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Press Release

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IMMEDIATE

MTA Completes Successful Sale of \$1.25 Billion of Bonds

Issuance Includes \$750 Million in Build America Bonds

The Metropolitan Transportation Authority (MTA) today announced that it has successfully completed the sale of the MTA Dedicated Tax Fund, Series 2009B Bonds (Tax-Exempt) totaling \$500 million and the Series 2009C Bonds (Federally Taxable – Issuer Subsidy – Build America Bonds) totaling \$750 million. The MTA has elected to treat Series 2009C Bonds as "Build America Bonds" under the American Recovery and Reinvestment Act. Build America Bonds are federally taxable, and the MTA will receive a 35% cash subsidy from the U.S. Treasury.

MTA received very strong retail demand during the pricing for the Series 2009B Bonds, receiving over \$200 million in retail orders. MTA also experienced solid investor institutional demand for both the Series 2009B and Series 2009C Bonds. As a result of the strong investor demand the par was increased to \$500 million from \$400 million for the Series 2009B Bonds and to \$750 million from \$200 million for the Series 2009C Bonds.

"We are very gratified by the market receptivity and attractive yields that this issue has produced," said Gary Dellaverson, MTA Chief Financial Officer. "Further, by upsizing the issuance, the MTA was able to lock in these favorable yields for most, if not all, of its borrowing for the remainder of the year. This is important because it will take away much of the uncertainty of the MTA's debt service budget, and also provide cost savings."

Yields for the Series 2009B Bonds ranged from 1.80% for the 2011 maturity to 5.10 % for the 2034 maturity. The Series 2009C Bonds were priced at 3.50% plus the 30-year Treasury rate of 3.836%. Yield for the Series 2009C Bonds was 7.336% for the 2039 maturity which is the equivalent tax-exempt yield of 4.768%. The all in TIC for the Series 2009B and Series 2009C Bonds was 4.92%.

Ratings on the MTA Dedicated Tax Fund Bonds are AA from Standard & Poor's and A from Fitch Ratings.

The transaction was led by book-running Senior Manager J.P. Morgan, with M.R. Beal & Co. serving as Co- Senior Manager. Barclays Capital Inc. and Citi serve as Senior Co-Managers. MTA's financial advisor is Goldman, Sachs & Co., and Nixon Peabody LLP serves as bond counsel.

The new money proceeds of the DTF 2009B Bonds will be used to finance existing approved transit and commuter capital projects operated by MTA's affiliates and subsidiaries and/or to refinance any outstanding indebtedness issued by MTA. The new money proceeds of the DTF 2009C Bonds will be used to finance existing approved transit and commuter capital projects operated by MTA's affiliates and subsidiaries.