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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES
 SUCCESSFUL \$850 MILLION NEW MONEY SUBORDINATE LIEN BOND SALE**

Strong Investor Demand Leads to Upsizing from \$750 Million to \$850 Million

The New York City Transitional Finance Authority ("TFA") announced today the successful sale of \$850 million of new money subordinate lien bonds.

Following the upsizing from the initial offering of \$750 million to \$850 million due to strong investor demand, the TFA finalized the pricing of \$50 million of new money tax exempt bonds, \$700 million of taxable Build America Bonds and \$100 million of new money non-BAB taxable fixed rate bonds. The BABs and tax-exempt bonds were sold by negotiated sale using the TFA's underwriting syndicate, led by book-running senior manager Morgan Stanley with Barclays Capital, BofA Merrill Lynch, Citi, Goldman Sachs & Co., J. P. Morgan serving as co-senior managers. The non-BAB taxable bonds were sold via competitive sale.

The TFA sold \$23 million of the BABs to retail investors and received approximately \$50 million of retail orders for the tax-exempt bonds during today's retail order period. During the taxable institutional pricing, the TFA received over \$1 billion of priority orders for the BABs. The non-BAB taxable bid was won by Wells Fargo at a TIC of 3.306%.

At final pricing, the yields on the federally-subsidized BABs ranged from 4.075% in 2020 (2.65% taking into account the 35 percent federal subsidy) to 5.932% in the 2036 maturity with a 10 year par call (3.86% after the federal subsidy). The maximum maturity in 2038 which had a make whole call had a yield of 5.572 % (a rate after subsidy of 3.62%).

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.