



Three World Trade Center

Hawkins acted as underwriters' counsel in connection with the issuance by the New York Liberty Development Corporation of approximately \$1.6 Billion of tax-exempt bonds to finance the construction of Tower 3 at the World Trade Center site. Tower 3 is an office building to be comprised of 60 floors (above grade) and approximately 2.5 million rentable square feet. The financing was one of the most complex municipal financings ever achieved – and was also the largest unrated municipal bond issue in market history. At the time of the issuance of the bonds, only 20% of the building was committed to lease, and only by a single tenant. In order to successfully market the bonds, the bond issue was divided into three separate classes of priority of secured bonds; The Port Authority of New York and New Jersey provided a fixed dollar amount tenant support agreement in the form of a special obligation for certain elements of project risk and only for the benefit of the first two classes of bonds; and all three classes of bonds and the related loans were serviced under a servicing agreement more traditionally utilized for the collateralized mortgage backed securities market. Some of the highly challenging issues in structuring the financing was accommodating the multitude of competing intercreditor issues among the various financing participants, together with providing extremely robust disclosure as to potential risk factors to be considered by the bond investors in the offering document.

Role: Underwriters' Counsel

Distinction: Largest Unrated Municipal Bond Issue in Market History

Issuer: New York Liberty Development Corporation

Issue Size: \$1.6 Billion

Attorneys

- Arthur Cohen
- Lloyd S. Lowy

Practices

- Real Estate Counsel
- Project Finance
- Underwriters' Counsel

Industry

HAWKINS

- Economic Development