

New York City



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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY
ANNOUNCES SUCCESSFUL SALE OF \$1.15 BILLION OF
FUTURE TAX SECURED SUBORDINATE BONDS**

The New York City Transitional Finance Authority (“TFA”) announced today the successful sale of approximately \$1.15 billion of future tax secured subordinate bonds, comprised of approximately \$850 million of tax-exempt fixed rate bonds and \$300 million of taxable fixed rate bonds. Proceeds from the bond sale will be used to fund capital projects.

During a two-day retail order period for the tax-exempt bonds, TFA received \$116 million of retail orders, of which approximately \$97 million was usable. During the institutional order period, TFA received approximately \$2.1 billion of priority orders, representing 2.8x the bonds offered for sale to institutional investors. Given the strong market demand, yields were reduced for maturities in fifteen different years. Yields were reduced by 2 – 4 basis points for maturities in 2022 through 2024, 1 basis point for maturities in 2025 through 2030, 2 basis points for maturities in 2032 through 2034 and 2 – 6 basis points for maturities in 2040 through 2042. Final stated yields ranged from 1.63% in 2020 to 3.55% in 2041 for a 4.00% coupon bond, 3.22% in 2042 for a 5.00% coupon bond and 3.68% in 2043 for a 3.50% coupon bond.

The tax-exempt bonds were sold via negotiated sale by TFA’s underwriting syndicate, led by book-running lead manager J.P. Morgan and joint lead manager Rice Financial Products Company, with BofA Merrill Lynch, Citigroup, Goldman Sachs & Co. LLC, Jefferies, Loop Capital Markets, Ramirez & Co., Inc., RBC Capital Markets and Siebert Cisneros Shank & Co., L.L.C. serving as co-senior managers.

TFA also sold \$300 million of taxable fixed rate bonds, comprised of two subseries, via competitive bid. The first subseries of approximately \$134 million of bonds maturing in 2025 through 2028 attracted nine bidders, with Goldman Sachs & Co. winning at a true interest cost of 3.537%. The second subseries of approximately \$166 million of bonds, which mature in 2029 through 2032 and are also callable at par in 2028, attracted eight bidders, with Barclays Capital winning at a true interest cost of 3.888%.