Summit Issuer, LLC - Secured Dark Fiber Network Revenue Notes, Series 2020-1

Capital Structure

Class	Amount ($)	Rating	Outlook	CE (%)	Anticipated Repayment Date	Rated Final Payment Date
2020-1, Class A-1	50,000,000[a]	A- (exp)	Stable (exp)	30.0	December 2023[d]	December 2050
2020-1, Class A-2	122,700,000	A- (exp)	Stable (exp)	30.0	December 2025	December 2050
2020-1, Class B	18,900,000	BBB– (exp)	Stable (exp)	19.2	December 2025	December 2050
2020-1, Class C	33,600,000	BB- (exp)	Stable (exp)	0.0	December 2025	December 2050
2020-1, Class R[b]	11,860,000	NR	—	0.0	—	December 2050
Total	**187,060,000**[c]					

[a]This note is a Variable Funding Note (VFN) and has a maximum commitment of $50 million contingent on leverage consistent with the class A-1 notes. This class will reflect a zero balance at issuance. [b]Risk retention securities with a balance representing 5% of the fair value of the notes at the time of closing. [c]The total balance reflects the current $0 balance of the series 2020-1 class A-1 notes. [d]These notes may be extended beyond the initial ARD date. Expected ratings for the 2020 classes do not reflect final ratings and are based on information provided by the issuer as of November 2020. These expected ratings are contingent on final documents conforming to information already received. Ratings are not a recommendation to buy, sell or hold any security. The offering circular and other material should be reviewed prior to any purchase.

The transaction is a securitization of SummitIG's high capacity network of fiber optic cable assets. These assets include conduits, cable, permits, rights and contracts, which support SummitIG's dark fiber network. The notes will be secured by a first-priority perfected security interest in all of the equity interest in the issuer and the asset entities, along with the obligor's right, title and interest in the contracts and dark fiber assets.

The collateral consists of mission-critical assets that support one of the largest data center hubs in the U.S. This hub interconnects high-quality clients, including cloud providers, telecom companies, data center operators and large enterprise customers. The dark fiber network represents a differentiated deployment of a product providing crucial support to the internet. The majority of necessary capital expenditure has already been spent to deploy the assets and there are limited operating expenses, which allows for low operating leverage and stable cash flows.

The sponsor is the leading participant in the Northern Virginia market and benefits from high barriers to entry, including the protection of collateral assets and corresponding cash flows by first-mover advantage, which precludes other providers from replicating service offerings. This advantage is further bolstered by sustained growth in internet usage and support for data center infrastructure, for which SummitIG's assets are a necessity. The company has deployed capacity in anticipation of supporting further growth.

Dominant Market Position; High Barriers to Entry (Revenue Risk: Stronger): SummitIG has established a unique, single-focus dark fiber network platform, catering to users through a high-capacity system in Northern Virginia. SummitIG's dark fiber infrastructure has high-capacity conduit and fiber-optic cables providing customized connectivity solutions to its customers. More than two thirds of SummitIG's network is on unique or differentiated routes, and the network has sufficient capacity to continue adding customers at minimal cost. Further, the network benefits from considerable barriers to entry from competing providers and technology types. The ability for a competitor to build a platform capable of providing a comparable level of service is limited. This is a result of extensive capital requirements, SummitIG's established network within the geography, and

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This presale report reflects information in Fitch's possession at the time that Fitch's expected ratings are issued; the transaction has yet to be finalized and changes could occur. As a result, the expected ratings disclosed in this report do not reflect final ratings, but are solely based on information provided by the issuer as of November 2020. These expected ratings are contingent on final documents conforming to information already received. Ratings are not a recommendation to buy, sell or hold any security. The prospectus and other material should be reviewed prior to any purchase.

Fitch's related Rating Action Commentary issued at transaction closing will include final ratings, which will include an assessment of any material information that may have changed subsequent to the publication of the presale.

Representations, Warranties and Enforcement Mechanisms Appendix

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existing long-term agreements which grant SummitIG limited access rights of way (interstate highway and other highway systems) with a renewal option.

Applicable Criteria
Infrastructure and Project Finance Rating Criteria (March 2020)

Anticipated Repayment Date and Prefunding Debt Structure (Debt Structure: Midrange): SummitIG's current issuance of three tranches of debt is secured by a first priority perfected security interest in the company's dark fiber network and benefits from its related cash flow. The tranches contemplate an Anticipated Repayment Date (ARD) in 2025 (2023 with two one-year extensions for the class A-1 VFN), prior to which each tranche will only receive interest unless cash sweep conditions related to the DSCR (<1.50x) are breached, with cash beginning to be trapped at DSCR of <1.70x. The tranches pay sequentially with the A and B notes being senior to the C notes. Post-ARD, 100% of cash flow will be trapped to pay down each series sequentially in alphabetical order. The structure includes reserves accounts for fixed expenses, insurance, collateral enhancement and advance fees.

At issuance, $25 million of the proceeds will be used to fund the prefunding account, which can be drawn upon if DSCR (greater than or equal to 1.85x) and total leverage (<9.5x) metrics and certain conditions related to remaining contract term and investment-grade ratings of the customers are met. The weighted-average contract term must be at least 4.0 years, and investment-grade contract counterparties must account for over 55.0% of revenue. The prefunding period will last for one year, after which any remaining funds will be used to pay down principal. Prefunding amounts will be held back at issuance.

Following the termination of the prefunding period, the A-1 VFN notes can be drawn upon subject to certain conditions related to DSCR, class A leverage, contract length conditions, and tenant creditworthiness considerations. This includes DSCR of greater than or equal to 1.85x, class A debt/NCF is less than 6.65x, a weighted average contract term of at least 4.0 years, and investment-grade contract counterparties accounting for over 55.0% of revenue.

Limited Capital Requirements (Infrastructure Development/Renewal: Stronger): Limited lifecycle and infrastructure investment is necessary given fiber optic cables have an anticipated useful life of over 30 years. The average age of the fiber throughout SummitIG's network is approximately three years. Continued improvements in fiber optic technology are expected to drive a longer useful life of the conduit and fiber lines. Given current capacity on the network, the addition of new customers requires minimal infrastructure investment. The majority of future infrastructure related costs are expected to be periodic maintenance and routine repairs.

Peer Group: The closest Global Infrastructure peers for SummitIG are Kentucky Wired Infrastructure Company ('BBB+', Stable), Inc. and Arqiva Financing plc ('BBB', Stable). Kentucky Wired, an availability pay transaction, is a 3,400-mile high-capacity fiber network serving the commonwealth of Kentucky. Arqiva Financing, a whole business securitization, is the sole UK national provider of network access and managed transmission services for terrestrial television and radio broadcasting. Debt service coverage ratios for Kentucky Wired are considerably weaker than SummitIG as a result of the stability afforded by an availability payment structure with revenues appropriated from a 'AA' category counterparty. Arqiva maintains considerably stronger DSCRs than SummitIG, but is largely driven by its debt structuring.

Outside of the digital infrastructure space, several large and mature toll road networks, were viewed as peers given the fact that many of these assets share characteristics consistent with SummitIG operating profile. These include stability in operations, a strong competitive position, and economic resiliency. DSCR for these assets range from 1.5x to 3.5x, yet leverage is typically consistent with that of the SummitIG transaction.

