

September 23, 2019

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 18, 2019:

- 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
- 2019 Annual Meeting will be held at 4:00 p.m., Eastern time, will be held at Marriott's Cypress Harbour, Breakers Building, 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 2020 Budget. The following materials are included for your review:

- **Agenda** for the Meeting
- **Highlights** regarding important information about the proposed 2020 Budget
- **Proposed 2020 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 Gonzalo Ponce, Association Treasurer, at gps1955@gmail.com or Deb Gammon, Association President, at mmse13@comcast.net.

Annual Meeting:

The purpose of the 2019 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**

This email contains the link to the secure Internet site that will allow you to submit your Limited Proxy electronically and also view the documents related to this meeting. It has confidential information specific to your account and is intended only for the member to whom it is addressed.

If you are unable to attend in person, you may submit your Limited Proxy on-line no later than 11:59 p.m., Eastern time, on October 11, 2019. The Internet procedures are designed to authenticate your electronic submission by use of a personal control number. To submit your proxy via Morrow Sodali's on-line system, please click on proxyvoting.com/MVCI. At the site, you must enter the following control number: [# to be provided by proxy vendor]. PLEASE MAKE NOTE OF YOUR CONTROL NUMBER AS THIS INFORMATION IS AVAILABLE ONLY THROUGH MORROW SODALI.

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

In connection with updating your records, a **Certificate of Voting** form is included on the secure Internet site. **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 a form, you may complete it online by entering the name of your designated voting member, signing and submitting electronically. 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 18, 2019 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
- Approval of Agenda
- Proof of Notice of Board of Directors Meeting
- Approval of Prior Meeting Minutes
- Current Financials
 - Investment Update
 - 2019 Operating Fund Forecast
 - Accounts Receivable
 - Reserves
 - Property Tax
- Financial Discussion
 - Proposed 2020 Operating and Reserve Budget
 - **Open Budget Discussion with Owners (11:30 a.m. – 12:30 p.m.)**
- New Business
 - Announcement of 2020 Board and Annual Meeting Dates
- Financial Discussion Continued
 - Approval of 2020 Operating and Reserve Budget
- Adjournment

**The 2019 Annual Meeting of the Owners will be held at 4:00 p.m. at
Breakers Building located at Marriott's Cypress Harbour**

**CYPRESS HARBOUR CONDOMINIUM ASSOCIATION, INC.
2020 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 2020. **The Board recommends you vote yes** to waive the requirement to fully fund the reserves. This question appears on your limited proxy.

Please note, this is the **only** mailing you will receive regarding the Proposed 2020 Operating, Reserve, and Property Tax Budget, and you 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 \$817.19. 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 \$330.00 - \$429.00. You can see why it is important for you to vote on this matter.

The currently anticipated impact on the overall assessment is below:

	2019 Approved	IF THE MAJORITY OF VOTED OWNERS EITHER VOTE AGAINST OR DO NOT VOTE TO WAIVE FULLY FUNDED RESERVES 2020 Estimates
Special	\$1,360.20	\$1,929.85
Sport	\$1,292.58	\$1,853.23
Summer	\$1,328.57	\$1,894.01

	2019 Approved	IF THE MAJORITY OF VOTED OWNERS VOTE TO WAIVE FULLY FUNDED RESERVES 2020 Estimates
Special	\$1,360.20	\$1,447.31
Sport	\$1,292.58	\$1,370.69
Summer	\$1,328.57	\$1,411.47

RESERVE FUND

If the Owner vote to waive fully funding reserves passes, the Board anticipates the proposed reserve contribution will be close to last year's contribution of \$372.75. If the Owner vote does not pass, the reserve contribution will be what is required by statutory calculation, which is \$817.19.

Upcoming projects anticipated for 2020 include the introduction of solar technologies in the resort through the replacement of existing electrical bollards with solar bollards, refurbishment of the Clubhouse Bar (exterior or poolside section) and refurbishment of the cardio and strength equipment at the fitness center in the Spa building.

Also, a new master bathroom design will be tested to replace the original jetted tub with a shower centered design, and in early 2020, we will finalize the complete upgrade of our WIFI, TV and internal VOIP systems. One other large project that should be mentioned, which will start in January, is the Phase I of the villa soft goods refurbishments (buildings 50, 51, 52 and 53). Villa soft good refurbishments will maintain our new villa design and will extend the villa's design life.

