

September 26, 2018

RE: Notice of Board of Directors Meeting
Notice of Annual Meeting
Cypress Harbour Condominium Association, Inc.

Dear Marriott's Cypress Harbour Owner:

The following Meetings of Cypress Harbour Condominium Association, Inc., will be held on October 19, 2018:

- Board of Directors Meeting will be held at 8:00 a.m., Eastern time, at Marriott's Cypress Harbour, 11251 Harbour Villa Road, Leeward Pointe, Orlando, Florida 32821
- 2018 Annual Meeting will be held at 4:00 p.m., Eastern time, will be held at Marriott's Cypress Harbour (see the Front Desk for exact meeting locations), 11251 Harbour Villa Road, Orlando, Florida 32821

Board of Directors Meeting:

The primary purpose of the Board of Directors Meeting is to review and approve the 2019 Budget. The following materials are included for your review:

- **Agenda** for the Meeting
- **Highlights** regarding important information about the proposed 2019 Budget
- **Proposed 2019 Budget** (the proposed Budget is subject to change at the Meeting)

As a Member of the Association, your presence and comments are welcome. Your comments will be considered by the Board of Directors prior to taking formal action. Open discussion with Owners is scheduled from 11:30 a.m. to 12:30 p.m. We ask you to limit your comments to this timeframe. You are welcome to join us for lunch afterwards.

If you have questions regarding the enclosed Budget materials, please feel free to email either Deb Gammon, Association President, at dg@debgammon.com or Gonzalo Ponce, Association Treasurer at gps1955@gmail.com.

Annual Meeting:

The purpose of the 2018 Annual Meeting is to review the operations of the Association, conduct any other business which may be presented at the meeting and to consider the following:

- Waiving or Reduction of Fully Funded Reserves
- Election of Two (2) Members to the Board of Directors to each serve a three-year term

The following Annual Meeting materials are included for your review:

- **Agenda** for the meeting
- **Proposals** to be considered
- **Candidate Profiles** of the candidates for election to the Board of Directors
- **Limited Proxy Submission Methods**
- **Limited Proxy**

If you are unable to attend in person, you may submit your Limited Proxy electronically through the Internet at proxyvoting.com/MVCI by 11:59 p.m., Eastern time, on October 12, 2018. The Internet procedures are designed to authenticate your electronic submission by use of a personal control number found on your Limited Proxy. Or submit your Limited Proxy by marking, signing, and dating your Limited Proxy and returning it in the prepaid envelope to: Proxy Services Corporation, P.O. Box 9001, Brentwood, New York 11717-9804 before October 12, 2018. If you submit your Limited Proxy on the Internet, please do not also mail your Limited Proxy.

If you have questions regarding submitting your Limited Proxy electronically, please contact Morrow Sodali by email at mvci.info@morrowssodali.com.

In connection with updating your records, a **Certificate of Voting** form is included. **If you previously completed and returned a Certificate of Voting form, you do not need to complete the form again unless you wish to designate a new voting member.** If completing the form, please designate one (1) voting

member by writing their name on the enclosed form, sign, date and return with your Limited Proxy in the business return envelope provided. Or, you may complete the form electronically by entering the name of your designated voting member, signing and submitting online. Single, individual Owners do not need to complete a form. Please note, completing the Certificate of Voting is different from appointing a proxy holder. See your Limited Proxy for specific instructions on appointing a proxy holder if you are unable to attend the Annual Meeting.

If you have any questions regarding the Annual Meeting, please contact Amanda Scott, Guest Relations Manager, by phone at 407-238-6190 or by email at Amanda.Scott@vacationclub.com.

Whether or not you plan to attend the Annual Meeting, I encourage you to submit your Limited Proxy promptly. If the quorum requirement is not met, the Association will incur additional expense to re-notice Owners in order to obtain the votes required to hold the Annual Meeting. Your vote and participation are important to the Association.

Sincerely,

Malcolm Seheult

Secretary

Cypress Harbour Condominium Association, Inc.