The transaction shares many similarities with wireless tower securitizations. These transactions are backed by portfolios of wireless tower assets supported by leases. The transactions have sponsors that are the dominant market players, have built out significant networks that would be costly to replicate and provide an essential service. The transmission of signal from these assets is ultimately reliant on fiber-optic cables, which are the assets backing the SummitIG transaction. Cash flow is predominantly generated from a small number of investment-grade or near-investment-grade

counterparties, and operating expenses are largely borne by the tenants, resulting in lower operating expenses to the company. The liability structures and leverage levels share substantial similarities with the SummitIG transaction.

Coronavirus: Fitch believes the risk of the coronavirus negatively affecting the data network infrastructure's operational performance, including that of data center and fiber line operators, is relatively low. The low risk is due to the integral nature of data services to consumers' day-to-day lives and given enhanced business and consumer reliance on this infrastructure as a direct result of the pandemic. As such, these services have been deemed essential and have continued uninhibited by the coronavirus outbreak.

Highlights

First-Mover Advantage: SummitIG has spent the capital necessary to deploy its nearly 600 route-mile dark fiber network, which consists of high capacity conduit and fiber-optic cables, of which approximately 70% are unique or differentiated routes. The network's footprint allows SummitIG to provide customers with highly customized services in a timely manner at minimal cost when compared with competitors, and offer a product that competitors cannot replicate.

Prefunding Accounts: The deal is structured with a prefunding account for each series totaling $25 million (14.3% of total proceeds) to be used during a 12-month period after closing, and to be released in connection with increased cash flows received by the asset entities. If this cash flow is not released within 12 months, the remaining proceeds will be utilized to pay down the principal balance of the respective 2020-1 notes. Draws based on the increased cash flow are governed by limitations on the supporting collateral. Fitch applied additional stresses to account for the uncertainty surrounding final collateral characteristics as a result of the prefunding accounts.

Variable Funding Note: In connection with the transaction, this issuance of notes will be structured with a $50 million VFN. This note will initially rank pari passu with the class A notes. These notes may be drawn upon subject to leverage constraints and collateral quality tests after the prefunding period. For more information, see section titled Variable Funding Note.

LIBOR Exposure: The transaction reflects exposure to the LIBOR reference rate with respect to the series 2020-1 class A-1 notes. There is no asset or hedge exposure to LIBOR. Replacement language is contemplated in the Variable Note Purchase Agreement, and this note also reference's several other rates in conjunction with LIBOR.

LIBOR Exposure

Assets	Rated Notes	Hedges
No LIBOR Exposure	$50 million class A-1 notes reference LIBOR plus a spread	No Hedges

Source: Fitch Ratings, SummitIG 2020-1.

Key Transaction Parties

Role	Name	Fitch Rating
Issuer	Summit Issuer, LLC	NR
Servicer	KeyBank National Association	CMS1/CSS1-
Indenture Trustee	Wilmington Trust, National Association	A/F1
Guarantor	Summit Guarantor, LLC	NR
Manager	Summit Infrastructure Group, Inc.	NR
Structuring Advisors	Barclays Capital Inc.	A+/F1 (Parent)
Bookrunning Manager	Barclays Capital Inc.	A+/F1 (Parent)

NR – Not rated.
Source: Fitch Ratings, SummitIG 2020-1.

Transaction Highlights

Trust Balance ($ Mil.)[a]	187.1
Number of Contracts	496
Fitch NCF ($ Mil.)	17.03
NCF Variance (%)	7.64
Stressed Refinance Constant	9.25
Fitch DSCR (x)	1.05
Fitch Debt Multiple (x)	10.3
Fitch Debt Yield (%)	9.70

[a]Includes the offered 2020 classes and the risk retention class.

Transaction Comparison

The transaction shares many similarities with the transactions that have come from the wireless tower sector. The transaction comparison table below provides a comparison of select quantitative metrics between the SummitIG transaction and several wireless tower transactions.

	SummitIG 2020-1	SBA Tower Trust	Vertical Bridge 2020-1	Crown Castle Towers LLC
Date of Issuance	December 2020	June 2020	May 2020	July 2018
Sponsor Rating (As of Issuance)	NR	NR	NR	BBB/Stable
Trust Balance ($ Million)	187[a]	5,316	813.8	2,053
Number of Customer Contracts	496	20,507	4,719	28,454
Top Technology Type (% of Revenue)	100.0	97.2	85.3	96.2
Investment Grade Contracts (% of Revenue)	66.3	54.3	36.5	59.1
Top 3 Tenants (% of Revenue)	39.6	94.2	64.8	92.4
WA Tenant Contract Term (Years)	5.1	15.0	23.2	26.2
Owned Sites (% of ARRNCF)	100.0	13.2	11.2	33.9
Fitch NCF ($ Million)	17.0	750.6	82.7	748.7
Fitch Refinance Constant (%)	9.25	9.25	9.25	9.25
Fitch Debt Multiple (x)				
AAA	—	—	—	—
A	—	7.1	6.8	2.7
A-	7.2	—	—	—
BBB	—	—	7.4	—
BBB-	8.3	—	—	—
BB-	10.3	—	9.3	—
Fitch Stressed DSCR (x)				
AAA	—	—	—	—
A	—	1.56	1.60	4.05
A-	1.50	—	—	—
BBB	—	—	1.47	—
BBB-	1.30	—	—	—
BB-	1.05	—	1.16	—

[a]Includes the offered 2020 classes and the risk retention class.
Source: Fitch, SummitIG 2020-1.

Risk Retention

To comply with the U.S. Risk Retention Rules, the sponsor will retain an eligible horizontal residual interest in the issuer, with a fair value of at least 5% of the sum of the fair value of the 2020 notes. Using a fair value measurement framework under GAAP, the sponsor concluded the balance of the eligible horizontal residual interest to be $11.9million.

Following the closing date, the sponsor will recalculate the fair value of the 2020 notes and the eligible horizontal residual interest as of the closing date. The fair value of the eligible horizontal residual interest will be included in the first trustee report delivered following the closing date.

Fitch does not rate the risk retention class.

Asset Analysis

Collateral

The notes will be secured by a first-priority perfected security interest in all equity interests in the Issuer and the asset entities, and all of the obligors' right, title and interest in and to the customer contracts, any other Dark Fiber Asset owned by the obligors and funds held in transaction accounts. Additionally, a perfected security interest in the conduit and fiber optic cables.

As of the cutoff date, the diverse portfolio contained 496 contracts from 89 customers. Services under the contracts include colocation, conduit, operation and maintenance (O&M), dark fiber and dark fiber–IRU (indefeasible rights of use), with dark fiber service representing 93.5% of the annual run rate recurring revenue (ARRRR). A substantial portion of the assets are located in Northern Virginia and provide service to one of the world's largest data center markets. The customers segments consist of telecom carriers, cloud providers, content providers, enterprise and data centers. Cloud and telecom carrier customers represent 78.1% of the ARRRR.

The 10 largest customers represent 63.0% of the ARRRR as of the cutoff date, with the largest representing 16.8%. Approximately 66.3% of ARRRR is attributed to customers with investment-grade ratings.

