

LUKE DALINDA FOR PALACE PLACE PRESIDENT

PLEASE VOTE FOR ME ON YOUR PROXY, AND PLEASE SEND IT TO ME. I NEED YOUR SUPPORT!

TEL: 416-725-7170 FAX: 1-888-709-5726 EMAIL: LDALINDA@DALINDA.NET WEBSITE:

PALACEPLACE.DALINDA.NET

November 1, 2012

Dear Fellow Owners,

I have written this letter in furtherance of my campaign 1-page to elaborate on the issues that I have raised in an effort to secure your support for my candidacy for becoming a member of our Board at Palace Place.

Whether you agree with my views or not, it is absolutely critical that you exercise your vote, as Palace Place is in desperate need of one loud, clear, and unified voice from its owners.

1) Our current Board

We are at a pivotal moment in our building's history. I am often asked by fellow owners, "When is a good time to sell?" Lately, I have been asking myself, "Should my family sell?" I believe that our current Board has lost its vision for Palace Place, isolated themselves from their fellow owners, and begun to take us down paths that we should not be going down.

My biggest concern these days is what would happen if one or more Board members decided to quit. Who would take their place? Would the remaining Board members be able to find competent replacements? Unfortunately, the Board is so isolated that they would not be able to motivate and encourage the right people to join them on the Board.

That is why at the last election, the only two candidates had won by acclamation because no one else was running. What is worse is that one of these new members is a tenant, the first tenant to serve on our Board ever.

Many of the most influential figures in our building's history and management have distanced themselves from our Board. Our 12 committees are beginning to look like ghost towns.

Access to our Board is a series of hurdles.

Even if a motivated owner would like to meet with the Board, they must now first go through our property manager, submit a formal request, and await a reply as to whether or not they will be given a 15-minute maximum audience with the Board. This new policy eliminated the policy that had been in existence since 1996, which had allowed any owner or resident to attend the first half hour of a Board meeting to discuss an unresolved issue or simply make suggestions and recommendations to the Board, without any pre-conditions.

This is very wrong and presents a grave danger to you the owner, our community, our stability, and our security.

Luke Dalinda's Solution – It is all about Owner respect, Owner engagement, & a strong community culture

We are a **\$400-million corporation**, and our shareholders can no longer afford to be passive.

The most influential members, financial minds, and leaders in our history and community have endorsed my candidacy. With their support and help, I will take down the wall between the Board and the owners.

Having a seat on our Board is not the equivalent of the Papacy. The Board needs to be fluid. The best minds in our community need to be involved, and there should be a long list of individuals ready and willing to assist our Board.

I will encourage owners to get involved in our decision making process, as I will always be available. The old policy will be re-instated allowing the first half hour of each Board meeting for residents to attend to discuss their issues and ideas. If you want to meet with me, you need only call or email. If you have a talent or specialty, I want to know about it, and I want you involved in our community.

As President, I will establish an **Advisory Board**. We have many brilliant minds at Palace Place, but very few of them want to serve as a Board member. Owners just do not want the hassle because they know that this is a thankless job. However, many of these talented owners would gladly serve on an Advisory Board. This gives the Board direct access to a wealth of knowledge and experience, and it gives new Board members a way to be screened and educated in our history. An Advisory Board will ensure that we do not lose access or contact to some of those owners who have made a significant impact in the success of Palace Place. More importantly, it will ensure that our building is always managed by a very competent team.

I will merge and re-define our committees. 12 committees do not work. I will ensure that committee members are selected by their background and their commitment to the actual committee. This will significantly strengthen our committees and keep them focused.

I will ask you the Owners to approve and implement a by-law policy at Palace Place that **only owners can serve** on our Board. As an owner, we should not have tenants, who have nothing to lose, calling the shots with our most significant investments. If you want to have a say in Palace Place, make the same financial investment that we have all made. This is how all corporations work. It is how Palace Place should work.