**Cypress Harbour Condominium Association, Inc.
Board of Directors Meeting**

October 19, 2018 at 8:00 a.m., Eastern Time

Marriott's Cypress Harbour
11251 Harbour Villa Road
Leeward Pointe
Orlando, Florida 32821

Agenda

- Call to Order
- Establishment of Quorum/Roll Call
- Appointment of Recording Secretary
- Proof of Notice of Board of Directors Meeting
- Approval of Agenda
- Approval of Prior Meeting Minutes
- Current Financials
 - Investment Update
 - Accounts Receivable
 - 2018 Forecast
- Break
- Financial Discussion
 - Proposed 2019 Operating and Reserve Budget
 - Open Budget Discussion with Owners (11:30 a.m. – 12:30 p.m.)
- Lunch Break
- New Business
 - Announcement of 2019 Board and Annual Meeting Dates
- Approval of 2019 Operating and Reserve Budget
- Adjournment

**The 2018 Annual Meeting of the Owners will be held at 4:00 p.m. at
The Breakers located at Marriott's Cypress Harbour**

**CYPRESS HARBOUR CONDOMINIUM ASSOCIATION, INC.
2019 PROPOSED OPERATING, PROPERTY TAX AND RESERVE BUDGET**

HIGHLIGHTS

PRESENTED BUDGET

The enclosed proposed budget is required by Florida Statutes to reflect the budget as if the Owners have not voted to waive the fully funding of the reserve fund. It presents the worst-case scenario, and it is important for you to vote on this matter on the limited proxy as it has a significant impact on the amount of the assessment you will pay in 2019. **The Board recommends you vote yes** to waive the requirement to fully fund the reserves. This question appears on your limited proxy. **Please note** that this is the only mailing you will receive regarding the Proposed 2019 Operating, Reserve, and Property Tax Budget, and that you will need to follow the voting instructions included to submit your Limited Proxy, either electronically or via mail, should you not be able to attend the Annual Meeting in person.

If the majority of the voted Owners either vote against or do not vote to waive the fully funded reserves, your assessment for the reserve fund will be \$619.30. If the majority of the voted Owners **do** vote to waive the fully funded reserves, we expect the reserve assessment to be in the range of \$310.00 - \$409.00. You can see why it is important for you to vote on this matter.

The currently anticipated impact on the overall assessment is below:

	2018 Approved	IF THE MAJORITY OF VOTED OWNERS EITHER VOTE AGAINST OR DO NOT VOTE TO WAIVE FULLY FUNDED RESERVES 2019 Estimates
Special	\$1,321.36	\$1,632.61
Sport	\$1,257.53	\$1,564.99
Summer	\$1,291.50	\$1,600.98

	2018 Approved	IF THE MAJORITY OF VOTED OWNERS VOTE TO WAIVE FULLY FUNDED RESERVES 2019 Estimates
Special	\$1,321.36	\$1,356.86
Sport	\$1,257.53	\$1,289.24
Summer	\$1,291.50	\$1,325.23

RESERVE FUND

If the Owner vote to waive fully funding reserves passes, the Board anticipates that the proposed reserve contribution will be close to last year's contribution of \$355.00. If the Owner vote does not pass, the reserve contribution will be what is required by statutory calculation, which is \$619.30.

Upcoming projects anticipated in 2019 include a complete upgrade of our WIFI, TV and internal VOIP systems. Among other services, these new platforms will position our resort to support the increasing demand for bandwidth at each villa, the availability of personal subscription-based streaming services like Netflix, and a more secure WIFI network.

Also, in January, we will start Phase V of villa refurbishments in Buildings 69, 70, 71 and 72. This refurbishment phase completes our new design look for the resort. The buildings in this phase will be painted later in the year.

PROPERTY TAX FUND

As a reminder, in February 2017, we reached a settlement agreement with Orange County representing a net tax refund of \$537,514. In October 2017, the Board decided to distribute the settlement of \$537,514 over the next four years, to smooth out the effect of property tax increases. Under this schedule: \$156,060 for each of the years 2018-2020 and \$69,334 for the year 2021.

In early 2018, the Board decided to initiate a process challenging our assessed property value for the year 2017. The first step was to submit a Value Adjustment Petition, but it was denied by Orange County. In April 2018, after careful considerations and with the guidance of our expert attorney, the Board decided to take further legal action to mitigate the high assessed property value of Cypress Harbour by Orange County.

Regarding the 2019 budget, as of August 2018, we received the preliminary trim notice that surprisingly came with a small increase compared to the trend experienced over the past two years. In 2018, the Board applied a surplus return (\$5 per unit week) in addition to the settlement allocation to lower the 2018 maintenance fee. Typically, a surplus return benefits the current year and will require the maintenance fee to catch up in the next year. The 2019 budget includes a moderate increase of 3.5 percent and the catch up for the prior year surplus return. The combined effect is a 6 percent property tax increase.