Currently, the customer contracts have a weighted average remaining term of 61 months, the weighted average original term of the contracts was 82 months. Contracts are fixed payments and have automatic month to month renewal terms after the initial term has expired. Approximately 19.4% of the contracts include annual escalations related to the CPI or between 2% and 4%.

The customer contracts are generally expected to be renewed. This is mainly due to the quality of the service that SummitIG provides, the state-of-the-art technologies of the network, the lack of a suitable substitute in the market and the high barriers to entry. Contracts cannot be terminated without penalty or with early termination fees, but customers may terminate with notice between 10 and 30 days if SummitIG fails to perform contracted services and does not remedy within a grace period. Certain customers have specific terms that differ from the above, each on a contract by contract basis. Churn rates have been very low and are usually the result of enterprise customers switching service to cloud providers, which expands the needs of the cloud providers.

Additional Dark Fiber Networks

Additional dark fiber networks and the related customer contracts, that may be acquired after the closing date as additional collateral for the notes are subject to, among other things, the following parameters:

- Confirmation by Fitch;
- The indenture trustee and the servicer have received opinions of counsel with respect to non-consolidation and tax matters; servicer consent, if during a special servicing period;
- If the dark fiber network is an additional obligor dark fiber network, the additional asset entity executes and delivers to the indenture trustee a joinder agreement; and
- The manager delivers an updated schedule reflecting such additional dark fiber networks to the indenture trustee, the servicer and Fitch.

Prefunding Accounts

On the closing date, a portion of the proceeds ($25 million) will be deposited into accounts related to each class of notes, to be released in connection with increased asset cash flows. The prefunding

Service Type

	% of Total Contracts	% of Contract ARRR
Dark Fiber	93.8	93.5
Colocation	3.8	2.9
Dark Fiber-IRU	1.2	1.0
O&M	1.0	2.6
Conduit	0.2	0.1

Source: SummitIG 2020-1.

Customer Segmentation

	% of Total Contracts	% of Contract ARRR
Cloud	41.5	41.2
Carrier	40.1	36.8
Data Center	11.1	8.6
Enterprise	3.8	8.7
Content	3.4	4.7

Source: SummitIG 2020-1.

Remaining Contract Term

(As % of ARRR)	
Zero	11.1
>0 -12 Months	10.9
>12 -24 Months	12.5
>24 – 36 Months	21.0
>36 – 48 Months	6.1
>48 – 60 Months	4.8
Greater than 60 Months	33.6

Source: Fitch Ratings, SummitIG 2020-1.

accounts may be used prior to the last business day in December 2021. These funds may be drawn upon subject to the conditions and collateral quality tests listed below, during the 12-month prefunding period. Any amounts remaining on deposit at the end of the prefunding period will be applied to repayment of principal of the series 2020-1 notes on the next succeeding payment date.

The prefunding accounts can be drawn upon based on the following constraints:

- The weighted average remaining customer contract term of all contracts is greater than or equal to 4.0 years or with Rating Agency confirmation;
- Pro forma leverage ratio of the aggregate outstanding notes to the aggregate annualized run rate net operating income is less than or equal to 9.5x;
- Pro forma DSCR is greater than or equal to 1.85x; and
- ARRRR attributable to Non-Investment Grade customers is less than or equal to 45%.

Variable Funding Notes

The transaction is structured with class A-1 notes and class A-2 notes, the former of which are variable funding notes. These notes will rank pari passu with all class A notes. The class A-1 notes reflect an ARD of December 2023 but may be extended two times by 1 year by the holders of the note, without the consent of the trustee or other noteholders but subject to certain conditions precedent.

The class A-1 notes have an initial balance of $0 and a commitment amount of $50 million. The class A-1 notes are expected to be drawn upon based on organic cash flow of the collateral pool, from additional contracts or contractual escalators.

The variable funding notes will be able to be drawn upon based on the following constraints:

- The weighted average remaining customer contract term of all contracts is greater than or equal to 4.0 years or with Rating Agency confirmation;
- Pro forma leverage ratio of the class A outstanding notes to the aggregate annualized run rate net operating income is less than or equal to 6.65x;
- Pro forma DSCR is greater than or equal to 1.85x relative to the NCF; and
- ARRRR attributable to Non-Investment Grade customers is less than or equal to 45%.

Cash Flow Analysis

Fitch's adjusted cash flow is $17.0 million, which is 7.6% lower than the issuer cash flow of $18.4 million (including cash from prefunding). Fitch's cash flow analysis focuses on the durability of cash flow generated from contracts in place.

A stress to the revenue was applied based on technology which was in line with the investment grade telephony/data stress that is applied in wireless transactions for leases of greater than or equal to seven years, at 2.0%. Additionally, Fitch inflates operating expenses over the life of the transaction.

Adjustments to gross potential revenue were determined on a contract-by-contact basis, considering average contractual revenue increases over the anticipated repayment date (ARD) period for investment-grade tenants.

Fitch stressed potential revenue related to future contracts in line with the non-investment grade telephony/data stress that is applied in wireless transactions for leases of less than seven years, at 7.5%. This is viewed as conservative given that the compound annual growth rate (CAGR) for SummitIG's monthly recurring revenue from Q1 2018 through Q3 2020 was approximately 42%.

Fitch applied a management fee of 4.0% of revenues, which it believes is adequate for this portfolio and consistent with its historical payroll cost. The manager will pay all expenses necessary for the

performance of its duties with the exception of operating expenses and capital expenditures. Fitch assumed maintenance capital expenditures in line with the budget established by SummitIG.

In determining its cash flow, Fitch reviewed the direct operating expenses from 2017 through 2019, the trailing twelve months through the third quarter of 2020 and the forward-looking budget provided by SummitIG. Fitch then determined appropriate expense levels based on the various expense categories, as informed by historical and budgeted levels.

Dark Fiber Overview

Fiber optic networks transmit data using equipment that creates pulses of light that travel through fiber optic cables. Fiber optic cables are made of ultra-thin strands of glass that are coated by protective layers and aggregated into a cable. These cables can be distributed aerially along pole lines or buried underground. SummitIG cables use high-count fiber cables with 432, 864, 1,728 or 3,456 fiber strands per cable across the entire underground network. The fiber optic cables laid underground run through a conduit. Fiber and conduit laid underground, are "dark" as no data is being transmitted until the fiber is "lit." Transmission equipment is needed in order to "light" the fiber and transmit the data. The transmission equipment converts data into light signals to transfer the data along the cable. Data transmitted over fiber optic cables travels much faster than traditional copper wires.

Providers of fiber optic lines use two commercial approaches, lit fiber services and dark fiber infrastructure. Lit fiber service customers share the system, which the providers operate by installing transmission equipment that lights the fiber. Dark fiber infrastructure allows customers to have a private network with dedicated bandwidth that customers "light" by operating their respective equipment. The dark fiber approach allows customers to have a secure, scalable, customized network without the capacity restrictions imposed by a "lit" fiber operator.

Dark Fiber Industry Overview

Driven by the multi-decade growth in data consumption, cloud-computing and increasing reliance on the internet, there is unprecedented demand in fiber services and data centers in all industry forecasts. The demand for these services is expected to remain strong in 2021, despite the effects on the economy of the coronavirus pandemic. Fitch believes that, even with the pandemic, cloud and content providers, telecom carriers and data center operators will continue to invest in their networks to expand capacity for the long term. Data center operators and fiber line providers have continued relatively unimpacted by COVID-19 and have been deemed essential business lines.