When we rent a car, we tend to drive the hell out of it. When we own a car, we check for scratches, wash and service it regularly, and genuinely endeavor to protect our investment. This is why you just cannot have a tenant on the Board. No matter what the consequences are, he can just walk away. An owner wants to genuinely protect their investment.

The combination of these ideas and beliefs will fundamentally change the culture at Palace Place and truly encourage owner participation, which will lead to measurable results.

2) Market Value – We deserve to be a \$600 per square foot building

Today, on average, we are a \$396 per square foot building. That is unacceptable.

The main reason for our low values originates from the receivership of Palace Place by Citibank. Citibank had sold off 307 suites at Palace Place at bargain basement prices.

Even to this day, original owners, who had purchased from Bramalea, are just breaking even on what they had spent in the early 90s.

Ever since the Citibank sell off ending in 1997, our prices have been increasing, but never in-line with other local condominium residences.

Now, on top of the already overdeveloped Humber Bay Shores, an application has been submitted to add 27 new condominium towers on the Mr. Christie Bakery site.

Palace Place is the best-built building in Toronto. At \$600 per square foot, Palace Place offers so much more than the local shoebox condominiums that are getting almost \$800 per square foot. It is critical for Palace Place to have someone fight to keep our values up.

As the longest serving realtor, I have set more record prices at Palace Place than any other realtor. I have spent my entire career setting record price after record price at Palace Place. In fact, I am the one who had coined the term in an effort to bring our values up and establish benchmarks for all owners and other realtors to follow.

Through proper owner education, development of the Palace Place brand, and strategic marketing initiatives, we can realize this goal.

I know what it takes, and I have always delivered the results. To continue to move us forward, I need to be on the Board as President to move us toward this goal.

3) Property Management – It is about service & genuinely wanting to help

Earlier this year, our property management contract was renewed at over \$200,000, plus an annual 2% increase, for 3-years without considering other management companies and our manager was praised for a job well done by our current Board.

Unfortunately, what was not disclosed was the significant number of resident complaints and frustrations.

Even our status certificate has been plagued with legal proceedings and complaints that should never have happened in the first place.

In today's complex world, it is far too easy to fall into the wrong hands. Property management companies have swelled up through mergers to the point where a management contract is just another number.

Brookfield has become like Microsoft has for computers, and, if Brookfield cannot adapt to our needs, we need to start looking at Apple alternatives, as there are many.

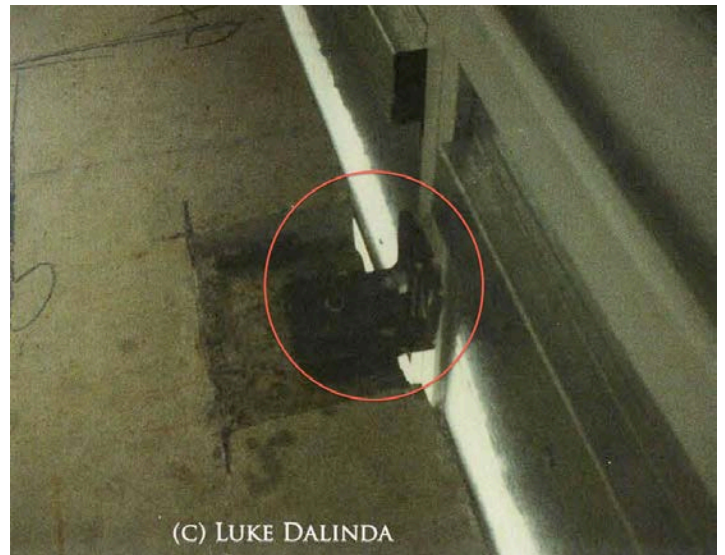
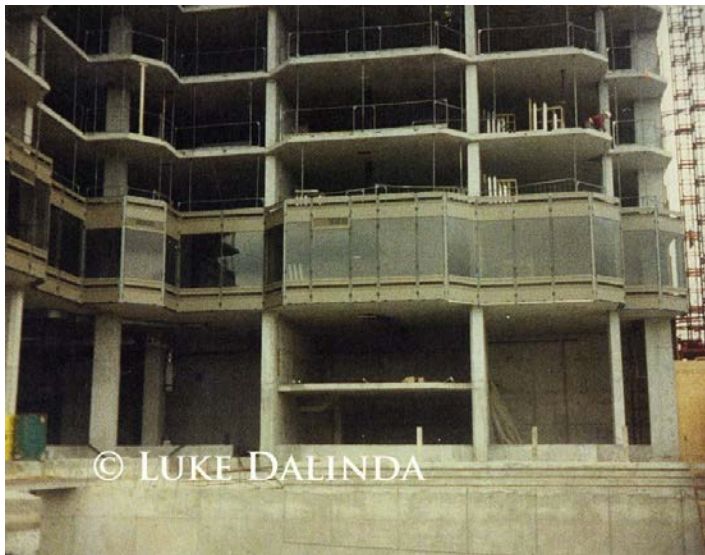
Palace Place is Toronto's flagship condominium residence, and the property management must always be reflective of that status.

