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January 26, 2016

Patton Cormier Ferreira
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1512-140 Fullarton St.
London, Ontario N6A 5P2

Via Email: apatton@pattoncormier.ca

Attention: Mr. Allan R. Patton

Dear Sirs,

**RE: Highland gate Development Inc. ("HGDI")
and Highland Gate Rate Payers Association ("HGRPA")**

**And Re: Applications by Highland Gate Developments Inc.
21 Golf Links Drive, Aurora
OMB Case No. PL151160**

We are general counsel to HGDI. We are advised that you represent the HGRPA.

As you are aware, Davies Howe Partners LLP and Kagan Shastri LLP represent HGDI as co-counsel regarding the development applications for the former Highland Gate Golf Club lands which were filed with the Town of Aurora and have subsequently been appealed to the Ontario Municipal Board ("OMB").

It has recently come to our attention that your client, HGRPA, has posted on its public website details of on-going "confidential and without prejudice" settlement discussions between HGDI and York Region Condominium Corporation No. 692 ("Highland Green"), and has done so without receiving any permission from HGDI and Highland Green.

More specifically, in a recent posting under the heading "Status Report", HGRPA has advised readers of its website that:

"The Board of Highland Green Condominium is currently in separate negotiations with the developer. In exchange for specific improvements to

the Highland Green property, the Condo Board will agree to the building on Golf Links Drive of a 7-story condominium with no commercial component."

It may well be that one or more owners of a Unit in YRCC 692 is/are also a member(s) of the HGRPA and has passed on specific details of the confidential, "without prejudice", settlement discussions and agreement as between our client, HGDI, and Highland Green. That may, indeed, be the source of the information, so cavalierly, communicated on the HGRPA website.

However, it does not behoove the HGRPA to post the details of private, settlement discussions, between "interested parties", within an OMB process, on a public website. We are of the opinion, and trust that you can agree, that, under the circumstances, such behaviour is immoral and unethical; and, at a minimum, displays poor judgment and bad faith on the part of the upper echelon of the HGRPA leadership.

To put it another way; it is entirely inappropriate for your client to be commenting in a public forum on the status of on-going settlement discussions between other parties and, more particularly, to be divulging what it believes the content of those settlement discussions to be.

We and our clients view the conduct of the officers of the HGRPA as being an intentional interference with HGDI's on-going settlement discussions with neighbouring land owners and in the process of their appeals before the OMB.

The HGRPA should acknowledge, take into account and be sensitive to the facts that: (i) HGDI is in contact with adjoining land owners (some 190 properties); (ii) HGDI has conducted ongoing, private, good faith, settlement negotiations with many of them; (iii) adjoining land owners and HGDI have entered into a number of fully executed, settlement agreements; and (iv) that a number of those fully executed, settlement agreements have been entered into and executed by members of the HGRPA.

While it is impossible to undo that which has been done by the HGRPA, we do make the following demands, the satisfaction of which will be in the best interests of all parties, namely:

1. That HGRPA take steps to immediately remove any reference to the settlement discussions between HGDI and Highland Green from the HGRPA website and confirm to us, in writing, once this has occurred;
2. That HGRPA issue an apology to HGDI in respect of this matter, on their web site; on the Home page and under the heading "Status Report";

3. That HGRPA provide my clients with a written undertaking (in a separate document or by way of a letter from your firm) stating that they shall refrain and desist from communicating, posting and/or disseminating any details of any settlement discussions between HGDI and any party, person or entity (other than HGRPA, itself) in regards to the subject matter of the relevant OMB appeals.

We look forward to receiving your response, in a timely manner.

Yours very truly,



JEFFREY P. SHANKMAN

copy: Highland Gate Developments Inc.
Mark Flowers, Davies Howe Partners LLP
Ira Kagan, Kagan Shastri LLP
York Region Condominium Corporation No. 692 - c/o Warren Kleiner,
Miller Thomson