Fitch believes the dark fiber market has relatively low exposure to the effects of the pandemic, as it has made consumers typically more reliant on data usage. Dark fiber customers are not as negatively affected as other sectors, such as airlines, nonfood retail, restaurants, lodging and leisure, automotive and media, given the important role of the internet in providing their connectivity.

Key driver for demand and growth for dark fiber networks are based on consumer demand for data, capacity, cloud, speed and bandwidth related to high-quality internet services. Increased data consumption by consumers will drive the customers' demand for dark fiber services. The dark fiber networks assist in enhancing the speed of data transfers as they provide more reliable and more secure method of transferring data. For existing customers, as consumer demand increases in speed, more capacity will be needed.

As the largest internet exchange in the United States, Northern Virginia has become the main data center hub, with large cloud providers and data center operators rapidly developing new infrastructure in the area to keep up with growing demand. Northern Virginia represents the largest data center market in the United States, with continued market expansion providing a backdrop for sustainable growth in demand.

Growth Driven by Data Center Demand

Fitch believes data center growth provides insight into the growth of the dark fiber market. Demand growth for new technology in corporate IT, remote work initiatives, e-commerce, digital content and entertainment accelerated data center demand in 2020 due to the coronavirus pandemic. Fitch expects these shifts to remain largely permanent, catalyzing long-term trends and supporting secular demand drivers.

The Northern Virginia data center market is one of the world's largest and the largest in the United States. The dense concentration of data centers in Northern Virginia and their interconnectedness helps improve networks and allows for lower latency and higher speeds. The market is uniquely concentrated with many large established and extremely fast-growing customers. Largely due to the demand of Northern Virginia's vast activity, the construction pipeline is one of the largest on record. As the demand for data among technology, social media and cloud service providers continues to increase, the Northern Virginia data center market will as well.

According to JLL, as of the 1H2020, the Northern Virginia data center market had approximately 1,719 MW of inventory and is larger than the next three data center markets combined, Dallas (580.5 MW) Chicago (563 MW), and Northern California (468 MW). Northern Virginia currently has approximately 121 MW available with 729 MW currently being planned.

The Northern Virginia market has 392.5 MW under construction as of the first half of 2020. This is approximately 6.4 times more than at the end of the first half of 2019. The next largest U.S. market in terms of construction, Northern California, has only 86 MW under construction as of the first half of 2020, only approximately twice the same period in 2019.

Year-over-year absorption has more than doubled in Northern Virginia's data center market as of the first half of 2020. During this period, Northern Virginia has absorbed 180 MW while the next highest data center absorption occurred in Phoenix with 18.5MW.

In 2018, CMA Strategy Consulting used a combination of actual data and estimates to project a 13% CAGR of MW for the Northern Virginia data center market for 2013–2022. The same report estimated an 18% CAGR in annual spending for dark fiber for the same period.

Given the record setting growth seen in the Northern Virginia market for data centers, Fitch expects demand for dark fiber services to continue growing along with the market. Demand renewal is likely as high as dark fiber is critical to these operations. Additionally, SummitIG's market position and increased demand should easily offset customer churn.

Over the past several years, churn rates have been extremely low. To the extent churn has occurred, it is usually the result of enterprise customers switching service to cloud providers, which have continued to increase their utilization of SummitIG's fiber lines. Dominant cloud providers consist of companies which carry ratings in the 'AA' category and typically sign long-term contracts.

Background – SummitIG, LLC

SummitIG, the original asset entity, was established in 2012 and consists of the ownership, development, licensing or leasing and operation of dark fiber assets. SummitIG provides a dark fiber platform and network solutions through its existing infrastructure of dense conduit and high-count fiber optic cables. The in-place network allows SummitIG to provide custom connectivity to customers in a timely manner at lower cost than competitors.

In 2019, SDC Capital Partners, LLC acquired a majority interest in the SummitIG, with the previous majority owners, a family of funds managed by Columbia Capital, LLC, maintaining a material ownership interest.

SummitIG's primary business is owning, managing and operating the dark fiber assets and infrastructure in Northern Virginia. The platform interconnects telecommunications providers, cloud carriers, content providers, data center operators and large technology enterprises. The network also has long-haul routes to Richmond and Virginia Beach.

SummitIG's provides the custom dark fiber connectivity for customers, but customers provide their own transmission equipment in order to "light" the cables and transfer data. SummitIG also provides services relating to operations and maintenance of fiber pairs, utility locating, route surveillance, emergency restoration services and coordination of operations and maintenance services, as needed, to customers.

SummitIG's network cover nearly 600 miles, more than 70% of which are unique or differentiated routes, in one the largest data center markets in the world. The network allows SummitIG to provide customers with unique and custom routes, along with maximizing flexibility, scalability and network performance. The network is currently approximately 20% utilized, which allows for existing and new customer expansion, at limited to no incremental capital or operating expense.

SummitIG's diverse network benefits from minimal overlap with competitive dark fiber providers, enabling the company to win an outsized share of the rapidly growing Northern Virginia market. The company's sole focus is on dark fiber, which allows them to provide a more customizable, higher quality product with more capacity, which the competition cannot provide. That gives SummitIG a distinct advantage, as there are significant engineering, permitting and construction costs associated with constructing a fiber network.

SummitIG is managed by a team of experienced communications infrastructure industry professionals, with most of senior management having over 15 years of experience in the industry. Management has developed strong relationships that are beneficial to operating in the Northern Virginia market. Currently, the company directly employs 20 individuals and contracts third-parties as needed.

As of November 2020, SummitIG's portfolio included approximately 496 contracts to 89 different customers, with over 66% having an investment-grade rating. SummitIG primarily provides five different services across five different customer segments. The company has indicated that it can easily manage the company in a cash trap situation and continue managing the sites.

Expected Rating Sensitivity

This section of the report provides greater insight into performance and ratings sensitivities the transaction faces when applying various deterministic stresses. The factors being stressed in the sensitivities stresses are Fitch NCF and revenues. The results below should only be considered as potential outcomes, given that the transaction is exposed to a variety of additional risk factors that are all dynamic variables.

Breakeven Stress Scenarios

Fitch performed a stress scenario in which revenues were shocked or reduced while maintaining the same assumptions for management fee and expenses and no prepayment of the notes. The independent stress was a reduction to revenue applied on day one and maintained for the life of the transaction. The class A-2 notes withstood a reduction in revenue of 57.2%. The class B notes withstood a reduction in revenue of 52.1%. The class C notes withstood a reduction in revenue of 31.0%.

Stress Scenarios

Fitch performed a stress scenario in which revenues were shocked or reduced while maintaining the same assumptions for management fee and expenses and no prepayment of the notes. The independent stress was a 10% annual reduction to revenue applied in years 5 through 15 after the close of the transaction, beginning immediately after the ARD. The class A-2 and the class B notes paid in months 309 and 348, respectively. The class C notes did not receive principal payments.