Property tax distribution it is not equitable across all types of unit weeks since we are required to prorate the taxes based on the assessed valuation of each type of unit week. Of course, if we receive more information by October, we will adjust accordingly. Following are the proposed Property Tax **increases** by unit week:

Special	\$ 9.89
Sport	\$ 6.10
Summer	\$ 8.12

Property taxes are collected in January and we pay the bill the following November. We do save 4 percent of the total amount due by paying the tax bill early.

OPERATING FUND

If the Owners vote to waive the fully funding of the reserve fund, the proposed operating fund budget reflects a 0.34 percent decrease, considering the \$30 per unit week included in the 2018 budget to

address the expenses associated with the effects of Hurricane Irma on the resort. Taking out this unique expense, the operating fund in the proposed budget increases by 3.54 percent.

A key driver for this increase is the employee wages adjustments and recognition programs that our management team have implemented to maintain minimum turnover and compete with other high-quality hotels and resorts in the Orlando area. Unemployment in the Orlando area is estimated at around 2 percent with a very strong demand for front-desk, maintenance and security personnel.

Another driver of the increase in the proposed operating fund is due to an insurance rate adjustment as consequence of the 2018 hurricane season.

Should the vote to waive fully funding of the reserve fund fail, the operating fund assessment is currently expected to increase 4.63 percent due to the above and increases in the management fee and credit card expense.

When the 2018 budget was prepared, the Association applied \$18 per unit week of operating surplus to the Owners. Based on actual results year to date, the forecast for the rest of this year, and potential inflation and wages increases in 2019, we decided to adopt a more conservative approach presenting a preliminary surplus return for 2019 of \$8 per unit week in the proposed budget.

Open discussion with Owners regarding the Proposed 2019 Operating, Reserve, and Property Tax Budget is scheduled from 11:30 a.m. to 12:30 p.m., Eastern Time, on September 19. We ask you to limit your comments to this time frame. You are welcome to join us for lunch afterwards.

Please consider “opting in” for email correspondence so you will receive all electronic copies of the Notice of Annual Meeting and Notice of Board Budget Meeting, and also this will save on printing and postage costs. Email addresses are shared with our third-party proxy vendor for noticing and voting purposes only. To opt in, please visit www.marriottvacationclub.com and update your profile in the account dropdown menu.

Sincerely,

Gonzalo

Gonzalo Ponce, Association Treasurer

CYPRESS HARBOUR CONDOMINIUM ASSOCIATION, INC.

2019 Estimated Operating Budget

For The Period Beginning January 1, 2019 And Ending December 31, 2019

	2018 BUDGETED EXPENSES 26,010 UNIT WEEKS (PER UNIT WEEK)	2019 PROPOSED BUDGET 26,010 UNIT WEEKS (PER UNIT WEEK)	2018 BUDGET VS 2019 BUDGET INCREASE/(DECREASE)		2019 PROPOSED BUDGET TOTAL \$
			\$	%	

Revenue					
SPECIAL (WEEKS 1 - 17,51 - 52)	1,321.36	1,632.61	311.25	23.6%	15,819,737
SPORT (WEEKS 18 - 23,34 - 50)	1,257.53	1,564.99	307.46	24.5%	17,558,894
SUMMER (WEEKS 24 - 33)	1,291.50	1,600.98	309.48	24.0%	8,164,864
Bank/Investment Interest	1.65	2.71	1.06	64.2%	70,611
Late Fees	6.04	5.25	(0.79)	(13.1%)	136,650
Maintenance Fee Interest Income	10.21	7.85	(2.36)	(23.1%)	204,300
Surplus Return	18.00	8.00	(10.00)	(55.6%)	208,080
Total Maintenance Fee Revenue					42,163,136