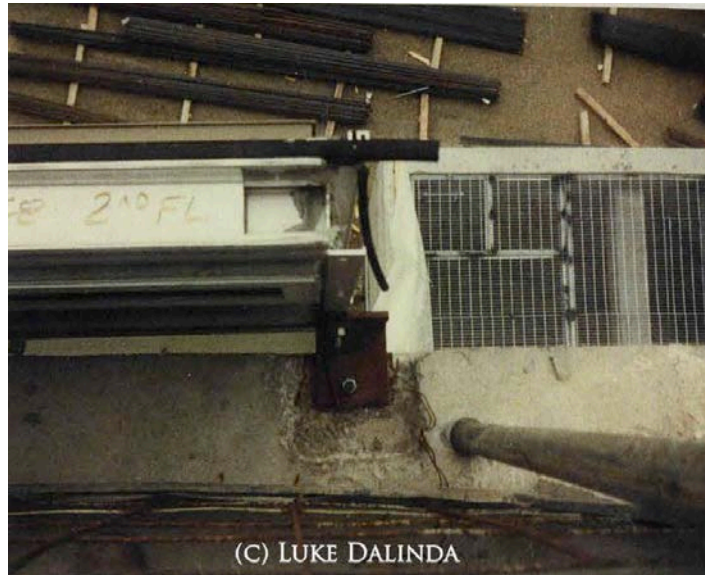
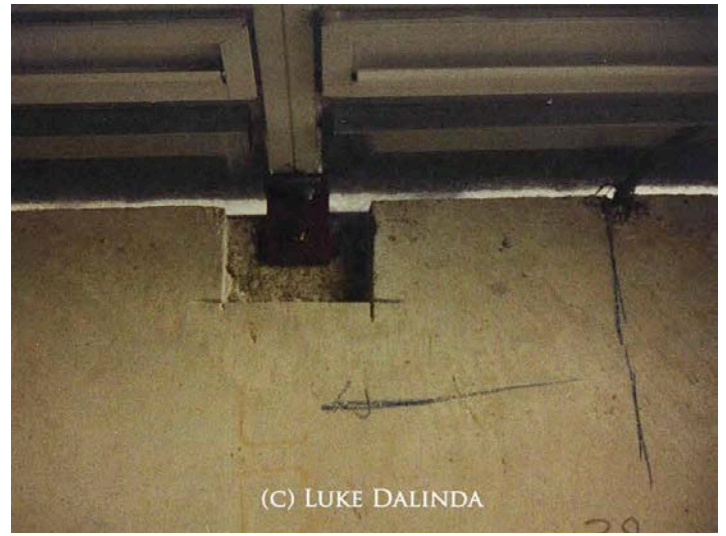
I will also bring an **Apple Store mentality** to our management and Board. If you have a problem, you deserve direct, immediate access to the Board and management, and you should be given our full resources until your problem is resolved to your reasonable satisfaction. When you contact management for whatever reason, I want you to feel completely satisfied in the experience. My contact information will be available to you 24/7.

