

New York City



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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY
ANNOUNCES SUCCESSFUL SALE OF \$1.4 BILLION OF
FUTURE TAX SECURED SUBORDINATE BONDS**

The New York City Transitional Finance Authority (“TFA”) announced today the successful sale of approximately \$1.4 billion of future tax secured subordinate bonds, comprised of approximately \$902 million of tax-exempt fixed rate bonds and \$500 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 \$481 million of retail orders, of which approximately \$410 million was usable. During the institutional order period, TFA received approximately \$2.1 billion of priority orders, representing 4.3x the bonds offered for sale to institutional investors. Given the strong market demand, yields were reduced by 4 – 5 basis points for the 4.00% coupon, 5.00% coupon and 5.25% coupon bonds maturing in 2034 through 2039. Final stated yields ranged from 1.80% in 2020 to 3.22% in 2038 for a 5.00% coupon bond, 3.60% in 2039 for a 4.00% coupon bond and 3.705% in 2040 for a 3.625% coupon bond.

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

TFA also sold \$500 million of taxable fixed rate bonds, comprised of two subseries, via competitive bid. The first subseries of approximately \$186 million of bonds maturing in 2023 and in 2026 through 2028 attracted eight bidders, with Morgan Stanley winning at a true interest cost of 3.570%. The second subseries of approximately \$314 million of bonds, which mature in 2029 through 2033 and are also callable at par in 2028, attracted seven bidders, with Jefferies winning at a true interest cost of 3.955%.