Fitch performed a stress scenario in which revenues were shocked or reduced while maintaining the same assumptions for management fee and expenses and no prepayment of the notes. The independent stress was a 10% annual reduction to revenue applied in years 10 through 20 after the close of the transaction. The class A-2 and the class B notes paid in months 177 and 202, respectively. The C notes had a remaining balance of approximately $16 million by the final legal maturity.

Fitch performed a stress scenario in which revenues declined exponentially beginning in year 7 after the close of the transaction, capping the reduction at 64% as of year 13 of the transaction and maintaining that level for the remaining life. Fitch believes this stress is appropriate given that we have line of sight in the next several years and do not expect a technology to replace these assets. Beyond our line of sight, approximately five years into the future, a new technology could be developed but would still take time to transition from development to widespread adoption (including regulatory approval, network buildout, and user adoption). Fitch's stresses become more severe as adoption ramps up, but assumes the asset will still be used in a limited capacity, generating revenues of 36% of the original ARRRR for the remaining life of the transaction. The class A-2 and the class B notes paid in months 209 and 248, respectively. The class C notes did not receive principal payments.

Declines to NCF result in lower DSCRs, which is one of the most significant rating drivers.

Upgrades are unlikely for these transactions given the provision for the issuer to issue additional notes, which rank pari passu or subordinate to existing notes, without the benefit of additional collateral. In addition, the transaction is capped at 'A', given the risk of technological obsolescence.

Best and Worst Case Scenarios

Ratings of structured finance transactions have a best case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of seven notches over a three-year rating horizon and a worst case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of seven notches over three years. The complete span of best and worst case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best and worst case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best and worst case scenario credit ratings, click here.

Transaction Structure

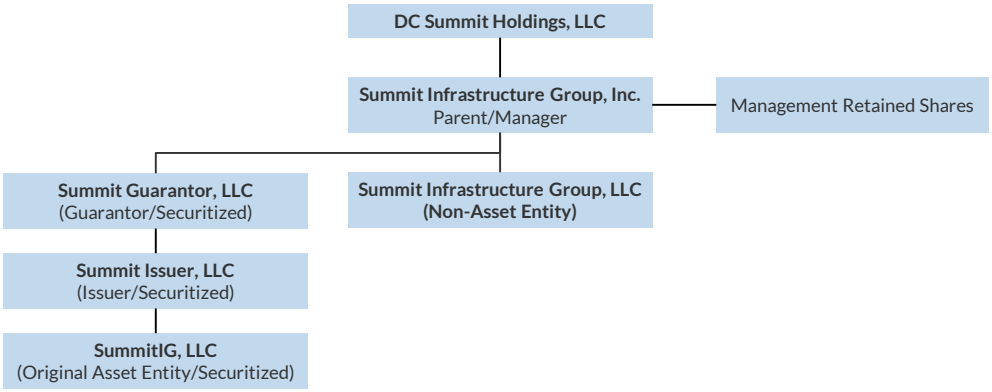
The notes will be issued pursuant to an indenture with an effective date as of the expected closing date. The issuer is an SPE that will own no assets other than the equity interest in the asset entities. The asset entities own no assets other than the transaction collateral and are prohibited from acquiring other assets or incurring any liabilities, other than as contemplated in the indenture, and will have no employees.

Issuer and Issuer Entities

The issuer is Summit Issuer, LLC, a newly formed Delaware limited liability company. On or prior to the Closing Date, the equity interests in SummitIG, LLC (the Original Asset Entity), a Virginia limited liability company, will be assigned to the Guarantor, Summit Guarantor, LLC, a newly formed Delaware limited liability company and, in turn, the Guarantor will contribute, such equity interests to the Issuer. Making the issuer the direct parent of SummitIG, LLC.

SummitIG, LLC will guarantee the payment of amounts due under the Notes and all other monetary obligations of the Issuer and the Asset Entities under the Indenture and the other Transaction Documents. All of the Dark Fiber Assets and Customer Contracts included as collateral for the Notes are held through the SummitIG, LLC.

Organizational Structure



Source: SummitIG 2020-1

Legal Structure

Fitch expects the legal structure of the transaction to provide that a bankruptcy of SummitIG (the parent) would not impair the timeliness of interest payments on the securities. Fitch will review the legal opinions to the effect that the security backing the notes will not be consolidated with those of any affiliates or subsidiaries of the parent, other than the issuer, in the event of bankruptcy. Furthermore, Fitch expects to receive an opinion of counsel that the indenture trustee has a first-priority-perfected security interest in the equity interests of the SPE issuer and the asset entities that own the collateral and cash flows backing the notes.

Special-Purpose Entity and Bankruptcy Remoteness

Structured finance transactions rely on the concept of a bankruptcy-remote SPE to enhance the likelihood of separation of the SPE from its originator and other affiliates in the event of insolvency of any such affiliates. The key feature that distinguishes a structured finance transaction from a corporate credit is the structural isolation, or de-linking, of an underlying pool of assets from the corporate credit risk of the owner, or originator, of those assets.

This is typically achieved in structured finance by the sale of an identifiable and specific pool of the originator's assets to an SPE so that neither the assets nor their proceeds on realization will be available for distribution as part of the bankruptcy estate of the originator. The SPE asset entities already hold the assets. For this deal, the asset entities' organizational documents were created to include a minimum of two independent directors who must consent to certain bankruptcy-related materials. These independent directors can only be removed for cause.

Representations and Warranties

The obligors, including the issuer, original asset entity and guarantor, have made representations and warranties with regard to their formation and authority to enter into and perform obligations arising from this transaction to conduct business and comply with applicable laws and regulations, including zoning and permits, among other items.

Credit Enhancement

Credit enhancement (CE) for each class is provided by the subordination of classes with a later alphabetical designation. CE for class A is provided by class B and C. Any additional securities will rank pari passu with the class of securities bearing the same alphabetical class designation and be subordinate to any earlier alphabetical classes, regardless of maturity, in the receipt of interest and principal.

Interest Allocation

Monthly interest is allocated sequentially among the securities in direct alphabetical order (pro rata within each class), based on the amount of accrued interest. Accrued interest for each security will be calculated on the basis of a 360-day year, consisting of 12 30-day months.

Principal Allocation

Principal payments will be paid in accordance with the amortization schedule. No principal payments will be required to be paid prior to the ARD of each series, unless an amortization period commences (DSCR falls below 1.20x), any funds remain in the prefunding accounts after the prefunding period, an event of default under the indenture occurs and is continuing, certain casualty or condemnation events occur or with proceeds from the disposition of dark fiber assets.

