

New York City



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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES
SUCCESSFUL SALE OF \$1 BILLION OF NEW MONEY BONDS**

The New York City Transitional Finance Authority (“TFA”) announced the successful sale of \$1 billion of future tax secured fixed-rate subordinate bonds, including \$750 million of tax-exempt new money bonds and \$250 million of taxable new money bonds.

The TFA received approximately \$346 million of retail orders for the tax-exempt bonds during the two-day retail order period preceding yesterday’s sale, of which over \$265 million was usable. During yesterday’s institutional order period, the TFA received approximately \$732 million of priority orders from institutional investors for the approximately \$464 million of bonds left to sell. At the final pricing, strong investor demand made it possible to reduce yields by up to 3 basis points in 7 maturities. Final stated yields on the tax-exempt bonds varied by coupon and maturity, ranging from 0.55% in 2017 to 3.34% in 2037 for a 5.00% premium coupon bond and 3.74% in 2039 for a 3.625% discount coupon bond. The tax-exempt fixed-rate bonds were sold via negotiated sale by the TFA’s underwriting syndicate led by book-running senior manager Goldman, Sachs & Co. with Barclays, BofA Merrill Lynch, J.P. Morgan, Loop Capital Markets LLC, Morgan Stanley, and Wells Fargo Securities serving as co-senior managers on the transaction.

The TFA also sold \$250 million of taxable fixed rate bonds, consisting of two subseries, via competitive bid. The winning bidder for the first subseries of \$190 million of bonds maturing in 2017 through 2025 was BofA Merrill Lynch at a true interest cost of 2.71%. The winning bidder for the second subseries of \$60 million of bonds maturing in 2026 and 2027 was Wells Fargo Bank at a true interest cost of 3.53%

The TFA also intends to price \$150 million of tax-exempt new money variable-rate demand bonds on Monday, September 28, 2015, bringing the total sale to \$1.15 billion.

Standard & Poor’s rates the TFA subordinate lien bonds at AAA, Fitch Ratings rates the TFA subordinate lien bonds at AAA and Moody’s Investors Service rates the TFA subordinate lien bonds at Aa1.