

LUKE DALINDA

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PALACEPLACE.DALINDA.NET

November 28, 2012

Dear Fellow Owners,

Re: Owners and Board Update

I have written this letter to follow up with you on the AGM on November 19, 2012 and our first Board meeting, which had taken place on November 27, 2012.

Out of 294 represented owners, I had received 210 votes. This was the largest vote total for a director of our Board in the history of Palace Place. I was absolutely honored that my vision for Palace Place had been given a clear, strong, and unified approval from my fellow Palace Place owners.

Throughout my campaign, I had made it clear to you, that to implement my vision I would have to be in the position of President. Unfortunately, due to a technicality in the Condominium Act, it is the Board that decides on who is President based on a majority vote.

I knew this going in, but, as I truly believe in democracy and common sense, it was my hope that the Board would set their differences aside and listen to the will of the people. Unfortunately, this did not happen, and Tony Vella has been elected President by the two remaining Board members of the "Old Guard", while Ike and I had abstained from voting for Tony Vella, as we had been given a clear mandate for change. **In other words, 1-single owner and 1-single tenant had given the Presidency to Tony Vella.** The unfortunate and unfair part is that due to the fact that last year he was elected on the Board by acclamation, he had never presented to you his vision and how he truly feels about all the issues facing Palace Place today. You really have no idea if he wants change or if he wants things to remain the same.

As such, to prevent our tenant Board member from becoming Vice-President, I had taken that role with reservation. In this limited position, it is important for me to let you know that I will not be able to deliver my vision, as outlined to all owners in my letter of November 1, 2012. There is so much more that I could have done if given the power to cut through the 3 to 2 majority of the members of the old Board.

Until such time that a change occurs, either at the next AGM in November 2013, or earlier if you the owners decide to requisition a Special Meeting for the removal of at least one Director, I will perform my duties as best as I can and keep you informed along the way.

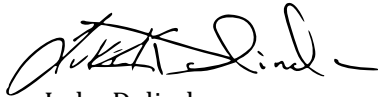
I am very concerned that our Treasurer will not confirm that she will fulfill her term ending 2013. We need some actual CAs to step forward in case we are faced with the need to fill this position. I am also very concerned that Brookfield was unable to provide us with Property Manager candidates, especially since our current Manager was scheduled to leave at the end of November, so we need to start interviewing other companies too.

I take my work and what I do at Palace Place very seriously. I put a lot of thought and effort in what I do, and I take pride and ownership of what I create. I have been doing this for 20-years!

Due to the mail delays, in sending you letters during the holidays, I ask that you please follow my Palace Place news website at: <http://PalacePlace.Dalinda.net> If you sign up, you will be notified each time there is a new post. Please be assured that your information will be held under the strictest confidence.

I have been a passionate Palace Place supporter for 20-years. I know this building, its history, and its people better than anyone does. I am deeply honored and humbled by the support that you, the owners, have given me, and I look forward to doing what I can to improve the most prestigious and luxurious waterfront condominium residence in Canada!

All the best,

A handwritten signature in black ink, appearing to read 'Luke Dalinda', with a stylized flourish at the end.

Luke Dalinda
Resident Owner
Vice-President (with reservation) of MTCC 1053



ONE PALACE PIER COURT,
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November 20, 2012

**RE: 2012 ANNUAL GENERAL MEETING
CONGRATULATIONS TO**

**Luke Dalinda: Three-Year Term (210 votes)
Ike Haser: Three-Year Term (164 votes)**

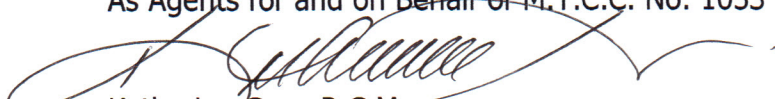
The firm of ADAMS & MILES LLP was appointed as auditors of the Corporation for the year ending May 31, 2013.

On behalf of the Board of Directors of M.T.C.C. No. 1053, our thanks are extended to all owners who participated at this year's meeting by attending in person or by proxy. A total of 294 units were represented at the meeting. Residents unable to attend the meeting in person may look forward to a brief synopsis to be made available shortly.

Your comments are always welcome. Resident suggestions may be placed in the suggestion box in the mail room or using the suggestion feature on our website: www.palaceplace.org, forwarded via email to mtcc1053@rogers.com, addressed via letter delivered to the Management Office or by contacting the Management Office at 416-503-1200 Ext. 222.

Again, thank you to all who participated in the 2012 Annual General Meeting.

Respectfully,
BROOKFIELD RESIDENTIAL SERVICES LTD.
As Agents for and on Behalf of M.T.C.C. No. 1053



Katherine Gow, R.C.M.
Senior Property Manager