



Ernst & Young LLP
222 Bay Street, P.O. Box 251
Toronto, ON M5K 1J7
Canada

Tel: +1 416 943 5302
Fax: +1 416 943 3795
www.ey.com/ca

Ms. Keiko Nakamura
Acting Chief Executive Officer
Toronto Community Housing
931 Yonge Street
Toronto, Ontario
M4W 2H2

06 October 2009

Dear Ms. Nakamura,

As per your request, we have prepared the following communication to you with respect to our Audit Results report to the Audit Committee and Board of Directors of Toronto Community Housing Corporation ("TCHC") and our Audit Results report to the Board of Directors of Housing Services Inc. ("HSI"), one of TCHC's wholly-owned subsidiaries.

In planning and performing our audit of the consolidated financial statements of TCHC and HSI for the year ended December 31, 2008, in accordance with auditing standards generally accepted in Canada, we considered TCHC and HSI'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 TCHC's and HSI's internal control. Accordingly, we did not express an opinion on the effectiveness of TCHC's and HSI's internal control.

A weakness in internal control is a deficiency in the design or effective operation of internal control. A weakness in internal control is significant if, in the auditor's professional judgment, the deficiency is such that a material misstatement is not likely to be prevented or detected in the financial statements being audited. In considering internal control for the purpose of expressing an opinion on the financial statements of TCHC and HSI, we did not identify any significant weaknesses in internal control and accordingly, did not prepare a management letter.

Other observations made by us during the course of our audit that should be considered by management, are reflected within our discussion in the Audit Results reports under "Items of Audit Significance Discussed with Management" and were also discussed with the Audit Committee and Board of Directors of TCHC and Board of Directors of HSI.

Yours very truly,

Chartered Accountants
Licensed Public Accountants

Allan Krochmalnek, Partner/ Kathi Lavoie, Senior Manager