Marks Paneth & Shron LLP
Certified Public Accountants & Consultants

September 28, 2010

The Board of Directors
New York City Transitional Finance Authority

In planning and performing our audit of the financial statements of the New York City Transitional Finance Authority (the "Authority") as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in the internal control that we considered to be material weaknesses, as defined above.

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

Sincerely,

Marks Paneth & Shron LLP

MARKS PANETH & SHRON LLP

622 THIRD AVENUE
NEW YORK, NY 10017-6701
P. 212.503.8800 F. 212.370.3759
WWW.MARKSPANETH.COM

MANHATTAN
LONG ISLAND
WESTCHESTER
CAYMAN ISLANDS

ASSOCIATED WORLD WIDE
WITH JHI