

SEPTEMBER 17, 2001



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A
Metropolitan
Transportation
Authority

TO: BOARD OF DIRECTORS
FROM: TERRY MATSUMOTO *[Signature]*
EXECUTIVE OFFICER FINANCE AND TREASURER
SUBJECT: BENEFIT ASSESSMENT DISTRICTS
BOND SALE RESULTS

One Gateway Plaza
Los Angeles, CA
90012-2952

REPORT

On September 6th the MTA sold two series of refunding bonds totaling \$49.2 million to reduce interest expense for MTA's two special benefit assessment districts, A1 and A2. The combined discounted present value of the savings for the two districts is \$4.3 million, which is greater than anticipated due to a more favorable interest rate market. These savings will directly reduce the annual assessments levied on properties within the districts by approximately \$0.009 and \$0.013 per assessable square foot for the A1 and A2 districts, respectively.

\$42.5 million of A1 bonds were sold to Merrill Lynch & Company at a true interest cost (TIC) of 3.68 percent. \$6.7 million of A2 bonds were sold to Fidelity Capital Markets at a TIC of 3.91 percent. Six bids were received for the A1 bonds. Three bids were received for the A2 bonds.

Please call Terry Matsumoto, Executive Officer, Finance and Treasurer, at 213.922.2473 if you would like further information.