Expenses					
Accounting	14.33	14.68	0.35	2.4%	381,917
Activities	20.83	19.85	(0.98)	(4.7%)	516,338
Administration	43.98	45.77	1.79	4.1%	1,190,365
Audit Fee	0.61	0.63	0.02	3.3%	16,325
Bad Debt Expense	2.00	2.00	0.00	0.0%	52,020
Billing and Collections	9.86	9.86	0.00	0.0%	256,459
Board of Directors	1.08	0.99	(0.09)	(8.3%)	25,643
Cable Television	5.69	5.88	0.19	3.3%	152,813
Credit Card Fee	20.55	22.22	1.67	8.1%	578,000
Cypress Spa Net	0.54	0.45	(0.09)	(16.7%)	11,831
Disaster Recovery - Hurricane Irma	30.00	0.00	(30.00)	(100.0%)	0
Division of the Condominium, Timeshare, and Mobile Homes Fee (FL)	2.00	2.00	0.00	0.0%	52,000
Electricity	30.42	31.49	1.07	3.5%	819,040
Front Desk	42.17	47.34	5.17	12.3%	1,231,364
Gas	5.59	5.79	0.20	3.6%	150,512
High Speed Internet	3.93	3.48	(0.45)	(11.5%)	90,462
Housekeeping ⁴	205.06	212.55	7.49	3.7%	5,528,522
Human Resources	10.51	10.88	0.37	3.5%	282,876
Income Tax	5.87	6.84	0.97	16.5%	178,008
Insurance	31.90	33.51	1.61	5.1%	871,480
Landscape / Grounds	24.00	24.04	0.04	0.2%	625,157
Legal	0.50	2.00	1.50	300.0%	52,020
Loss Prevention / Security	27.70	28.39	0.69	2.5%	738,419
Maintenance	95.65	98.99	3.34	3.5%	2,574,729
Management Fee	117.09	145.20	28.11	24.0%	3,776,681
Operating Capital	0.00	0.00	0.00	0.0%	0
Other Expenses	0.00	0.00	0.00	0.0%	0
Owner Services ³	43.58	44.89	1.31	3.0%	1,167,589
Pest Control	6.21	6.40	0.19	3.1%	166,464
Pool Maintenance	12.06	12.62	0.56	4.6%	328,276
Postage and Printing	2.32	2.29	(0.03)	(1.3%)	59,460
Refuse Collection	2.98	2.96	(0.02)	(0.7%)	77,000
Rent for Recreation	0.00	0.00	0.00	0.0%	0
Taxes upon Association Property	0.00	0.00	0.00	0.0%	0
Taxes upon Leased Areas	0.00	0.00	0.00	0.0%	0
Telephone	6.89	6.59	(0.30)	(4.4%)	171,391
Water and Sewer	9.07	9.38	0.31	3.4%	244,058
Westwood Lakes Property Owners Association, Inc.	1.01	0.99	(0.02)	(2.0%)	25,777
Operating Fee	835.98	860.95	24.97	3.0%	22,392,996

Total Net Operating	800.08	837.14	37.06	4.6%	21,773,355
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Reserve Fee ²	355.00	619.30	264.30	74.5%	16,107,968
Operating And Reserve Fee	1,190.98	1,480.25	289.27	24.3%	38,500,964

Estimated Property Tax¹					
SPECIAL (WEEKS 1 - 17,51 - 52)	166.28	176.17	9.89	6.0%	1,707,087
SPORT (WEEKS 18 - 23,34 - 50)	102.45	108.55	6.10	6.0%	1,217,931
SUMMER (WEEKS 24 - 33)	136.42	144.54	8.12	6.0%	737,154
Total Maintenance Fee Plus Property Tax					42,163,136

CYPRESS HARBOUR CONDOMINIUM ASSOCIATION, INC.
2019 Estimated Operating Budget Notes
For The Period Beginning January 1, 2019 And Ending December 31, 2019

Notes to the 2019 Estimated Operating Budget

1) Florida Law requires the Managing Entity hired by the Association to collect ad valorem taxes assessed by the Orange County Property Appraiser's Office. The exact amount of the taxes levied on each separate timeshare estate may vary depending on the value of the timeshare estate and will not be known for certain until November of the year of the assessment. The Tax Collector's Office only accepts "full payment" and offers a significant discount for early payment. In order to have the necessary funds on hand to make payment as soon as possible once the tax bill is received, and in order to receive a discount for early payment, the Managing Entity will bill owners for their proportionate share of the taxes in January. Accordingly, the amount collected each year will be an estimate of the amount of ad valorem taxes that will be levied against individual timeshare estates. When the final bill is available, the amount collected for each timeshare estate will be adjusted accordingly, and overpayments, if any, may reduce the subsequent year's assessment, subject to other budgetary factors.

