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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES
SUCCESSFUL SALE OF \$914.8 MILLION IN FIXED-RATE BONDS**

The New York City Transitional Finance Authority ("TFA") announced the successful sale of approximately \$914.8 million of subordinate fixed-rate bonds yesterday. Of the \$914.8 million, \$100 million were tax-exempt new money bonds, \$552.8 million were tax-exempt refunding bonds, and \$32 million were tax-exempt bonds that will be converted from variable-rate demand bonds ("VRDBs") to fixed-rate bonds. Additionally, the TFA sold \$100 million of taxable new money Qualified School Construction Bonds ("QSCBs") and \$130 million of taxable new money bonds. Each series of bonds was sold via competitive sale.

The TFA received nine bids for the \$100 million of tax-exempt new money bonds. RBC Capital Markets submitted the winning bid with a True Interest Cost ("TIC") of approximately 2.27 percent, with yields ranging from 0.34 percent in the November 2014 maturity to 2.04 percent in the November 2027 maturity.

The TFA received nine bids for the \$552.8 million of tax-exempt refunding bonds. The winning bid was submitted by Bank of America Merrill Lynch, with a TIC of approximately 2.17 percent. Yields ranged from 0.22 percent in the November 2013 maturity to 2.82 percent in the November 2032 maturity.

The TFA received eight bids for the \$32 million of tax-exempt bonds to be converted from VRDBs to fixed-rate bonds. Goldman, Sachs & Co. submitted the winning bid with a TIC of 0.75 percent for the single maturity in November 2018.

The TFA received ten bids for the \$100 million of taxable QSCBs with a single maturity in November 2035. The winning bid was submitted by Citigroup Global Markets, Inc, with a TIC of approximately 3.60 percent. The bid resulted in the interest on the QSCBs being 100 percent subsidized by the federal government.

The TFA received ten bids for the \$130 million of taxable new money bonds. Wells Fargo Bank submitted the winning bid with a TIC of approximately 2.07 percent, with yields ranging from 0.68 percent in the November 2016 maturity to 2.60% in the November 2024 maturity.

The TFA also intends to price \$248 million of tax-exempt new money VRDBs on or about December 3, 2012.

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