PROPERTY TAX FUND

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

In early 2018, the Board decided to initiate a process challenging our assessed property value for the year 2017. We have continued working with the guidance of our expert attorney to take further legal action to mitigate the high assessed property value of Cypress Harbour by the Orange County Property Appraiser. This challenge now includes 2018 and is ongoing.

Recently, we received the preliminary trim notice which surprisingly came with a 10 percent increase. This high value assessment is comparable to the years we challenged the Orange County Property Appraiser and settled (years 2010 through 2016) and is substantially increasing the per unit week property tax maintenance fee for 2020.

In 2019, the Board applied a surplus return (\$10 per unit week) in addition to the settlement allocation to lower the 2019 maintenance fee. Typically, a surplus return benefits the current year and will require the maintenance fee to catch up in the next year. The 2020 budget includes an increase of 6.3 percent and the catch up for the prior year surplus return. The combined effect is a 13.3 percent property tax increase.

Property tax distribution 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 (Seasons). Of course, if we receive more information by October, we will adjust accordingly. Following are the proposed Property Tax **increases** by unit week:

Special	\$ 23.45
Sport	\$ 14.45
Summer	\$ 19.24

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 5.55 percent increase.

A key driver for this increase is the employee wages and benefits adjustments that our management team has implemented to maintain minimum turnover and to compete with other high-quality hotels and resorts in the Orlando area. Unemployment in the Orlando area is very low and the continuous development of new businesses including theme parks, hotels, resorts and restaurants, create a high demand for qualified staff.

Another driver of the increase in the proposed operating fund is due to an insurance rate adjustment, mainly because 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 by 12.54 percent due to the above and increases in the management fee and credit card expense.

When the 2019 budget was prepared, the Association applied \$10 per unit week of operating surplus to the Owners. Based on actual results year to date and the forecast for the rest of this year, we decided to maintain a preliminary surplus return for 2020 of \$10 per unit week in the proposed budget.

Open discussion with Owners regarding the Proposed 2020 Operating, Reserve, and Property Tax Budget is scheduled from 11:30 a.m. to 12:30 p.m., Eastern Time, on October 18th, 2019. We ask you to limit your comments to this time frame. You are welcome to join us for lunch afterwards. If you cannot make the meeting and wish your comments considered, please email me at gps1955@gmail.com

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 Ponce
Treasurer
Cypress Harbour Condominium Association, Inc.

CYPRESS HARBOUR CONDOMINIUM ASSOCIATION, INC.

2020 Estimated Operating Budget

For The Period Beginning January 1, 2020 And Ending December 31, 2020

	2019 BUDGETED EXPENSES 26,010 UNIT WEEKS (PER UNIT WEEK)	2020 PROPOSED BUDGET 26,010 UNIT WEEKS (PER UNIT WEEK)	2019 BUDGET VS 2020 BUDGET INCREASE/(DECREASE)		2020 PROPOSED BUDGET TOTAL \$
			\$	%	

Revenue					
SPECIAL (WEEKS 1 - 17,51 - 52)	1,360.20	1,929.84	569.64	41.9%	18,700,129
SPORT (WEEKS 18 - 23,34 - 50)	1,292.58	1,853.22	560.64	43.4%	20,793,105
SUMMER (WEEKS 24 - 33)	1,328.57	1,894.00	565.43	42.6%	9,659,389
Bank/Investment Interest	4.71	7.20	2.49	52.9%	187,359
Late Fees	5.25	5.13	(0.12)	(2.3%)	133,415
Maintenance Fee Interest Income	7.85	7.85	0.00	0.0%	204,300
Surplus Return	10.00	10.00	0.00	0.0%	260,100
Total Maintenance Fee Revenue					49,937,797