4) Energy – It is about respecting the original design

Why am I so passionate against the idea of reskinning? Because reskinning is not needed, and the building was not designed for it. I am concerned because the Board has been actively promoting their intentions of making Palace Place more 'green' without actually walking owners through the process and costs, so that they can make an informed decision. As a community, we have simply accepted the 'green' ideas without asking the questions that take us through the process from beginning to end.

They say that a picture is worth a thousand words, so let's time travel for a bit to see how our building was built. I have enclosed photos to show how our 'skin' had been attached to the building.





To reskin the building effectively requires access to the retaining pins, which will require the removal of hardwood or tile floors and carpets at an enormous cost, temporary resident relocation, and suite renovation.

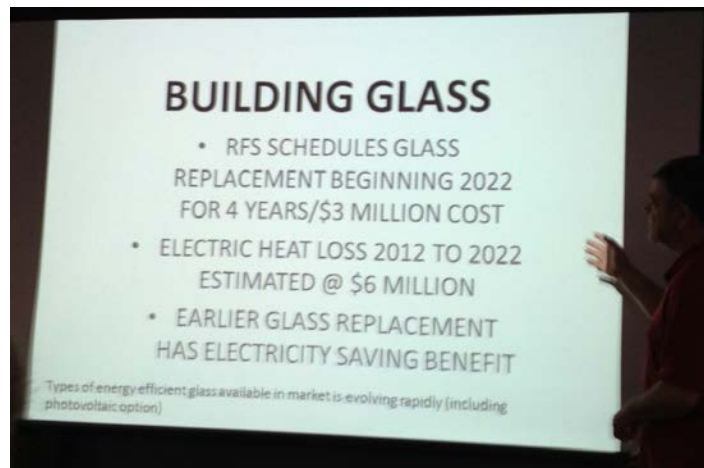
Under my watch, this will never happen.

I had sent an email dated August 15, 2012 to the Board strongly advising that they do not go down the "reskinning" road.

In response, to get us to digest the idea of reskinning, our Board has decided to piecemeal it to us starting with "Building Glass" window replacement.

The following picture that I have enclosed had been from the Board's most recent energy Town Hall event on September 11, 2012.

While it had seemed that the Board had finally abandoned the reskinning talk, at the very end of the meeting, Ron Anderson (Director, Vice-President and Energy Committee member) had said that the Board would, “look at replacing the glass and eliminating the vents at the same time”. The only way that this can be done is via unnecessary reskinning.



Even if we were to accept this “Building Glass” scenario, it does not add up.

There are approximately 7,708 windows at Palace Place.

At \$3-million, that represents \$389 per window.

Our current windows cost \$1,500 to \$2,000 per window, and most likely a lot more when installation costs are added.

Why would we replace our high-quality \$1,500 to \$2,000 windows with \$389 windows, especially when such windows have incurred the legal wrath of new condominium owners across the GTA?

Under my leadership, I will adopt the policy that has been used by many condominium corporations and only change windows on a case-by-case basis when and if needed.

I will also look at cost effective solutions to fix our window vents from leaking, but I will never seal them or eliminate them.

Luke Dalinda's Solution – Respect the original design & realize that you cannot build a new building - and that is a good thing!

As your Board member, **I am in opposition of anything that significantly changes the original design of the building**, as such change compromises the design and leads to failure. **I am for anything that enhances** and supports the design of the building. **This means no smart meters, no reskinning, which would require temporary resident relocation & suite renovation, and no family change room. Palace Place had been designed by the best architects and engineers to last. That is a good thing, and there is no need to go down those other roads, which would only compromise our renowned design.**

Palace Pier, 2045 Lake Shore B W, is 15 years older than our building, and they did not have to replace their windows or reskin at our age.

