



TERENCE P. BADOUR  
*Executive Vice President, Law and Administration and Corporate Secretary*

October 29, 2004

Ms. Jo Ann Goldwater  
Les Amis de Meadowbrook  
279 Sheraton Drive  
Montréal, Québec  
H4X 1N8

Dear Ms. Goldwater:

I write with reference to your letter of August 18, 2004 addressed to Mr. Fatt and the undersigned that you sent on behalf of Les Amis de Meadowbrook and the other subscribing parties.

Fairmont Hotels & Resorts is one of North America's leading owner/operators of luxury hotels and resorts with 82 luxury and first-class properties operated by either Fairmont or Delta Hotels. Fairmont operates several world-class golf courses that are an integral part of a number of its resort properties.

I mention this last point to highlight and draw your attention to the fact that the Meadowbrook Golf Course is not physically nor operationally associated with any Fairmont or Delta hotel or resort. Fairmont became the owner of the Meadowbrook property upon the reorganization of Canadian Pacific Limited in October of 2001 when it distributed the shares of its five principal operating businesses to shareholders. In the reorganization certain development lands were transferred to Fairmont. Among them was the Wentworth land parcel, now known as Meadowbrook Golf Course.

Fairmont thanks you and appreciates the time you have taken to detail the concerns and interests that Les Amis de Meadowbrook have in respect of this property. Fairmont understands the value of this particular property to the larger community and acknowledges that it has been added to the list of land parcels targeted for the protection of green spaces or "ecoterritories". Fairmont, as well as the previous owners of this property, have had discussions in the past with representatives of the City of Montreal, Ville Saint Pierre, Lachine and Côte-St-Luc regarding the value of this property as well as the potential development of all or part of this land. Throughout these past discussions and to date, Fairmont, as with the previous owners, has continued to operate the Meadowbrook lands as a public golf course thereby servicing the local as well as the larger community with the offering of a convenient, inexpensive and attractive green space for recreational golf.



A significant element of Fairmont's corporate strategy is the growth and development of its hotel business and the deployment of its capital resources in the pursuit of this goal. As Meadowbrook is not a property which could be developed for a hotel within the Fairmont standards and brand positioning, it is a target for disposition. The proceeds from the disposition of Meadowbrook, as with other of our development properties, would be redeployed in the furtherance of Fairmont's strategic objectives.

As a public corporation, Fairmont is keenly aware of the duty that it owes its thousands of shareholders. In this regard, Fairmont manages its assets responsibly, with reasonable care and diligence and, moreover, works to optimize operations and maximize returns for investors. Accordingly, it is Fairmont's current intention to continue the commercial operation of this land as a public golf course until such time as an opportunity avails to create and realize value for our investors.

I thank you again for bringing your views and interests in respect of this property directly to our attention.

Yours truly,



Terence P. Badour

TPB:sp

cc William Fatt, Fairmont Hotels & Resorts  
 Carole Taylor, Fairmont Hotels & Resorts  
 Jack Cabot, Les Amis de Meadowbrook  
 Avrom Shtern, Les Amis de Meadowbrook  
 Kay Wolofsky, Les Amis de Meadowbrook  
 Luc Bergeron, ZIP Montreal  
 Dida Berku, Cote-St-Luc-Hampstead-Montreal West  
 David Fletcher, Porte-parole Green Coalition  
 Sylvia Oljemark, Porte-parole Green Coalition  
 Phyllis Lambert, Canadian Centre for Architecture  
 Robert Perreault, Conseil regional de l'environnement de Montreal  
 Dr. John Simms, Former Mayor of the Town of Montreal West

