



**FOR IMMEDIATE RELEASE**

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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES  
SUCCESSFUL \$1 BILLION NEW MONEY SUBORDINATE LIEN BOND SALE**

*Strong Investor Demand Leads to Upsizing from \$850 Million to \$1 Billion*

The New York City Transitional Finance Authority ("TFA") announced today the successful sale of \$1 billion of new money subordinate lien bonds.

Following the upsizing from the initial offering of \$850 million to \$1 billion due to strong investor demand, the TFA finalized the pricing of \$139 million of new money tax exempt bonds, \$614 million of taxable Build America Bonds and \$147 million of Build America Bond-Qualified School Construction Bonds (QSCBs). All three components were sold by negotiated sale using the TFA's underwriting syndicate, led by book-running senior manager Citi, with Barclays Capital, BofA Merrill Lynch, Goldman Sachs & Co., J. P. Morgan and Morgan Stanley serving as co-senior managers.

The TFA sold \$109 million of the \$123 million of tax-exempt bonds offered to retail investors and approximately \$95 million of retail orders for the BABs in a two-day retail order period which began on Monday, August 2, 2010. During the taxable institutional pricing, the TFA received over \$2 billion of priority orders.

At final pricing, the yields on the bonds ranged from 0.55 percent tax-exempt in 2012 to 5.81 percent (3.78 percent after taking into account the 35 percent federal subsidy) on the par call maturity of BABs in 2030 and 5.51 percent (3.58 percent after taking into account the 35 percent federal subsidy) in the maximum maturity 2037 which consisted of BABs with a make whole call.

The TFA is also planning to sell \$100 million of new money floating rate bonds. The bonds will be priced on or about the closing date, August 16, 2010.

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.