



NEWS RELEASE

CENTRAL TEXAS
Regional Mobility Authority

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Mobility Authority Completes \$140 Million Innovative Finance Deal to Fund 183A Toll Road Extension

(Austin, Texas) – In a first of its kind deal, the Central Texas Regional Mobility Authority has issued \$45 million in subordinated taxable Build America Bonds to fund a portion of its five-mile 183A Toll Road Northern Extension project. The bonds were placed by J.P. Morgan and were purchased by CityView/AE Capital Advisors, a firm that manages assets on behalf of various organizations, including international pension funds.

The Build America Bonds were part of a larger \$140 million bond issue that included the sale of \$95 million in traditional tax exempt toll revenue bonds. The bond package will have an average interest cost of 7.2% and will be repaid in various increments over the next 30 years.

“This is an innovative yet conservative bond package,” says Mobility Authority Executive Director Mike Heiligenstein. “The Build America Bonds are similar to a second mortgage and are subordinate to our other debt. They will give us greater flexibility to borrow additional money in the future to fund other critical projects.”

The bond deal was completed on Thursday, March 11, 2010. Construction on the 183A Extension is expected to begin almost immediately. The extension will run from New Hope Road in Cedar Park to just north of RM 2243 in Leander and will involve the construction of three toll lanes in each direction with overpasses at each cross street. The project is expected to take about two years to complete.

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The 183A project has exceeded traffic and revenue projections since opening in March 2007. Revenue was 32% above projection in calendar year 2009, and traffic has continued to increase despite the current recession. The excellent performance of 183A and investor confidence in the way the Mobility Authority is managed contributed to a highly competitive bond sale.

“Our bond sale was extremely well received,” says Heiligenstein. "More than 35 different investment firms placed orders for our bonds with demand exceeding supply. That resulted in lower interest rates, which will save our community millions of dollars over the life of the bonds."

To learn more about the 183A Northern Extension project visit www.183A.com.

About the Mobility Authority

The Central Texas Regional Mobility Authority is a local, independent government agency created to improve the regional transportation system. Our mission is to implement innovative solutions that reduce congestion and create transportation choices that enhance quality of life and economic vitality. The Mobility Authority is the state’s first Regional Mobility Authority, created in January 2003 to serve Travis and Williamson counties. The Mobility Authority currently operates the 183A toll road in Williamson County and is currently working to extend the 183A project and construct the US 290 East (Manor Expressway) project.

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