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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES
SUCCESSFUL SALE OF \$900 MILLION OF NEW MONEY BONDS**

*Strong Investor Interest For \$900 million of Future Tax Secured Bonds, Reducing Yields and
Accelerating the Institutional Sale Date By One Day*

The New York City Transitional Finance Authority ("TFA") announced that it successfully sold \$900 million of future tax-secured fixed-rate new money subordinate bonds yesterday. The TFA sold \$800 million of tax-exempt bonds and \$100 million of taxable Qualified School Construction Bonds ("QSCBs").

The TFA received approximately \$265 million of retail orders in the one and one-half day retail order period, selling out the first nine maturities (2014 through 2022) during the retail order period. The institutional order period for the remaining \$607 million of tax-exempt bonds was accelerated from Wednesday morning to Tuesday afternoon due to the strong investor demand. The tax-exempt bonds were sold by negotiated sale by a syndicate led by Barclays with BofA Merrill Lynch, Citigroup, Goldman, Sachs & Co., J.P. Morgan and Morgan Stanley serving as co-senior managers.

During the institutional order period there were approximately \$1.4 billion of priority orders by institutions for the \$607 million of bonds available after the completion of the retail order period (net of the oversubscribed maturities during the retail order period). In the final pricing, yields were reduced on eight coupons in seven maturities by 3 to 5 basis points. Yields on the tax-exempt bonds range from 0.37 percent in 2014 to 3.90 percent in 2042.

The TFA received 10 bids on the \$100 million of taxable Qualified School Construction Bonds (QSCB's) with a single maturity in February 2034. The winning bid was made by Citigroup Global Markets with a True Interest Cost of 3.977 percent. The bid resulted in the interest on the QSCBs being 100 percent subsidized by the federal government.

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.