In summary, I have noted the realistic energy savings ideas that have my full support.

- Thermostat replacement
- Finding a realistic solution to re-seal our leaky vents
- Getting our outside exhaust vents to work properly again
- Restoring the Honeywell relays in our CAC units, as many were replaced with low quality versions
- A proper toilet replacement incentive program
- An energy ideas feature in The Wave to educate residents
- Energy solutions that respect the design of our building

5) The President's Quarterly Report to Owners – It is about communicating & being transparent

As your President, I will have a quarterly report published, which will be written by me and not our property manager, outlining what we have done and what we are planning to do. This report will also include a market summary report to help give owners the most accurate information on their suite's value.

You will always know what the Board is doing, and I will solicit feedback on the Board's initiatives in such a report.

6) Keeping our fees under control – It is about having a financial team

Under our current leadership, the President and Vice-President have already increased our fees by 8.97%. Now, they have projected to increase our fees for the next year, 2013, by 7.5% and a further 8% the following year, 2014. This is despite the average industry increases of only 2.9% to 3.75%.

I will use every available resource to try to avoid the forthcoming fee increase of approximately 7.5%, and I am calling out to all the financial minds in our building to take action, participate, and volunteer your time to help find alternatives. If we work together, we can **maintain our all-inclusive fees, which are among the lowest in the area.**

Clearly, the objective should be to take action on expense opportunities before the next budget is upon us.

7) Other – It is about maintaining Palace Place as the most prestigious, luxurious, and best managed waterfront condominium residence in Toronto

My other objectives are to make the shuttle bus a better experience, create a better store, make our common elements shine even more, treat our staff better, some of who had no salary increase in 3-years, completely re-design The Wave newsletter into a showpiece magazine that generates revenue, organize resident parties that are paid for by sponsors, not residents, and pursue any innovative solution that makes Palace Place a better place to live.

Floods

Having experienced a devastating flood myself this year, we need to enforce plumbing regulations to stop these unnecessary floods. The flood from the suite above mine had been caused by a plumber who had used a pipe designed for a residential home, not the extreme pressure of a condominium. The result was that the pipe had burst flooding 5 floors below. There is no need for any resident to experience such a disaster, and I will endeavor to have plumbing inspections by a certified plumber.

While we are vigilant with our fire testing procedures, we need to implement similar procedures for floods, so that immediate action can be taken.

Fortunately, Palace Place was designed with special features to divert water to minimize the impact, but it is the owner that causes the flood, not the building, so strict standards need to be implemented immediately.

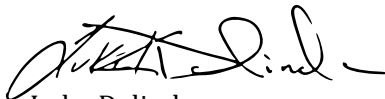
In summary

Finally, to implement these changes, not only do I need to be elected to the Board, but I also need to be in position of President of the Board. By voting for me, you will send a loud, clear message to the new Board that you support my vision.

No matter the outcome, I hope that my candidacy encourages more owner participation in our decision making process. We can never have another election where candidates win simply by acclamation, and we must always question the step-by-step details of what our Boards propose.

It is critical that you vote. Please sign the enclosed proxy. If you have already submitted a proxy, but have changed your mind, you need only submit another proxy. The latter dated proxy will be the one used. If you have any questions, send me an email or call me at 416-725-7170.

Your support is an honor. I thank you for your time.

A handwritten signature in black ink, appearing to read 'Luke Dalinda', with a long horizontal flourish extending to the right.

Luke Dalinda
Resident Owner

LUKE DALINDA FOR PALACE PLACE PRESIDENT

IF YOU CANNOT ATTEND THE AGM, PLEASE NAME ME AS YOUR PROXY. DO NOT GIVE MANAGEMENT A BLANK VOTE!
TEL: 416-725-7170 FAX: 1-888-709-5726 EMAIL: LDALINDA@DALINDA.NET WEBSITE: PALACEPLACE.DALINDA.NET

Dear Neighbors,

I have written this letter to ask for your support in my candidacy for becoming a member of our Board at Palace Place.

