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NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES SUCCESSFUL SALE OF \$1.3 BILLION FUTURE TAX SECURED SUBORDINATE BONDS

The New York City Transitional Finance Authority (“TFA”) announced the successful sale of approximately \$1.3 billion of future tax secured subordinate bonds, comprised of approximately \$1.1 billion of tax-exempt fixed rate bonds and \$173 million of taxable fixed rate bonds. Proceeds from the sale will be used to fund capital projects and convert certain floating rate debt to fixed rate debt.

During the one-day retail order period for the tax-exempt bonds, TFA received \$354 million of orders from individual investors, out of which approximately \$276 million was usable. During the institutional order period, TFA received approximately \$2.7 billion of priority orders, representing 3.2x the bonds offered for sale to institutional investors.

Given the strong demand, yields were reduced by 2 basis points for maturities in 2022 through 2032, 4 basis points for maturities in 2033 through 2036, 2 basis points for the 2037 maturity and 3 – 4 basis points for maturities in 2038 through 2048. Final yields ranged from 0.26% in 2022 to 2.37% for the 4% bond maturing in 2047 and 2.57% for the 3% bond maturing in 2048.

The tax-exempt bonds were underwritten through TFA’s underwriting syndicate, led by book-running lead manager Jefferies, with BofA Securities, Citigroup, J.P. Morgan, Loop Capital Markets, Ramirez & Co., RBC Capital Markets, Siebert Williams Shank and Wells Fargo Securities serving as co-senior managers.

TFA also sold \$173 million of taxable fixed rate bonds via competitive bid. The bonds, maturing in 2025 through 2030 attracted ten bidders, with BofA Securities winning at a true interest cost of 1.583%.