Estimated 2019 Ad Valorem Taxes	AVERAGE
SPECIAL (WEEKS 1 - 17,51 - 52)	\$176.17
SPORT (WEEKS 18 - 23,34 - 50)	\$108.55
SUMMER (WEEKS 24 - 33)	\$144.54

2) Florida Law requires the Association to maintain reserves for deferred maintenance and capital expenditures, based on the estimated useful life and replacement cost of each reserve item. The Association accumulates funds for repairs and replacements over the remaining useful lives of the components based on estimates of current replacement costs. Actual expenditures may vary from the estimated replacement costs. If additional funds are needed, the Association has the right, subject to Board approval, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The reserves are made up of the following components:

- * Roof Replacement – includes both unit roof replacement and all common areas.
- * Furniture and Fixtures – includes replacement of unit furnishings, equipment, and appliances.
- * Building Painting – includes unit building painting.
- * External Building Maintenance – includes unit building-related equipment items.
- * Pavement Resurfacing – includes pavement resurfacing and striping.
- * Common Area Rehabilitation – includes site lighting, irrigation systems, and common area maintenance.

Components	Estimated Useful Life In Yrs	Estimated Replacement Cost	Estimated Remaining Useful Years	Anticipated Beginning Fund Balance As Of January 1, 2019	Contribution For 2019
Roof Replacement	30	\$14,750,196	20	\$2,482,771	\$613,371
Furniture and Fixtures	26	\$70,959,568	6	\$5,753,734	\$10,867,639
Building Painting	10	\$2,541,864	4	\$585,786	\$489,020
External Building Maintenance	30	\$29,344,474	13	\$760,426	\$2,198,773
Pavement Resurfacing	20	\$543,134	3	\$302,894	\$80,080
Common Area Rehabilitation	30	\$11,988,057	6	\$833,545	\$1,859,085
TOTAL		\$130,127,293		\$10,719,156	\$16,107,968

As permitted by Florida Statute 721, reserve funds may be reallocated between the reserve components by the Board at a duly called meeting. Florida law does not require 100% funding of all estimated future replacement costs. However, prudent management calls for funding at least a portion of these costs. Any waiver or reduction of the reserves below the levels calculated as set forth above requires a majority vote of Owners present, in person or by proxy, at a duly called meeting of the Association.

3) The Marriott Resorts Hospitality Corporation ("MRHC") has been delegated the authority to provide all services incidental to the management of the Condominium, including Owner Services and all property operations. In connection with the performance of those services, all operating expenses will be charged to and paid by the Association to MRHC, including some that may be incurred through affiliates of MRHC. Certain of the operating expenses charged to and paid by the Association to MRHC may reflect economies of scale associated with the number of projects managed by MRHC and the affiliated relationship between MRHC and the developer. The amounts charged for such operating expenses may reflect pricing that is lower than what equivalent services would cost if charged on an independent case-by-case basis.

4) Certain operating expenses are presented in the budget net of funds estimated to be reimbursed to the Association in 2019, including but not limited to fees paid to the Association by transient guests who voluntarily elect to receive a daily room cleaning.

Notes from 2017 Audit: Certain services, including off-site accounting and administration, and reservations, are provided by MRHC and allocated to the Association based on the number of unit weeks, as a percentage of total unit weeks the respective service covers. The amount due from Marriott Resorts Hospitality Corporation at December 31, 2017 and 2016 was \$100,000 and \$0, respectively. Marriott Vacations Worldwide Corporation ("MVWC"), the parent company of MRHC, pays all invoices on behalf of the Association, subject to reimbursement by the Association. The net amount due from (to) MVWC at December 31, 2017 and 2016 was \$62,134 and (\$79,443), respectively.

MRHC collects annual maintenance fees on behalf of the Association. The amount of maintenance fees receivable due from MRHC at December 31, 2017 and 2016 was \$1,158,161 and \$1,390,470, respectively.

