

Mr. Frank Bentley
President
Formtech Corporation
15455 Bathurst Street
Aurora, ON L4G 7A7

Dear Frank:

I am writing to give you an update on our condominium project now that we have a couple of operating seasons complete.

Our 43-unit residential condominium is located in Gravenhurst, Ontario, Canada. The northern location of our building presents us with unique climate challenges. The winters are harsh and the summers can be humid. Last year, the temperature dropped to a low of 33 degrees below zero Fahrenheit, and total snowfall exceeded 13 feet. In the summer, temperatures rose to 92 degrees Fahrenheit with high humidity.

Residents continue to marvel at the performance of the Insulated Concrete Form (ICF) construction methods used in our building. They frequently comment upon the lack of sound transmission between units and the absence of elevator noise. Many find ICF construction (once properly explained to prospective purchasers) to be a bonus at resale time.

As President and Property Manager, I am very pleased with the energy efficiency aspects of ICF construction, having now seen the impact on our operating budget. It is unusual to find monthly condominium maintenance fees include utility costs, but that is the case with our building. As such, I pay close attention to this area. Actual heating and cooling costs in our first year were far below what was budgeted and expected for a building of this size. So much so that we found ourselves in the unique position of being able to lower our condo fees significantly in subsequent years. This made our individual unit owners very happy, and our Annual General Meeting a pleasant experience.

Having personally experienced the benefits of ICF construction, I cannot understand why anyone would continue to build the "old" way.

Sincerely,

Ross Statchuk
President and Property Manager
Muskoka Condominium Corporation #51
110 Steamship Bay Road
Gravenhurst, Ontario, Canada P1P 1Z9