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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Lumber City Development Corporation:

We have examined management's assertion, included in the accompanying Management's Report on Internal Control over Financial Reporting, that Lumber City Development Corporation maintained effective internal control over financial reporting as of December 31, 2010 based on the framework set forth by the Committee of Sponsoring Organization of the Treadway Commission in Internal Control - Integrated Framework. Lumber City Development Corporation's management is responsible for maintaining effective internal control over financial reporting, and for its assertion the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on management's assertion based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our examination included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our examination also included performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with accounting principles general accepted in the United States of America. An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and those charged with governance; and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assertion that Lumber City Development Corporation maintained effective internal control over financial reporting as of December 31, 2010 is fairly stated, in all material respects, based on the framework set forth by the Committee of Sponsoring Organization of the Treadway Commission in Internal Control - Integrated Framework.

We also have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Lumber City Development Corporation and our report dated April 7, 2011 expressed an unqualified opinion.

Toski, Schaefer & Co., P.C.

Williamsville, New York
April 7, 2011