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The City of New York Announces Successful Sale of $1.8 Billion of General Obligation Bonds.

The City of New York (the “City”) announced the successful sale of $1.8 billion of General Obligation bonds, comprised of $1.5 billion of tax-exempt fixed rate bonds and $300 million of taxable fixed rate bonds. Proceeds from the sale will be used to fund capital projects.

The City received over $327 million of orders during the retail order period and $4.9 billion of priority orders during the institutional order period, which in total represents approximately 3.5x the tax-exempt bonds offered for sale.

Due to investor demand for the tax-exempt bonds, yields were reduced relative to the start of the institutional order period by 2 basis points in 2028, 2029, and 2042; by 3 basis points in 2027 and 2052; by 4 basis points in 2041, 2047, and 2048; by 5 basis points in 2030, 2043, and 2044; by 6 basis points in 2050; and by 8 basis points in 2031.

Final yields ranged from 2.62% in 2026 to 4.19% in 2052.

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

The City also sold $300 million of taxable fixed rate bonds via competitive bid. The bid attracted 8 bidders, with J.P. Morgan winning at a true interest cost of 4.617%.

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