

New York City



255 Greenwich Street, 6th Floor • New York, NY 10007-2106
Telephone: (212) 788-5877 • Fax: (212) 788-9197

FOR IMMEDIATE RELEASE

Date: Wednesday, October 23, 2013

Release #102313

Contact: Raymond J. Orlando, Dep. Dir. for Budget, Admin, and Comm., Mayor's Office of Management and Budget 212-788-5875
Alan Anders, Executive Director, New York City Transitional Finance Authority 212-788-5872
Scott Sieber, Press Officer, New York City Comptroller's Office 212-669-3747
Carol Kostik, Deputy Comptroller for Public Finance, New York City Comptroller's Office 212-669-8334

**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES
SUCCESSFUL SALE OF \$1.091 BILLION OF NEW MONEY BONDS**

The New York City Transitional Finance Authority ("TFA") announced today the successful sale of approximately \$1.091 billion of future tax secured fixed-rate subordinate bonds, including \$650 million of tax-exempt new money bonds, \$350 million of taxable new money bonds, and approximately \$91 million of taxable new money Qualified School Construction Bonds ("QSCBs").

The TFA received approximately \$150 million of retail orders for the tax-exempt bonds during the two-day retail order period preceding today's sale. At the final pricing after today's institutional order period, strong investor demand made it possible to reduce yields by one to three basis points in ten maturities. Final stated yields on the \$650 million of tax-exempt fixed-rate bonds varied by coupon and maturity, ranging from 0.34% in 2015 to 4.62% in 2042. The tax-exempt fixed-rate bonds were sold via negotiated sale by the TFA's financing syndicate, led by book-running senior manager Goldman, Sachs & Co. with Barclays Capital, BofA Merrill Lynch, J.P. Morgan, Loop Capital Markets LLC, Morgan Stanley, and Wells Fargo serving as co-senior managers on the transaction.

The TFA received nine bids for the \$350 million of taxable new money bonds offered. J.P. Morgan Securities LLC submitted the winning bid with a TIC of approximately 3.80 percent.

The TFA received nine bids for the \$91 million of taxable QSCBs with a single maturity in November 2032. The winning bid was submitted by Barclays Capital, Inc, with a TIC of approximately 4.45 percent. The interest on these bonds will be subsidized by the federal government.

The TFA also intends to price \$125 million of tax-exempt new money variable-rate demand bonds ("VRDBs") on Tuesday, November 12, 2013, bringing the total sale to approximately \$1.216 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.