



The Board of Directors
New York City Transitional Finance Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the New York City Transitional Finance Authority (the "Authority") as of and for the year ended June 30, 2008, and have issued our report thereon dated September 30, 2008.

In connection with our audit, management informed us that on February 7, 2008, \$43,376,335.17 of commercial paper in one issuer was purchased on behalf of the Authority. Section III, B 2 of the Authority's Investment Guidelines requires that no more than the greater of \$15 million or 35% of commercial paper investments be made in securities of a single issuer. The matter was corrected on February 13, 2008. No additional matters came to our attention that caused us to believe that the Authority had not complied, in all material respects, with the Authority's Investment Guidelines. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with the Investment Guidelines. Accordingly, we do not express such an opinion.

This report is intended solely for the information and use of the Authority's Audit Committee, Board of Directors and management and is not intended to be and should not be used by anyone other than those specified parties.

Marks Paneth & Shron LLP

September 30, 2008