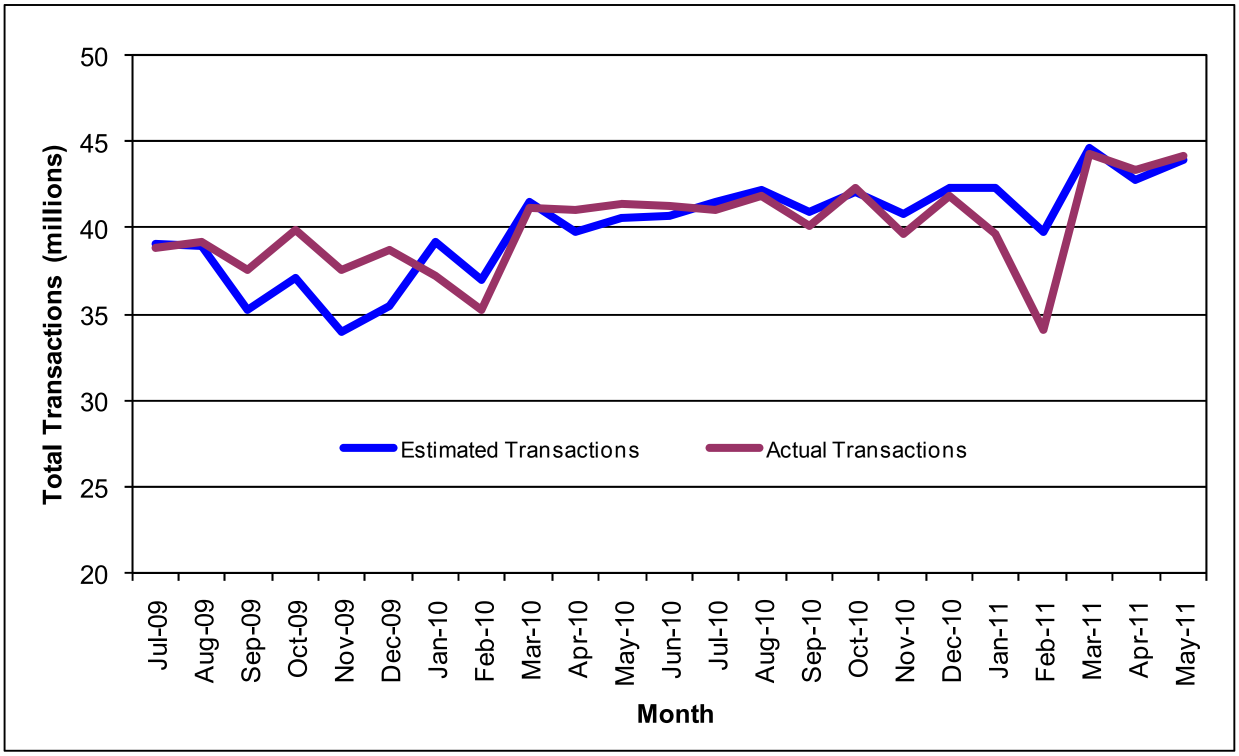

Figure 7: Actual vs. Estimated NTTA System Transactions

For year 2011, the updated NTTA System transaction and revenue estimates are 504.9 million and $395.6 million respectively. The updated 2011 transaction estimates are lower than those included in the October 2010 Update by 3.3 percent, and the updated revenue estimates are 3.7 percent lower. Out of the $15.2 million toll revenue reduction in 2011, about $2.7 million is due to lower TollTag transaction shares expected for the NTTA System in 2011 (82.1 percent vs. 83.1 percent). About $4.1 million is due to the inclement weather in early 2011 and about $8.4 million is attributable to T&R forecasting model adjustments made to reflect recent traffic trends, slower economic recovery including lower demographic growth, higher fuel prices and updated construction activity schedules.

The updated 2012 monthly revenue and transactions for all NTTA System facilities assume a full year of operation of the PGBT EE mainlanes and the opening of the toll ramps west of Crist Road on PGBT EE by June 30, 2012. NTTA System is expected to generate 553.5 million transactions and $456.1 million of toll revenue in 2012, which are 3.1 percent lower than the T&R estimates included in the October 2010 Update. Of the $14.4 million drop in 2012 toll revenue compared to the October 2010 Update, about $1.6 million is attributable to the lower TollTag shares assumed for the NTTA System in 2012 (83.1 vs. 84.1 percent). Bulk of the remaining drop in toll revenue is attributable to the lower growth in traffic assumed to reflect lower demographic growth.

UPDATED LONG-TERM TRAFFIC AND REVENUE ESTIMATES

The updated long-term traffic and revenue estimates for the NTTA System from 2011 to 2062 are shown in Table 4. These have been estimated by performing preliminary reviews of the recently released official Mobility 2035 regional transportation networks and the associated demographics/trip table forecasts. As was mentioned earlier, an independent economic review of the official demographics along the NTTA System corridors is currently underway. WSA will be performing a detailed analysis to incorporate impacts of the changes to the future demographics and roadway infrastructure changes in the NTTAS System IG study that is expected to be completed by end of September 2011.