Cypress Harbour Condominium Association, Inc.
2018 Annual Meeting

October 19, 2018 at 4:00 p.m., Eastern Time

Marriott's Cypress Harbour
(Check with Front Desk for Exact Meeting Location)
11251 Harbour Villa Road
Orlando, Florida 32821

Agenda

- Call to Order
- Election of Chairperson of the Meeting
- Roll Call; Certification of Proxies; Establishment of Quorum
- Appointment of Recording Secretary
- Proof of Notice of Annual Meeting
- Approval of Agenda
- Appointment of Inspector of Election
 - Nominations from Floor
 - Tabulation of Votes
- Approval of 2017 Annual Meeting Minutes
- Board of Directors Report
- 20 Years Associate Service Recognition
- Resort Operations Report
- Voting Results
 - Waiving or Reduction of Fully Funded Reserves
 - Election of Two (2) Members to the Board of Directors
- New Business
 - Announcement of 2019 Annual Meeting Date
- Adjournment

Cypress Harbour Condominium Association, Inc.
2018 Annual Meeting

Proposals

1. Reserve Funding Waiver (Item 2A on your Limited Proxy)

The State of Florida requires condominium associations to include in their annual budgets reserves for capital improvements and deferred maintenance. Under Florida law, the amount to be reserved must be computed using a formula based upon the estimated useful life and estimated replacement cost of each item. However, the State permits the annual waiver or reduction of the statutory reserve contribution with an affirmative vote by the majority of those Owners voting by proxy or in person at a duly called meeting of the Association. Without such a majority Owner vote for waiver or reduction of reserve funding the statutory formula will be followed, which may result in a higher total maintenance fee assessment than if a majority Owner vote is obtained.

Historically, the members have voted to waive this requirement. Your Board of Directors recommends a “YES” vote for waiver or reduction of the required reserve contribution.

2. Election of Two (2) Members to the Board of Directors (Item 2B on your Limited Proxy)

Two (2) Members will be elected to the Board of Directors each to serve a three-year term. See the Candidate Profiles for a summary of candidates.

Cypress Harbour Condominium Association, Inc.
2018 Annual Meeting

Candidate Profiles

Candidates are listed in alphabetical order.

Name: Michael V. DiGiovacchino
Home: Ambler, Pennsylvania
Occupation: Regional Vice President
Comments: "My wife and I have owned at Cypress Harbour for over 23 years and own at Ocean Watch and Summit Watch as well. I am privileged and honored to serve on your Board of Directors at Cypress Harbour, where over the past 3 years we have seen exciting enhancements including our new pickle ball court, island pool bar and the new band shelter at the main pool area. Receiving Marriott's "2016 Resort of the Year" Award for a record 4th time was truly a highlight! As your board member, I will continue to support enhancing our wonderful resort with a fiscally disciplined approach, ensuring Cypress Harbour continues to provide owners and families with the best and most beautiful resort experience. I have experience managing residential and vacation properties and extensive experience negotiating contracts in my 30+ years in sales, which are relevant to the present stage of resort development."

Name: Debra J. Gammon
Home: Long Grove, Illinois
Occupation: FO, Motor Werks Auto Group, Barrington, IL
Comments: "It is an honor to serve as your Board President. We have an amazing resort full of talented people. Despite "her" age, your Board and management team manage to keep the resort fresh and new - as evidenced by our winning resort of the year for the 4th time in 2017. Lately, we weathered some tough times together - the whole golf course situation - but celebrated many more positives. Our latest projects include the pickle ball court, the cute Island Bar and the band shelter. All of these improvements are possible due to our unique partnership in the operating results of the Market Place and Galley Grill. Your Board is proud of the fact our annual assessments are some of the lowest in the area as we see it is our fiscal responsibility to keep increases in line. I would be thrilled to continue this journey with you."

Name: Alexander J Gromack
Home: Congers, New York
Occupation: 40 years of Government Service in Elected Office – Retired
Comments: "I recently retired after 40 years in government service. My career included being elected to the New York State Assembly, Rockland County Legislature, and Town Supervisor. In those capacities I oversaw the establishment of balanced operating budgets, short and long range plans for capitol and revitalization projects along with cost saving measures that reduced fees and taxes. I know the importance of serving and working with people. As a proud Marriott owner at Cypress Harbour in addition to Aruba and purchasing destination points, I know how important it is to keep our collective investments fresh, modern, and in great condition. Cypress Harbour is a beautiful complex, one that our families and guests enjoy. Its enjoyment includes its value, great staff, and management team dedicated to excellence. I would welcome the opportunity to service on the board and be part of that team and commitment."