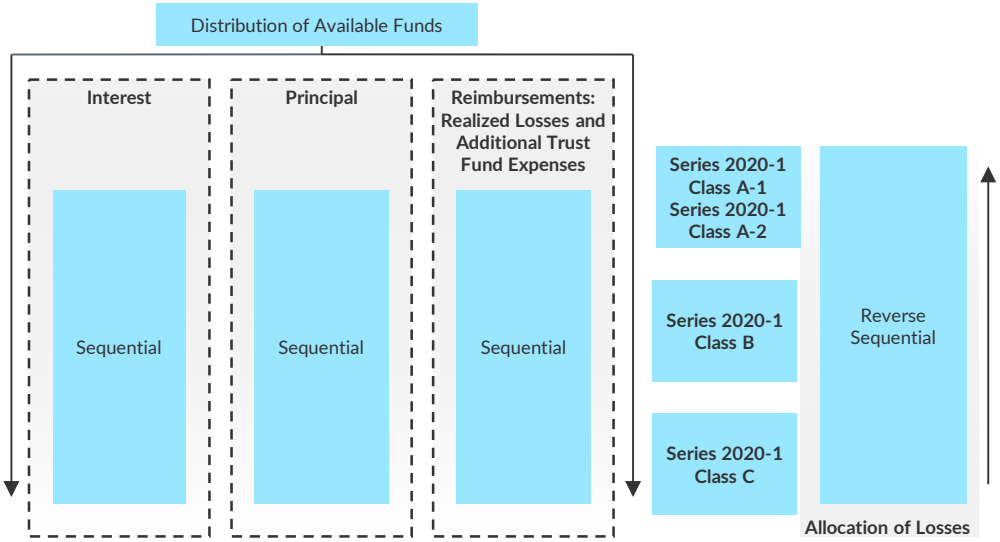
Priority of Payments

Payments will be in the following order of priority:

- Advance fee reserve accounts.
- Fixed expense and insurance reserve accounts.
- Senior expenses; these generally include trustee, verification agent and servicer fees, other servicing fees, unreimbursed advances to the trustee and servicer, any and all other amounts due to the servicer, verification agent and indenture trustee, and any additional obligor expenses.
- If an (i) amortization period or (ii) ARD period or acceleration has not occurred: to holders of each class of securities, in direct alphabetical order and pro rata for securities bearing the same alphabetical designation, interest due and accrued and accrued and unpaid commitment fees under the VFN.
- During an (i) amortization period or (ii) ARD period and no acceleration has not occurred, to class A and class B noteholders, in direct alphabetical order and pro rata for securities bearing the same alphabetical designation, interest due and accrued and accrued and unpaid commitment fees under the VFN.
- To the obligors, an amount equal to the monthly Dark Fiber operating expense amount for the current collection period or any prior period, to the extent not previously paid.
- Management fee of 4.0% of monthly operating revenues to managers.
- To obligors, any amount to pay operating expenses in excess of the monthly operating expense amount.
- If an (i) amortization period or (ii) ARD period and acceleration has not occurred: monthly amortization amounts due and additional principal payment amount and prepayment consideration.
- To liquidity reserve account, the required amounts.
- To cash trap reserve accounts, if a cash trap condition (DSCR < 1.70x) is continuing and neither an amortization period nor an ARD period is in effect, and no acceleration has occurred and is continuing, 50% of remaining funds available in collection account.
- if a cash sweep condition (DSCR < 1.50x) is continuing and neither an amortization period nor an ARD period is in effect, and no acceleration has occurred and is continuing, (i) to holders of each class of securities the product of the cash sweep percentage and the remaining funds available in collection account, in alphanumerical order, principal pro rata to holders of each class of securities. (ii) to the collateral enhancement reserve account, the remaining funds.

- In an acceleration following an event of default has occurred or is continuing, in alphanumerical order, pro rata, principal.
- During an amortization period, if no acceleration following the occurrence or continuation of an event of default, to class A and class B noteholders, in alphanumerical order, pro rata, principal.
- During an ARD period, in alphanumerical order, pro rata principal (i) to VFN noteholders, (ii) to class A and class B noteholders.
- During an (i) amortization period or (ii) ARD period, if no acceleration following the occurrence or continuation of an event of default, to class C noteholders, accrued and unpaid Class C interest.
- During an amortization period, if no acceleration following the occurrence or continuation of an event of default, to class C noteholders, class C principal.
- During an ARD period, if no acceleration following the occurrence or continuation of an event of default, to class C noteholders, class C principal.
- During an ARD period, to all noteholders, in alphanumerical order, pro rata, (i) post-ARD additional interest and (ii) deferred post-ARD interest.
- To holders of each class of notes, in order of alphabetical designation, any unpaid prepayment consideration.
- To the VFN noteholders, an amount equal to the optional prepayment amount so designated by the Issuer;
- To the Manager, for reimbursement for any advance made by the Manager, along with the interest payable.
- Any excess cash flow to holders of equity interests in the Issuer.

Sequential-Pay Structure



This chart describes the manner in which the rights of various classes will be senior to the rights of other classes. Entitlement to receive principal and interest on any distribution date is depicted in descending order. The manner in which loan losses are allocated is depicted in ascending order. Allocation of interest, principal, and any losses will be pro rata for classes of notes that bear the same alphabetical designation.
Source: SummitIG 2020-1.

Cash Management

All customers are required to pay rents and other sums directly to lockbox accounts in favor of the trustee. Money in the lockbox accounts will be deposited daily into the collection accounts. All amounts on deposit in the collection accounts will be applied or allocated on each payment date, in accordance with the priority of payments set forth under transaction documents.

Reserves Accounts and Liquidity

The following reserve accounts will be funded, as required, as of the closing date for the benefit of noteholders:

- Fixed Expense and Insurance Reserve Account – for the payment of fixed access fees, local or property taxes and insurance premiums. The amount is the sum of the impositions estimated by the manager and one-twelfth of the estimated annual premiums, funded at closing.
- Cash Trap Reserve Account – to accumulate cash if a cash trap condition has occurred.
- Collateral Enhancement Reserve Account - to accumulate cash that would otherwise have been payable to the Issuer while any Cash Sweep Condition has occurred.
- Advance Fee Reserve Account – for the advance fee reserve deposit amount, funded at closing.
- Yield Maintenance Reserve Account – the amount equal to the amount of interest that will accrue on the portion of the principal amount in the prefunding accounts on a weighted average basis, funded at closing.
- Liquidity Reserve Account – to reserve three months of interest and four months of operating expenses to be used for shortfalls related to certain amounts due to the Indenture Trustee and the Servicer, interest on the notes, operating expenses with respect to the Dark Fiber Networks and the management fee.

The fixed expense and insurance reserve account, advance fee reserve account and liquidity reserve account will be accessed each payment date to ensure the required amounts are in each respective account.

The issuer may, in lieu of funding (or as a partial replacement for funding) the liquidity reserve account, maintain one or more liquidity reserve letters of credit to be issued under a Variable Funding Note Purchase Agreement. Funds drawn on the letters of credit will be deposited into the liquidity reserve account.

Cash Trap Reserve and Cash Sweep Condition

The cash trap condition is triggered by a decline in DSCR below or equal to 1.70x at the end of any calendar quarter. All excess cash will be trapped until the DSCR is greater than 1.70x for six consecutive calendar months. If the DSCR falls below 1.50x, a cash sweep condition will be triggered, and available funds in accordance with the priority of payments will amortize the notes until the DSCR is greater than 1.50x for six consecutive calendar months. The DSCR test will be based on interest payments only.

Management Fee

The manager will be entitled to the management fee for each monthly collection period in an amount equal to 4.0% of the operating revenues for such collection period. All expenses necessary for the performance of the manager's duties will be paid from the manager's own funds. Fitch's NCF reflects a management fee of 4.0% for Dark Fiber Assets.

Insurance

Obligors are required to maintain, among others, the following types and amounts of insurance coverage:

- General liability, with a minimum of $1.0 million coverage per occurrence and $2.0 million in aggregate per year in the U.S.
- Business interruption insurance.