Expenses					
Accounting	14.68	15.82	1.14	7.8%	411,595
Activities	19.85	21.04	1.19	6.0%	547,233
Administration	45.77	47.34	1.57	3.4%	1,231,344
Audit Fee	0.63	0.58	(0.05)	(7.9%)	15,150
Bad Debt Expense	2.00	2.00	0.00	0.0%	52,020
Billing and Collections	9.86	10.13	0.27	2.7%	263,596
Board of Directors	0.99	1.13	0.14	14.1%	29,448
Cable Television	5.88	4.15	(1.73)	(29.4%)	108,000
Credit Card Fee	18.12	33.52	15.40	85.0%	871,769
Cypress Spa Net	0.45	0.22	(0.23)	(51.1%)	5,831
Division of the Condominium, Timeshare, and Mobile Homes Fee (FL)	2.00	2.00	0.00	0.0%	52,020
Electricity	31.49	31.25	(0.24)	(0.8%)	812,698
Front Desk	47.34	56.93	9.59	20.3%	1,480,666
Gas	5.79	5.51	(0.28)	(4.8%)	143,201
High Speed Internet	3.48	2.03	(1.45)	(41.7%)	52,813
Housekeeping ⁴	212.55	221.22	8.67	4.1%	5,753,925
Human Resources	10.88	15.64	4.76	43.8%	406,691
Income Tax	6.84	9.46	2.62	38.3%	245,936
Insurance	33.51	45.21	11.70	34.9%	1,176,008
Landscape / Grounds	24.04	23.79	(0.25)	(1.0%)	618,821
Legal	2.00	2.00	0.00	0.0%	52,020
Loss Prevention / Security	28.39	29.18	0.79	2.8%	759,027
Maintenance	98.99	104.85	5.86	5.9%	2,727,255
Management Fee	120.44	171.80	51.36	42.6%	4,468,420
Operating Capital	0.00	0.00	0.00	0.0%	0
Other Expenses	7.00	0.00	(7.00)	(100.0%)	0
Owner Services ³	44.89	46.24	1.35	3.0%	1,202,617
Pest Control	6.40	6.58	0.18	2.8%	171,069
Pool Maintenance	12.62	12.60	(0.02)	(0.2%)	327,624
Postage and Printing	2.29	1.77	(0.52)	(22.7%)	46,123
Refuse Collection	2.96	3.06	0.10	3.4%	79,704
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	6.59	6.42	(0.17)	(2.6%)	167,007
Water and Sewer	9.38	8.75	(0.63)	(6.7%)	227,513
Westwood Lakes Property Owners Association, Inc.	0.99	0.99	0.00	0.0%	25,802
Operating Fee	839.09	943.21	104.12	12.4%	24,532,946

Total Net Operating	811.28	913.03	101.75	12.5%	23,747,772
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Reserve Fee ²	372.75	817.19	444.44	119.2%	21,255,195
Operating And Reserve Fee	1,211.84	1,760.40	548.56	45.3%	45,788,141

Estimated Property Tax¹					
SPECIAL (WEEKS 1 - 17,51 - 52)	176.17	199.62	23.45	13.3%	1,934,318
SPORT (WEEKS 18 - 23,34 - 50)	108.55	123.00	14.45	13.3%	1,380,060
SUMMER (WEEKS 24 - 33)	144.54	163.78	19.24	13.3%	835,278
Total Maintenance Fee Plus Property Tax					49,937,797

CYPRESS HARBOUR CONDOMINIUM ASSOCIATION, INC.
2020 Estimated Operating Budget Notes
For The Period Beginning January 1, 2020 And Ending December 31, 2020

Notes to the 2020 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 2020 Ad Valorem Taxes	AVERAGE
SPECIAL (WEEKS 1 - 17,51 - 52)	\$199.62
SPORT (WEEKS 18 - 23,34 - 50)	\$123.00
SUMMER (WEEKS 24 - 33)	\$163.78

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, 2020	Contribution For 2020
Roof Replacement	30	\$14,750,463	19	\$2,839,533	\$617,498
Furniture and Fixtures	26	\$81,068,858	5	\$5,874,073	\$14,813,610
Building Painting	10	\$2,704,139	7	\$783,941	\$270,204
External Building Maintenance	30	\$30,273,590	12	\$1,810,922	\$2,336,348
Pavement Resurfacing	20	\$579,993	10	\$352,470	\$22,411
Common Area Rehabilitation	30	\$13,009,500	5	(\$318,492)	\$3,195,124
TOTAL		\$142,386,543		\$11,342,447	\$21,255,195

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 2020, including but not limited to fees paid to the Association by transient guests who voluntarily elect to receive a daily room cleaning.

Notes from 2018 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, 2018 and 2017 was \$0 and \$100,000, 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 (to) from MVWC at December 31, 2018 and 2017 was (\$113,274) and \$62,134, respectively.

MRHC collects annual maintenance fees on behalf of the Association. The amount of maintenance fees receivable due from MRHC at December 31, 2018 and 2017 was \$1,353,976 and \$1,158,161, respectively.