Cypress Harbour Condominium Association, Inc.
2018 Annual Meeting

Candidate Profiles

(continued)

Name: Benjamin B Spragg
Home: Newtown, Connecticut
Occupation: Retired Director of Finance
Comments: "It would be an honor to be considered as a candidate for a position on the Cypress Harbour Board of Directors. For the past 21 years, we have enjoyed all the benefits of being Cypress Harbour owners. Cypress Harbour is where we go to relax in the comfort of our beautiful villa and surroundings and to enjoy the local restaurants and attractions. I am currently retired from the position of Director of Finance for a \$100 million+ public agency where I worked collaboratively with management for 27 years to build consensus and financial acumen. As such, I would use my work experience and my dedication to Cypress Harbour to keep this location at the forefront of vacation resorts in Orlando."

Name: Daniel R Tovar
Home: Catharpin, Virginia
Occupation: Senior Technical Advisor
Comments: "I have been a proud MVCI owner of deeded properties and points for the last 20 years and have a vested interest in what has become the provider of our families greatest memories. I would like to bring my vacationing experiences and my leadership as a Program Manager to the Board of Directors so that Cypress Harbour can continue to be the resort we have all come to love. I have been a Program Manager for multi-million dollar IT systems for the federal government for two decades and am experienced at tracking costs and managing multiple projects on time and within budget from beginning to end. Most importantly, I'm a father who believes in the Marriott brand for providing unforgettable memories to my family. Cypress was our very first purchase and will always be special to us."

LIMITED PROXY

**Cypress Harbour Condominium Association, Inc.
Limited Proxy for 2018 Annual Meeting**

Date: _____

Voting Member Signature

(X): _____

Voting Member Signature

(X): _____

Legal Name:

Note: This Limited Proxy must be dated and signed by the owner(s) or the designated voting member for the vote(s) to be counted. Please sign and return your Limited Proxy on or before October 12, 2018. Please note, however, that votes will be counted if cast in person or otherwise properly received on or before October 19, 2018.

1. The above signed, as member(s) of **Cypress Harbour Condominium Association, Inc.**, do hereby appoint EITHER (indicate choice by filling in the circle at (1) OR (2)):

(1) **Deb Gammon**, President of the Association, or any other officer or director in attendance she so designates in her absence; OR

(2) _____
(Insert name of individual, who MUST be in attendance at the Annual Meeting in order for your vote(s) to be counted.)

as my true and lawful attorney-in-fact and proxy holder, revoking all previous proxies, to vote in my place and stead on my behalf, as though I myself were present, with power of substitution, at the **Annual Meeting of Cypress Harbour Condominium Association, Inc.**, to be held at 4:00 p.m., Eastern time, on October 19, 2018, at Marriott's Cypress Harbour (check with the Front Desk for exact meeting location), 11251 Harbour Villa Road, Orlando, Florida 32821, except that my proxy holder's authority is limited as indicated below.

2. **AGENDA ITEMS.** (FOR YOUR VOTE TO BE COUNTED ON THE FOLLOWING ISSUES, YOU MUST MARK THE CIRCLE(S) PROVIDED BELOW. IF YOU LEAVE ANY ITEM IN THIS SECTION BLANK, YOUR PROXY HOLDER MAY NOT CAST A VOTE ON SUCH ITEM).

A. Reserve Funding Waiver. See Proposals for details.

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

Do you want to provide for less reserve funding than is required by §718.112(2)(f), Florida Statutes, for the Association's next fiscal year?

Your Board of Directors recommends a vote "YES" for waiver or reduction of the statutory reserve annual contribution for 2019. In 2018, your Reserve Maintenance Fee contribution was \$355.00 per unit week. A majority "No" Vote will result in the Reserve Maintenance Fee contribution for 2019 being \$619.30 per unit week. This represents the Fully Funded annual contribution level for 2019.

- Yes No

If you voted "Yes", vote for one of the Board proposed options below: (The option with the most votes will be the one implemented by the Association.)

- Between \$310.00 - \$409.00 Reserve Maintenance Fee contribution per Unit Week
(Recommended by your Board of Directors)
- Between \$410.00 - \$509.00 Reserve Maintenance Fee contribution per Unit Week

B. Election of two (2) Members to the Board of Directors each to serve a three-year term. See the Candidate Profiles for a summary of the candidates. Please vote for no more than two (2) candidates. Selection of more than two (2) candidates will invalidate your vote.

- Michael V. DiGiovacchino
 Debra J. Gammon
 Alexander J Gromack
 Benjamin B Spragg
 Daniel R Tovar

3. **GENERAL POWERS (NON-AGENDA ITEM(S))**. You may choose to grant your proxy holder general powers. Please fill in the circle below if you want your proxy holder to vote on other issues which may come up at the meeting and for which a limited proxy is not required.