Among other requirements, the borrower must maintain insurance coverage with carriers having an insurer financial strength rating of at least 'A' or, with rating agency confirmation, provide self-insurance as permitted under the indenture and related documents. The lender is to be named an additional insured for each policy.

Disposition of Dark Fiber Assets

Dark Fiber Assets may be disposed of, subject to certain conditions, in connection with the prepayment or repayment in full of a series of notes and in certain other circumstances.

Disposition of the Dark Fiber Assets in connection with the prepayment or repayment in full of a series of notes are subject to the following conditions:

- no event of default has occurred and is continuing and no amortization period has commenced;
- during a special servicing period, the servicer consents;
- notice is provided to Fitch;
- pro forma leverage ratio is less than or equal to 9.75x;
- DSCR following the disposition is greater than 2.0x after the release;
- the percentage of revenue represented by investment-grade (IG) customers does not decrease more than 5% of the percentage of revenue represented by IG customers prior to the release; and
- the weighted average customer contract term does not decrease by more than 1 year.

The asset entities may dispose of Dark Fiber Assets if: (i) the servicer's consent is obtained should disposal occur during a special servicing period; and (ii) unless a rating agency confirmation is

obtained, after giving effect to such disposition, the tenant quality tests would be satisfied and issuer shall have provided notice to the rating agencies. The issuer must prepay the notes in an amount equal to 100% of the disposition price if after the disposition, DSCR is the lower of 2.5x and the DSCR at the most recent closing date and ARRNOI has not decreased less than 7.5% and either (i) DSCR is less than 3.0x and disposition prices are greater than $15 million in aggregate, (ii) DSCR is between 3.0x and 4.0x and disposition prices are greater than $30 million in aggregate, (iii) DSCR is greater than 4.0x and disposition prices are greater than $45 million in aggregate. The issuer must prepay the notes in an amount equal to 125% of the allocated note amount, if the above criteria is not met, together with any applicable prepayment consideration. Dark Fiber Assets having an aggregate allocated note amount of up to $5 million may be made without any prepayment if certain conditions are met.

Additional Notes

The transaction allows for the issuance of additional notes. The additional notes will rank pari passu with any class of notes bearing the same class designation and are subject to, among other things (i) the rated final payment date of the additional notes be later than the rate final payment date of outstanding VFN notes, (ii) the DSCR after the issuance of additional notes be greater than or equal to 2.0x, (iii) Fitch confirmation. As Fitch monitors the transaction, the possibility of rating upgrades may be limited due to the provision that allows additional notes and cash flow deterioration.

Events of Default

To protect noteholders from issuer insolvency or breaches of obligation, the transaction includes several events of default. As with cell tower transactions, which reflect a very similar liability structure, events of default covering missed interest payments or compliance with transaction documents, and bankruptcy and insolvency events of the issuers and guarantor, are incorporated into the structure.

A missed or partial payment of the class A monthly amortization amount on any payment date (other than the rated final payment date) does not constitute an event of default.

Anticipated Repayment Date

The anticipated repayment date (ARD) for series 2020-1 class A-1 notes is December 2023 with two possible extension of 1 year. The ARD for series 2020-1 class A-2, 2020-1 class B and 2020-1 class C notes is December 2025. If the issuers fail to repay the notes of a series in full on the series ARD, additional interest will accrue on such series and the outstanding principal balance of such series will begin to amortize on a monthly basis to the extent excess cash flow is available for such purpose. Fitch's rating does not address additional interest accrued post ARD.

Rated Final Payment Date

The rated final payment date for series 2020-1 class A-1, 2020-1 class A-2, 2020-1 class B and 2020-1 class C notes is December 2050.

LIBOR Fallback Provisions

Assets

The collateral assets consist of fiber optic cables, conduits, permits and rights that generate cash flow based on contracts. Cash flow generation is independent of interest rates and is unaffected by LIBOR replacement.

Hedges

The transaction is not structured with hedges.

Rated Notes

The transaction reflects exposure to the LIBOR reference rate with respect to the series 2020-1 class A-1 notes. These notes reflect a base rate that is calculated as a defined percentage plus the greater of the following:

- a prime rate determined by a commercial bank and agreed upon by the manager and the servicer;
- the federal funds rate + 0.50%;
- a Eurodollar funding rate + 1.00%; and
- 0%.

The Eurodollar funding rate is currently based on LIBOR, but following the termination of LIBOR, subject to the determination of the administrative agent and A-1 noteholders with a majority interest, this rate will be amended.

The replacement rate will be determined by the administrative agent and noteholders owning a controlling interest, giving consideration to a replacement rate suggested by the Federal Reserve Bank of New York or Federal Reserve Board, including both term SOFR and compounded SOFR.

This appears consistent with the ARRC recommended features, although the ultimate rate is subject to the selection of the administrative agent and noteholders.

Disclaimer

Fitch relies in its credit analysis on legal and/or tax opinions provided by transaction counsel for the avoidance of doubt. Fitch has always made clear that it does not provide legal and/or tax advice or confirm that the legal and/or tax opinions, or any other transaction documents, or any transaction structures, are sufficient for any purpose. The disclaimer at the foot of this report makes it clear that this report does not constitute legal, tax and/or structuring advice from Fitch, and should not be used or interpreted as legal, tax and/or structuring advice from Fitch. Should readers of this report need legal, tax and/or structuring advice, they are urged to contact relevant advisers in the relevant jurisdictions.

Counterparty Risk

The manager of the Dark Fiber Network, Summit Infrastructure Group, Inc., may be terminated at the servicer's direction upon the occurrence of one of the following events: an event of default; if the DSCR falls below 1.10x due to poor management; fraud, gross negligence or willful misconduct; or breach of the management agreement. The management contract will expire every 30 days, unless specifically renewed by the issuer.

KeyBank National Association (rated CMS1 and CSS1- as a master and special servicer, respectively, by Fitch) is the servicer for the transaction.

The indenture trustee, Wilmington Trust, National Association (rated A by Fitch with a Negative Rating Outlook) and may replace the servicer upon a servicer termination event.

Counterparty Risk Exposures

Counterparty Role/Risk	Counterparty	Relevant Rating under Criteria	Minimum Ratings and Remedial Actions	Adjustment to Analysis If Minimum Ratings and Remedial Actions Not in Line with Criteria
Issuer Account Bank	Wilmington Trust, National Association	Deposit ratings: A+/F1	Minimum ratings of BBB	Minimum ratings are in line with criteria, replacement language is not. Ratings could be capped in the event of counterparty downgrades.
Servicer	KeyBank National Association	Deposit ratings: A/F1	The notes are qualified, downgraded, withdrawn or subject to a negative credit watch as a result of the servicer or its actions; the servicer is terminated immediately with the indenture trustee servicing as backup and determining a replacement.	Neither minimum ratings nor replacement language is in line with counterparty criteria; however, the servicer may not resign and is above threshold levels. Ratings could be capped in the event of counterparty downgrades.

