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

The New York City Transitional Finance Authority ("TFA") announced today the successful sale of \$1 billion in new money and refunding bonds, including \$650 million in tax-exempt fixed-rate new money bonds, \$250 million in tax-exempt fixed-rate refunding bonds, and \$100 million in taxable Qualified School Construction Bonds ("QSCBs").

The TFA received approximately \$177 million of retail orders for the approximately \$700 million of new money and refunding bonds offered 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 basis point in the 2025 through 2034 maturities, and two basis points in the 2036 maturity. Final yields on the tax-exempt fixed-rate bonds varied by coupon and maturity, ranging from 0.17% in 2013 to 3.86% in 2040. The tax-exempt fixed-rate bonds were sold via negotiated sale by the TFA's financing syndicate, led by book-running senior manager Wells Fargo with Barclays Capital, BofA Merrill Lynch, Goldman, Sachs & Co., J.P. Morgan, Loop Capital Markets LLC, and Morgan Stanley serving as co-senior managers on the transaction.

The TFA received 10 bids on the \$100 million of taxable QSCBs also offered to investors via competitive sale today. The winning bid was made by Citigroup, with a TIC of 3.99% for the single 2038 maturity. The interest on these bonds will be subsidized by the federal government.

Additionally, on Tuesday, April 9, 2013 the TFA will sell a \$230 million conversion of tax-exempt Variable-Rate Demand Bonds ("VRDBs") to fixed-rate bonds via competitive bid, bringing the total sale to \$1.23 billion. These converted Recovery Bonds will mature between 2013 and 2022.

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.