We are at a pivotal moment in our building's history. Did you know that based on our current market value we are a **\$400-million corporation?** I verify believe that we ought to be a **\$600 per square foot building**. I have spent my entire career setting record price after record price at Palace Place. In fact, I am the one who had coined the term in an effort to bring our values up and establish benchmarks for all owners to follow.

On the Board, I will be able to implement key initiatives and strategies that will ensure that we progress toward this goal.

I will also bring an **Apple Store mentality** to our management and Board. If you have a problem, you deserve direct, immediate access to the Board and management, and you should be given our full resources until your problem is resolved to your reasonable satisfaction. When you contact management for whatever reason, I want you to feel completely satisfied in the experience. My home phone number and email address will be available to you 24/7.

The main objective of my candidacy is to establish an **Advisory Board**. We have many brilliant minds at Palace Place, but very few of them want to serve as a Board member. Owners just do not want the hassle because they know that this is a thankless job. However, many of these talented owners would gladly serve on an Advisory Board. This gives the Board direct access to a wealth of knowledge and experience, and it gives new Board members a way to be screened and educated in our history. An Advisory Board will ensure that we do not lose access or contact to some of those owners who have made a significant impact in the success of Palace Place. More importantly, it will ensure that our building is always managed by a very competent team.

I will implement a by-law policy at Palace Place that **only owners can serve** on our Board. As an owner, we should not have tenants, who have nothing to lose, calling the shots with our most significant investments. If you want to have a say in Palace Place, make the same financial investment that we have all made. This is how all corporations work. It is how Palace Place should work.

As your Board member, I am in **opposition of anything that significantly changes the original design of the building**, as such change compromises the design and leads to failure. I am for anything that enhances and supports the design of the building. This means **no smart meters, no reskinning, which would require temporary resident relocation & suite renovation, and no family change room**. Palace Place had been designed by the best architects and engineers to last. That is a good thing, and there is no need to go down those other roads, which would only compromise our renowned design.

Lastly, I will use every available resource to try to avoid the forthcoming fee increase of approximately 7.5%, and I am calling out to all the financial minds in our building to take action, participate, and volunteer your time to help find alternatives. If we work together, we can **maintain our all-inclusive fees, which are among the lowest in the area**.

Palace Place has enjoyed being known as one of the best managed condominium residences in Toronto for many years. If one man deserves the credit, it is Gus Protopoulos. The Palace Place that we enjoy today would be very different from a Palace Place without Gus. Gus had given our building stability for many years. It is my goal to follow his example and do my best to fill his enormous shoes.

I love Palace Place. It is my home and my work. As such, I have every motivation to deliver measurable results and get the job done.

I ask for your support, but, more importantly, I plead that each of you take a more active role in Palace Place. To paraphrase, John F. Kennedy, "Ask not what Palace Place can do for you, but what you can do for Palace Place."

As I have said since 1993, Palace Place is the most prestigious, luxurious, and best managed waterfront condominium residence in Canada. Let us keep it that way!

Facts About Luke Dalinda

- Luke Dalinda has been a Palace Place resident since 1993, and he currently resides with his wife, Valentina, and 4-year old twins, Liam and Keira.
- Luke Dalinda is the #1 top selling realtor at Palace Place. Luke Dalinda had been the first #1 top realtor at Palace Place since it had achieved its independence from Citibank in 1997, as per TREB data. As the longest serving realtor, Luke has set more record prices at Palace Place than any other realtor. Luke Dalinda has achieved top 3% in Canada status since 2007, as per Royal LePage sales.
- Luke Dalinda has written the renowned Dalinda Report, which features the first, original Palace Place price chart report, since 1997. In 2011, Luke had written and published a history book about Palace Place (ISBN: 978-0-9878-046-0-0).