Servicing Continuity	Wilmington Trust, National Association Trustee must find a new servicer and act as servicer in the interim	Deposit ratings: A+/F1 Current servicer rating: A+	The trustee must maintain a long-term investment-grade rating from Fitch. The trustee may also be removed by the noteholders in the event the notes are qualified, downgraded, withdrawn or subject to a negative credit watch as a result of the servicer or its actions.	Minimum ratings language is not in line with criteria. Ratings could be capped in the event the servicer and the trustee are both downgraded below the applicable thresholds for their roles.

Source: Fitch Ratings, SummitIG 2020-1.

Criteria Application, Model and Data Adequacy

Criteria Application

See page 2 for the list of Applicable Criteria.

Fitch applied its criteria for rating Infrastructure and Project finance transactions to the assets, which take into account the operation, revenue and infrastructure renewal risks, debt structure, financial profile, completion risk, structure and information and macro risks. The "Infrastructure and Project Finance Rating Criteria" (March 2020) can be found on Fitch's website.

Use of Third-Party Due Diligence Pursuant to SEC Rule 17g-10

Fitch was provided with third-party due diligence information from Deloitte & Touche LLP. The third-party due diligence information was provided on Form ABS Due Diligence Form-15E and focused on a comparison of certain characteristics with respect to the portfolio of dark fiber assets and related contracts in the data file. Fitch considered this information in its analysis, and the findings did not have an impact on our analysis. Copies of the ABS Due Diligence Forms-15E received by Fitch in connection with this transaction may be obtained through the link contained on the bottom of the related rating action commentary (RAC).

Surveillance

Information is reported monthly by the servicer and the indenture trustee.

Factors that may lead to positive rating actions include Increasing cash flow without an increase in corresponding debt, from structural contract escalators or new contracts could lead to upgrades. However, the transaction is capped in the 'A' category, given the risk of technological obsolescence.

Factors that may lead to negative rating actions include declining cash flow as a result of higher expenses or churn, and the development of an alternative technology for the transmission of data or the creation of a competing network with similar capacity and breadth of coverage could lead to downgrades.

For more information on how Fitch monitors its transactions, see "Infrastructure and Project Finance Rating Criteria" (March 2020).

Appendix 1: Origination and Servicing

Master Servicer Overview

KeyBank National Association (KeyBank, or the company) is commercial real estate (CRE) lending and servicing platform of KeyCorp. KeyBank maintained a primary and master servicing team of 418 employees as of March 2020.

KeyBank is rated 'CMS1' by Fitch. The master servicer rating reflects the continued strength of KeyBank's strong technology environment focused on automation, controls, and continuous improvement, experienced and deep management team as well as a strong internal control structured along the three lines of defense methodology.

As of March 31, 2020, KeyBank's U.S. commercial mortgage loan servicing portfolio consisted of 21,502 loans totaling approximately $321.8 billion. As of the same date, KeyBank was named master servicer for 8,402 loans in 359 transactions totaling $183.6 billion and responsible for the oversight of 36 primary servicers.

For more information, refer to the Fitch servicer report, "KeyBank N.A.," dated September 2020.

Financial Condition

KeyBank is the commercial real estate lending and servicing platform of KeyCorp. Fitch maintains a Long-Term Issuer Default Rating for KeyCorp of 'A-'/Negative.

Appendix 2: ESG Relevance Score

FitchRatings **Summit Issuer, LLC** Infrastructure ESG Navigator Generic

Credit-Relevant ESG Derivation

Summit Issuer, LLC has 10 ESG potential rating drivers

- Summit Issuer, LLC has exposure to impact of climate change and extreme weather events on assets, construction and operations but this has very low impact on the rating.
- Summit Issuer, LLC has exposure to human rights; relationships with communities and/or land right holders; access and affordability but this has very low impact on the rating.
- Summit Issuer, LLC has exposure to customer privacy; data security; product quality and safety; customer welfare; selling practices and product labeling but this has very low impact on the rating.
- Summit Issuer, LLC has exposure to impact of labor negotiations and employee (dis)satisfaction; supply chain management - labor; employee diversity and inclusion but this has very low impact on the rating.
- Summit Issuer, LLC has exposure to employee health and safety but this has very low impact on the rating.
- Summit Issuer, LLC has exposure to shifting social preferences; social resistance to major projects or operations that leads to delays or cost increases but this has very low impact on the rating.

Showing top 6 issues

			Overall ESG Scale
key driver	0	Issues	5
driver	0	Issues	4
potential driver	10	Issues	3
not a rating driver	0	Issues	2
	4	Issues	1

Environmental (E)

General Issues	E Score	Sector-Specific Issues	Reference
GHG Emissions & Air Quality	1	GHG emissions; air quality	Operation Risk; Infrastructure Renewal Risk;Financial Profile
Energy Management	1	Energy management	Operation Risk; Infrastructure Renewal Risk;Financial Profile
Water & Wastewater Management	1	Water and wastewater management	Operation Risk; Infrastructure Renewal Risk;Financial Profile
Waste & Hazardous Materials Management, Ecological Impacts	1	Waste and hazardous materials management; ecological impacts; product design & lifecycle management; supply chain management - product	Operation Risk; Infrastructure Renewal Risk;Financial Profile
Exposure to Environmental Impacts	3	Impact of climate change and extreme weather events on assets, construction and operations	Completion Risk;Revenue Risk;Operation Risk; Infrastructure Renewal Risk;Financial Profile

E Scale: 5, 4, 3, 2, 1

Social (S)

General Issues	S Score	Sector-Specific Issues	Reference
Human Rights, Community Relations, Access & Affordability	3	Human rights; relationships with communities and/or land right holders; access and affordability	Revenue Risk; Infrastructure Renewal Risk;Financial Profile
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Customer privacy; data security; product quality and safety; customer welfare; selling practices and product labeling	Operation Risk
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction; supply chain management - labor; employee diversity and inclusion	Operation Risk
Employee Wellbeing	3	Employee health and safety	Operation Risk
Exposure to Social Impacts	3	Shifting social preferences; social resistance to major projects or operations that leads to delays or cost increases	Completion Risk;Revenue Risk; Infrastructure Renewal Risk

S Scale: 5, 4, 3, 2, 1

Governance (G)

General Issues	G Score	Sector-Specific Issues	Reference
Management Strategy	3	Operational implementation of strategy informed by sponsor strength/experience and ability to effectively manage risks; involvement of local parties	Structure and Information
Governance Structure	3	Board independence and effectiveness; ownership concentration; ring fencing	Structure and Information
Group Structure	3	Complexity, transparency and related-party transactions	Structure and Information
Financial Transparency	3	Quality and timeliness of financial disclosure; reliability, level of detail and scope of information (informed by data sources, use of expert reports)	Structure and Information

G Scale: 5, 4, 3, 2, 1

How to Read This Page
ESG scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the individual components of the scale. The right-hand box shows the aggregate E, S, or G score. General Issues are relevant across all markets with Sector-Specific Issues unique to a particular industry group. Scores are assigned to each sector-specific issue. These scores signify the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Reference box highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.

The Credit-Relevant ESG Derivation table shows the overall ESG score. This score signifies the credit relevance of combined E, S and G issues to the entity's credit rating. The three columns to the left of the overall ESG score summarize the issuer's sub-component ESG scores. The box on the far left identifies some of the main ESG issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the score.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI) and the Sustainability Accounting Standards Board (SASB).

CREDIT-RELEVANT ESG SCALE

How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.