



Four World Trade Center

Hawkins acted as underwriters counsel with respect to a \$1.2 billion financing for the construction of Tower 4 at the World Trade Center site. The bonds were issued by the New York Liberty Development Corporation to finance the development and construction of a 64-floor building containing approximately 1.8 million gross square footage of office space. The tenants of Tower 4 were The City of New York and The Port Authority of New York and New Jersey. In order to successfully structure the financing, and to reduce the typical market risks of construction completion, bankruptcy and other like risks attendant to a single purpose entity project financing, the Port Authority provided as a special obligation a bond payment agreement by which the Port Authority made periodic payments to the bond trustee equal to current debt service payments (less the amount of City rental payments). The bonds were not secured by any mortgage on the Tower 4 office building other than as assignment of the rentals to be payable by The City of New York under its commercial lease as a tenant. In consideration for the Port Authority agreeing to make bond payments, the developer agreed to repay the Port Authority for such payments from the rents paid by all current and future tenants at the building.

Role: Underwriters' Counsel

Distinction: Innovative Combined Commercial Rents and Bond Support Payment Financing

Issuer: New York Liberty Development Corporation

Issue Size: \$1.2 Billion

Attorneys

- Arthur Cohen
- Lloyd S. Lowy

Practices

- Project Finance
- Real Estate Counsel
- Underwriters' Counsel

Industry

- Economic Development