- Luke Dalinda has lived and practiced through every market cycle at Palace Place. His breadth and depth of market knowledge at Palace Place is unparalleled.
- In 2004, Luke Dalinda had founded the Media, Entertainment, and Communications practice group of Royal LePage Commercial Inc. Luke has been the lead sales representative for some of Canada's biggest companies, including Rogers, Standard Broadcasting, Peace Arch, eOne, Alliance Atlantis, and Sun TV.

- Film, Television, & Music - Since 1995, Luke Dalinda has worked as a writer and producer for some of the biggest names in media, entertainment, and communications, and his accomplishments have received industry praise and award recognition. Luke has achieved excellence through innovation and has delivered results that have always exceeded expectations.
- As a screenwriter, Luke Dalinda has repeatedly been recognized by the Nicholl Fellowships of The Academy of Motion Picture Arts and Sciences.

- Luke had been a television writer and producer for NBC, and he had been a producer for Universal Music Group. Luke has played a significant role in the Toronto International Film Festival since 2006.

For many still with LUKE DALINDA HAS BEEN ENDORSED BY THE FOLLOWING OWNERS.

JOHN W. GALBRAITH
(CO-FOUNDER TEMPLETON, GALBRAITH,
NOW FRANKLIN, TEMPLETON)

John Wm Galbraith

GUS PROTOPAPAS
(FORMER PALACE PLACE PRESIDENT &
DIRECTOR FOR OVER 14 YEARS)

Gus Protopapas

JOHN A. MCLENNAN
(PALACE PLACE RESIDENT)

John A. McLennan

NORMA BANDLER
(FORMER PRESIDENT & CEO AT THE
CREDIT VALLEY HOSPITAL FOUNDATION)

Norma Bandler

**PROXY FOR GENERAL MATTERS AND
FOR THE ELECTION OF DIRECTORS**

TO: Metropolitan Toronto Condominium Corporation No. 1053 (known as the “**Corporation**”)

1. I am (we are) the registered owner(s)/mortgagee(s), of Unit _____, Level _____, Metropolitan Toronto Condominium Plan No. 1053, being Suite No. _____.
2. I (We) appoint _____, if present, or failing him/her, the Secretary of the board of directors, if present, to be a proxy (known as the “**Proxy Holder**”) and to attend and vote on my (our) behalf with power of substitution at the meeting of owners to be held on the **19th day of November 2012** and at any adjournments of the meeting (known as the “**Meeting**”).
3. The Proxy Holder may vote on my (our) behalf in respect of all matters that may come before the Meeting, subject to the instructions set out below, as I (we) could do if personally present at the Meeting.
4. I (We) instruct the Proxy Holder to nominate, if necessary, and to **vote** for the candidates next to whose name I (we) have placed a “X” or a similar mark, set out below **for the positions on the board of directors** for which all owners may vote.

Candidates for the Positions on the Board for which all Owners may vote:

(Two (2) directors will be elected, each to a three-year term)

Candidate's Name	For "X"	Rank
1. Ron B. Anderson		
2. Luke Dalinda		
3. Ike Haser		
4. William (Bill) G. Wilcox		
5.		

Note: If you vote for more positions than are available, your vote will be recorded in the order in which the Candidate's names have been ranked and if you fail to rank the candidates, your votes will be cast in the order set out above up to the number of positions available.

6. I (We) revoke all proxies previously given.

DATED November _____, 2012 at _____ a.m. / p.m. (circle whichever is applicable)

Signature of Unit Owner or Mortgagee

Print Name of Unit Owner or Mortgagee

(In the case of a corporation, affix corporate seal or add a statement that the persons signing have the authority to bind the corporation.)

(If you are authorized to act on behalf of the registered owner(s) or mortgagee(s), attach a copy of the document that gives you this authorization.)

(If you do not indicate for whom you wish to vote in the election of directors on this form, this proxy cannot be used to vote for any candidates.)