



New York City Municipal Water Finance Authority

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NEW YORK CITY MUNICIPAL WATER FINANCE AUTHORITY ANNOUNCES SUCCESSFUL SALE OF \$218 MILLION CROSSOVER REFUNDING BONDS IN SLOW MARKET

The New York City Municipal Water Finance Authority ("NYW") today announced the successful sale of \$218 million of tax-exempt fixed-rate Fiscal 2002 Series B and Series C crossover refunding bonds. Today's refinancing achieved NYW's savings target on refundings of present value savings of over 5% of the par amount of bonds issued by NYW, for a total savings of over \$11.8 million. Yields (interest rates) on individual maturities continued to be at historical lows relative to other comparable issuers and were roughly equal throughout the maturity range to yields on the New York City Transitional Finance Authority, one of the best trading issuers in the market. The yield spreads ranged from 10 basis points below the MMD Triple-A Scale in several of the earlier maturities to 12 basis points above the scale for the longest maturity.

The structure of the \$172 million Series B bonds included serial bonds from 2007 through 2020, and term bonds in 2021-2024 and 2026. Yields on the serial and term bonds ranged from 3.65 percent in 2007 to 5.14 percent in 2026. The structure of the \$46 million Series C bonds included serial bonds from 2011 through 2029, and a term bond in 2032. Yields on the serial and term bonds ranged from 4.12 percent in 2007 to 5.18 percent in 2032.

Priority orders from institutional investors were lighter than usual. However, support from the syndicate was strong, particularly in the shorter retail maturities. In the final pricing, yields were reduced by 01 to 05 basis points in ten earlier maturities and yields were raised in later maturities, 01 basis point in five maturities and 02 basis points in one maturity.

UBS PaineWebber Inc. was the book-running senior manager on the bond sale, with First Albany Corporation serving as co-senior manager on today's transaction.