

P R E S S R E L E A S E

Contact : *María S. Rosario*

Tel: (787) 728-9200 / (787) 722-2525 exts. 2013 / 2014

Cel. (939) 644-4606 / www.gdbpr.com



FOR IMMEDIATE RELEASE

PUERTO RICO HOUSING FINANCE AUTHORITY WINS THE BOND BUYER “DEAL OF YEAR AWARD,” GDB ANNOUNCES

SAN JUAN, PUERTO RICO, December 4, 2008 – The Government Development Bank for Puerto Rico (GDB) announced today that the Puerto Rico Housing Finance Authority (PRHFA)—a GDB Subsidiary—was honored with The Bond Buyer’s 2008 Deal of the Year award last night. Chosen from eight finalists, the PRHFA was recognized for a \$384 million capital fund program subordinate bond issue that raised money to help finance the modernization of more than 4,000 units of public housing.

GDB President, Jorge Irizarry, received the award on behalf of PRHFA and GDB. “We are honored and deeply appreciative of this recognition and especially for a bond issue that will do a great deal for many families and the economy in Puerto Rico,” said Mr. Irizarry.

Irizarry acknowledged the work of GDB Executive Vice President of Finance, Luis Alfaro; PRHFA Executive Director, Fernando Berio, and P.R. Public Housing Administrator, Carlos Laboy, as well as their work teams, in carrying out the successful transaction. “The award is indicative of the respect the transaction inspired, as it was the result of an evaluation by experts in the industry at the national level,” Irizarry said.

“We felt that the Puerto Rico Housing Finance Authority, by utilizing the new non-AMT housing bond program, along with low-income housing tax credits to help rebuild thousands of housing units, in a deal that will also serve to create construction jobs, was this year’s example of the best that public finance can accomplish,” said Amy B. Resnick, editor in chief of The Bond Buyer, who presented the award.

The 2008 awards considered deals that closed between Oct. 1, 2007 and Sept. 30, 2008, and drew more than 60 nominations for transactions ranging in size from several billion dollars to just a few million.

Finalists were selected from each region of the U.S. as covered by the paper in categories for both large and small issuers determined by gross revenues of the issuer or the entity financed in its most recent fiscal year. “The recognition of PRHFA with

this distinguished national award last night honors Puerto Rico as the PRHFA transaction was chosen over several other worthy deals by the states of Ohio, Texas, Florida, Mississippi, California, Virginia, Oregon and others,” Irizarry pointed out.

Small deals are those completed by issuers with annual revenues of \$70 million or less, or beneficiaries with those revenue levels in the case of conduit deals. Large deals were those with revenues above \$70 million. All the finalists were in the running for the overall Deal of the Year award.

The entries were evaluated by The Bond Buyer's editors and bureau chiefs, who looked for innovation, risk taking, financial complexity, the ability for a deal to serve as a model for other financings, and the public purpose for which the transaction's proceeds were used.

Held in downtown New York City at the New York Academy for Sciences, the awards programs also raised \$10,000 for the Citymeals on Wheels program that provides meals to homebound elderly New Yorkers.

###

Additional Contacts for Government Development Bank for Puerto Rico

Anreder & Company

Steven Anreder, 212-532-3232, steven.anreder@anreder.com

Or Gary Fishman, 212-532-3232, gary.fishman@anreder.com