Year	Toll Transactions	Toll Revenue
2011	504,905,600	$395,570,900
2012	553,470,900	$456,092,300
2013	577,431,100	$498,678,900
2014	598,968,800	$536,553,600
2015	620,789,900	$571,493,700
2016	646,030,300	$610,971,400
2017	667,085,600	$648,129,100
2018	689,606,600	$688,310,700
2019	723,376,900	$751,615,000
2020	745,590,900	$808,415,600
2021	766,450,900	$855,766,600
2022	786,110,700	$904,397,900
2023	805,031,200	$950,786,800
2024	823,859,500	$1,000,417,100
2025	841,393,100	$1,049,812,500
2026	855,880,000	$1,099,338,100
2027	870,261,000	$1,148,413,800
2028	884,291,300	$1,200,275,500
2029	898,347,600	$1,252,119,900
2030	912,601,000	$1,308,200,900
2031	926,944,000	$1,365,935,000
2032	941,534,800	$1,427,893,900
2033	956,418,000	$1,489,831,400
2034	971,598,200	$1,556,345,700
2035	989,346,600	$1,630,449,400
2036	1,001,463,100	$1,700,128,800
2037	1,013,506,400	$1,766,909,900
2038	1,025,674,700	$1,838,453,700
2039	1,038,022,300	$1,912,668,800
2040	1,050,552,600	$1,991,755,600
2041	1,061,274,100	$2,067,742,300
2042	1,071,952,000	$2,148,547,900
2043	1,082,764,900	$2,229,807,300
2044	1,093,714,200	$2,316,831,300
2045	1,104,801,700	$2,404,488,700
2046	1,115,348,100	$2,497,382,600
2047	1,125,827,200	$2,590,971,600
2048	1,136,416,800	$2,690,827,500
2049	1,147,132,500	$2,789,993,500
2050	1,157,977,000	$2,896,481,800
2051	1,168,951,300	$3,004,026,900
2052	1,179,981,600	$3,119,352,900
2053	1,191,099,400	$3,235,243,000
2054	1,202,350,700	$3,359,172,700
2055	1,213,736,900	$3,484,311,400
2056	1,225,113,800	$3,618,114,100
2057	1,236,402,400	$3,750,875,900
2058	1,132,506,200	$3,469,726,400
2059	910,668,100	$2,693,430,800
2060	916,630,200	$2,789,235,000
2061	922,652,900	$2,883,058,900
2062	928,737,100	$2,983,149,600
Total	**49,012,582,700**	**$96,438,504,600**

Key Assumptions:
1. Background transportation networks based on the Mobility 2035.
2. Background demographics based on Mobility 2035.
3. System-wide toll rate increases on July 1 of every odd year starting July 1, 2011.
4. Improvements on DNT between PGBT and SRT by Dec. 31, 2015.
5. Expansion of SRT between Bus-121 and US 75 from three to four lanes per direction by January 1, 2019. Congestion pricing on SRT is assumed to start with this expansion.
6. Expansion of PGBT between IH 35E and SH 78 from three to four lanes per direction by January 1, 2019.

Table 4: Estimated NTTA System Annual Toll Transactions and Revenue

The estimates for 2011 and 2012 in Table 4 are same as the updates submitted in April 2011. The updated toll revenue estimates for 2013 and 2014 are 3.1 percent lower than the October 2010 Update estimates and 3.0 percent lower in 2015. The updated toll revenue estimates are 3.5 percent, 3.8 percent, 2.9 percent and 2.3 percent lower in 2020, 2025, 2030 and 2035. A bulk of this decrease in the toll revenue is the result of preliminary tests that WSA performed to reflect the Mobility 2035 models. As was mentioned earlier, NCTCOG's Mobility 2035 plan assumes significantly reduced future regional roadway infrastructure and the new demographics are generally lower than the "revised-lag" demographics utilized in the October 2010 Update.

We hope this summary meets your needs. Please do not hesitate to call if you have any questions or if any additional information is required.

Sincerely,

WILBUR SMITH ASSOCIATES

Kamran Khan
Senior Vice President

DISCLAIMER

Results, findings, conclusions and recommendations found in this letter are the direct result of the application of current state-of-the-practice processes and procedures in traffic and toll revenue forecasting. WSA believes that projections and other forward-looking statements contained within this letter are based on reasonable assumptions as of the date of this letter. However, there is considerable uncertainty inherent in forecasting traffic and revenue for any toll facility. There may sometimes be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. These differences could be material. Also, it should be recognized that traffic and revenue forecasts in this letter reflect the overall estimated long-term trend. Actual experience in any given year may vary due to changing economic conditions or other factors.

In developing these forecasts, WSA has reasonably relied upon the accuracy and completeness of information provided (both written and oral) by North Texas Tollway Authority staff and consultants, other local and state agencies. WSA has also relied upon the reasonable assurances of some independent parties and is not aware of any facts that would make such information misleading. Determination of several key variables impacting the traffic and revenue forecasts are the result of WSA's professional qualitative judgment based upon years of industry experience. These variables must be considered together as a whole rather than as discrete variables. Misleading or inaccurate conclusions could result without appropriate consideration of the intent or application of these variables or the underlying methodologies used to obtain the results.

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[i] (1) DNT Phase 3 opened to traffic at the end of September 2007. Toll Rates on the NTTA System were increased during the same month.
(2) Sam Rayburn Tollway Segment 2 opened to traffic on August 31, 2008.
(3) LLTB opened to traffic on August 1, 2009.
(4) PGBT WE Phase 2 mainlanes between SH 183 and Egyptian Way opened to traffic on August 2, 2009.
(5) Speed-limit increases on various sections of NTTA System were implemented starting late August 2009.
(6) System-wide toll rates increase implemented on September 1, 2009.
(7) SRT segment 3S opened to traffic on September 1, 2009 and SRT segment 3N opened to traffic on September 29, 2009.
(8) Opening of PGBT WE Phase 3 mainlanes beginning April 10, 2010. Substantial opening of SRT Segment 4 and completion of All-ETC conversion on all NTTA System facilities in late 2010.
(9) NTTA System transactions include transactions on DNT, PGBT, SRT, AATT, MCLB and LLTB.
SOURCE: North Texas Tollway Authority (unaudited numbers)