

Supplement to the 2018 MTA Combined Continuing Disclosure Filings June 28, 2018

This Supplement to the Metropolitan Transportation Authority (“MTA”) 2018 Combined Continuing Disclosure Filings is dated June 28, 2018 (the “Supplement”) and contains information only about the specific matters described herein and only through that date. The 2018 Combined Continuing Disclosure Filings (as heretofore supplemented and updated, the “CCDF”) dated April 30, 2018, as supplemented on June 1, 2018, should be read in its entirety, in connection with the information in this Supplement. MTA expects to file this Supplement with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access system and may incorporate such information herein by specific cross-reference. MTA retains the right to further update and supplement specific information contained herein as events warrant.

The factors affecting MTA’s financial condition are complex. This Supplement may contain forecasts, projections, and estimates that are based on expectations and assumptions, which existed at the time they were prepared, and contains statements relating to future results and economic performance that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “budget,” “project,” “forecast,” “anticipate” or other similar words. The forward-looking statements contained herein are based on MTA’s expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete, imprecise or not reflective of actual results. Forecasts, projections and estimates are not intended as representations of fact or guarantees of results. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as set forth in the preceding paragraph, MTA does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations change or events occur that change the conditions or circumstances on which such statements are based. These forward-looking statements speak only as of the date of this Supplement.

This Supplement corrects amounts for the “Interest Account Requirement for Semi-Annual Payment” and “Interest Account” set forth in Part II of the CCDF relating MTA’s Hudson Rail Yards Trust Obligations.

Exhibit A under the caption “HUDSON RAIL YARDS TRUST OBLIGATIONS (Schedule 1 to the Financing Agreement)” appearing on page 201 of Part II of the CCDF is deleted and replaced with the following:

EXHIBIT A

Additional Annual Disclosure

I. Aggregate reporting:

Total Ground Rent received: \$9,743,750.00 in 2017
Total Fee Purchase Payments received: \$0 (excluding Tower C)
Total Investment Earnings: \$1,217,730.20
Total Guaranty Payments: \$0
Total Interest Reserve Advances: \$8,811,916.67*
Total Direct Cost Rent Credits: \$0
Interest Account Requirement: \$26,435,750.00†
Interest Reserve Requirement: \$8,811,916.67‡

II. Year-end fund balances for all Trust Agreement accounts and Direct Deposit Account as of December 31, 2017:

Dedicated Deposit Account: \$6.00
Costs of Issuance Fund: \$180,531.21
Capitalized Interest Fund: \$63,486,305.98
Fee Purchase Payments Account: \$0
Interest Account: \$8,950,362.17§
Interest Reserve Fund: \$8,885,422.48
Obligations Proceeds Fund: \$730,287.12
Prepaid Rent Account: \$0
Principal Redemption Account: \$0
Rent Payment Fund: \$2,050,962.40
Rent Revenue Account: \$0.00

III. January 1 (end of year + 1 day) Aggregate Fee Purchase Price: \$1,109,445,062 (as of January 1, 2018)

IV. Year-end aggregate Obligation Principal: \$1,057,430,000 (as of April 30, 2018)

Aggregate Applicable Redemption Price: \$1,155,710,335.20 (as of January 15, 2018)

* Deposited on initial issuance from proceeds of the HY Trust Obligations.

† Payments are made semiannually on May 15 and November 15.

‡ As funded at the closing of HY Trust Obligations.

§ Semi-annual payments are made on May 15 and November 15. The year-end fund balance in the Interest Account reflects the November 15 payment made and the account being replenished to build to the next semi-annual payment in May.

- V. Total number of severed parcels on the ERY and WRY, certificate of occupancy status, abatement status, and percentage of ground rent/zoning square feet for each:
- a. 5 Severed Parcels on the ERY
 - b. No Certificates of Occupancy on any of the 5 Severed Parcels**
 - c. All 5 Parcels are in the 50% Abatement Status (i.e. construction has begun)
 - d. Tower A: 2,069,217 zsf; 34.09%; \$7,498,270 prior to abatements
 - e. Retail Podium: 983,881 zsf; 16.21%; \$3,565,312 prior to abatements
 - f. Tower D: 737,779 zsf; 12.15%; \$2,673,507 prior to abatements
 - g. Tower E: 846,547 zsf; 13.95%; \$3,067,652 prior to abatements
 - h. Retail Pavilion: 10,800 zsf; 0.18%; \$39,136 prior to abatements
- VI. Percentage of WRY still under the Balance Lease: 100%
- VII. General narrative of status of development such as estimates of completion dates if available, expected use, including residential condominiums:

ERY platform construction continues to move forward, with completion expected in late 2018 or early 2019. The status of construction of the ERY Severed Parcels is as follows:

Tower C (also known as 10 Hudson Yards or the Coach Building) is a 1,421,776 zoning square foot office building that was substantially completed in 2016 and purchased by Legacy Yards Tenant LP.

Tower A (also known as 30 Hudson Yards) is a 2,069,217 zoning square foot office building under construction with Time Warner as an anchor tenant. Completion is expected in 2019.

The Retail Podium is a 983,881 zoning square foot retail mall with Neiman Marcus as an anchor tenant. It is under construction and expected to be open in 2019.

Tower D (also known as 15 Hudson Yards) is a 737,779 zoning square foot residential condominium building currently under construction with the first residential closings expected in Fall 2018. It is physically connected to The Culture Shed, a 100,000 square foot planned not-for-profit cultural center, scheduled for completion in 2019.

Tower E (also known as 35 Hudson Yards) is an 846,547 zoning square foot mixed use building with residential, office and hotel components scheduled for completion in 2020.

The Retail Pavilion is a 10,800 zoning square foot incorporated into the public open space scheduled to open in 2019.

WRY platform design is underway. Construction work has not yet started on the WRY platform.

A summary presentation of the current status of development of the ERY and WRY components of the Hudson Rail Yards Project may also be found in Part I to this 2018 Combined Continuing Disclosure Filings, the 2018 MTA Annual Disclosure Statement under the heading, "FINANCIAL PLANS AND CAPITAL PROGRAMS – NON-CAPITAL PROGRAMS PROJECTS - HUDSON YARDS DEVELOPMENT AND FINANCING" in Part 2.

** Tower C, known as 10 Hudson Yards, received a certificate of occupancy in May 2016, with Fee Conversion in August 2016, and thus is not a source of payment or security for the HY Trust Obligations.