- I authorize and instruct my proxy holder to use his or her best judgment on all matters which properly come before the meeting and for which a general power may be used.

THIS LIMITED PROXY IS REVOCABLE BY THE OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT THEREOF. IN NO EVENT IS THIS LIMITED PROXY VALID FOR MORE THAN NINETY (90) DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.

Please sign and return your Limited Proxy on or before October 12, 2018. Please note, however, that votes will be counted if cast in person or otherwise properly received on or before October 19, 2018.

Limited Proxy Submission Methods

The accompanying Notice of Annual Meeting describes important issues affecting the Association. To submit your Limited Proxy:

1. By Internet

- a. Log onto proxyvoting.com/MVCI, 24 hours a day, seven days a week by the deadline of 11:59 p.m., Eastern time, on October 12, 2018.
- b. Enter the control number that appears on your Limited Proxy.
- c. Follow the simple instructions.

2. By Mail

- a. Mark your selections on the enclosed Limited Proxy.
- b. Date and sign your name exactly as it appears on your Limited Proxy.
- c. If you will not be able to attend the Annual Meeting, please appoint a proxy holder to vote on your behalf. You may appoint the designated proxy holder named on your Limited Proxy, or you may write in the name of another person that you wish to act as your proxy holder. The person you designate must be in attendance at the Annual Meeting for your votes to be counted.
- d. Mail the Limited Proxy in the enclosed postage-paid envelope.

Owner ID/Villa/Week:

CERTIFICATE OF VOTING MEMBER – INDIVIDUALS

[This Certificate of Voting Member (Individuals) form should only be used for those Interests owned by multiple individuals. Partnerships, corporations, trusts, limited liability companies and other entity owners shall use the Certificate of Voting Member (Entity) form on page 2.]

The undersigned, being the owners (each, an “Owner” and, collectively, the “Owners”), of ownership interest(s) (each, an “Interest”), in the program or property known as **Marriott’s Cypress Harbour** which is managed and administered by **Cypress Harbour Condominium Association, Inc.** (the “Association”), hereby designate the below-listed individual as the “Voting Member” to cast the vote, on Owners’ behalf, for each such Interest, in all matters pertaining to the Association, until this Certificate of Voting Member is revoked or suspended by written instrument executed by the Owners.

Each Owner hereby acknowledges and agrees that the execution and delivery of this Certificate of Voting Member shall automatically revoke, and shall entirely replace and supersede, any voting certificate(s) executed by the Owners relating to the Association prior to the dates set forth below.

In designating a Voting Member, all Owners must sign below.

VOTING MEMBER

_____ (type or print one (1) name; Voting Member must be on Deed)

OWNERS:

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Owner ID/Villa/Week:

CERTIFICATE OF VOTING MEMBER - ENTITY

[This Certificate of Voting Member (Entity) form should only be used for Interests owned by entities (e.g. partnerships, corporations, trusts, limited liability companies). For Interests owned by multiple individuals, please use the Certificate of Voting Member (Individuals) form on page 1.]

The undersigned, being the owner (the "Owner"), of ownership interest(s) in the program or property known as **Marriott's Cypress Harbour** which is managed and administered by **Cypress Harbour Condominium Association, Inc.** (the "Association"), hereby designates the below-listed individual as the "Voting Member" to cast the vote, on Owner's behalf, until this Certificate of Voting Member is revoked or suspended by written instrument executed by Owner.

Owner hereby acknowledges and agrees that the execution and delivery of this Certificate of Voting Member shall automatically revoke, and shall entirely replace and supersede, any voting certificate(s) executed by Owner for the Association prior to the date set forth below.

By the execution of this Certificate of Voting Member in the space provided below, the individual signing this Certificate of Voting Member, on behalf of Owner, represents that he/she is authorized to sign this Certificate of Voting Member on behalf of the Owner.

VOTING MEMBER

(type or print one (1) name)

ENTITY OWNER LEGAL NAME:

Signed By: _____

Printed Name: _____

As its (choose one):

President Vice President General Partner Other _____

Date: _____

ATTEST:

(Attest not required if entity is a Trust)

Signed By: _____

Printed Name: _____

As its (choose one):

Secretary Assistant Secretary