**Cypress Harbour Condominium Association, Inc.
2019 Annual Meeting**

October 18, 2019 at 4:00 p.m., Eastern Time

Marriott's Cypress Harbour
Breakers Building
11251 Harbour Villa Road
Orlando, Florida 32821

Agenda

- Call to Order
- Election of Chairperson of the Meeting
- Certification of Proxies; Establishment of Quorum
- Appointment of Recording Secretary
- Proof of Notice of Annual Meeting
- Approval of Agenda
- Roll Call
- Appointment of Inspector of Election
 - Nominations from Floor
 - Tabulation of Votes
- Approval of 2018 Annual Meeting Minutes
- Resort Operations Report
- Board of Directors Report
- Voting Results
 - Waiving or Reduction of Fully Funded Reserves
 - Election of Two (2) Members to the Board of Directors
- New Business
 - Announcement of 2020 Annual Meeting Date
- Adjournment

Cypress Harbour Condominium Association, Inc.
2019 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.
2019 Annual Meeting

Candidate Profiles

Candidates are listed in alphabetical order.

Name: Prabhat K. Malviya
Home: Holland, Michigan
Occupation: Chief Engineer Michigan State University Bioeconomy Institute
Comments: “Extremely committed to the Marriott Ownership - Week at Cypress and Grand Vista since 1992, President level vacation points and Titanium elite BonVoy. Vice President of Baker Lofts Condominium Board, Holland MI. Reelected to 3RD Term Sept 2018-2020. This is a 115 unit residential & business Mix use property. The board has consistently built 15% reserve and is operating within budget. Have Volunteered for “Habitat for Humanity”. I am experienced in Industrial facility building projects of up to \$15 Million magnitude completing on time and within budget. I would like to share my expertise in controlling facility upgrade, remodeling & maintenance costs, I would work with the current management in the ongoing success of Cypress Harbor Resort and a premier destination. Being empty nesters, I want to offer my time as it would also benefit our vacation experience. Thanks for this opportunity.”

Name: Malcolm Scheult
Home: Ooltewah, Tennessee
Occupation: Attorney, President of a Global Non-Profit Disaster Response, Consultant
Comments: “My wife, eight children and I have enjoyed being owners at Cypress Harbor for over 25 years. I consider it an honor and a privilege to serve on your Board of Directors where, over the last three years, we have experienced exciting enhancements including our new pickleball court, island pool bar and the new band shelter at the main pool area. 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 an incredible resort experience. My legal background and corporate experience will be an asset in advancing the work of the Board of Directors to provide continuing enhancements to this beautiful resort and to protect our owner’s investments in the future. I respectfully request your support and your vote to continue to represent the interests of all unit owners.”

Name: Patricia F. Soltys
Home: Hilton Head, South Carolina
Occupation: Principle in PARS, Consulting, Inc. - Management Consulting
Comments: “I have served on the Marriott Cypress Harbour Board for six years and have thoroughly enjoyed contributing to this fine team. Our board has tackled a variety of issues ranging from appealing our Orange County tax assessment to maintaining and upgrading amenities. I am the “green” champion on the board and am proud of our team’s progress with energy conservation and recycling. Also, as Board Vice President I am responsible for the semi-annual Owner Newsletter. My professional experiences include executive positions at a Fortune 25 company and independent consulting. Areas of expertise are leadership, human resources, strategic planning and operational efficiencies. I hold a Bachelors degree in Psychology and Business and a Masters degree in Business (MBA). I am committed to continuing to serve our owners & further enhance our resort by leveraging my experience and energy at our wonderful “home away from home”. Your support will enable me to do that. Thank you!”

**Cypress Harbour Condominium Association, Inc.
2019 Annual Meeting**

Candidate Profiles

(continued)

Name: Mark Tingey
Home: Timnath, Colorado
Occupation: CFO
Comments: "I currently am a principal of a resort community comprising 640 acres of homes, golf course, tennis, pickleball, exercise facility, clubhouse, and food service. I work extensively with budgets and appropriation of members dues with detail to achieve the maximum results with the available funds. Understanding and implementing the best use of those funds is my objective. I work with large budgets, negotiate contracts, and work with legal issues in the recreation industry on a daily basis and would use those skills in the same manner within our association."

Name: Daniel R. Tovar
Home: Catharpin, Virginia
Occupation: Program Manager/Technical Architect
Comments: "I have been a proud MVCI owner of deeded properties and points for the last 20 years, a Board Member for another MVCI association for the past 3 years and have a vested interest in what has become the provider of our family's 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."

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 11, 2019.
- 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.

LIMITED PROXY

**Cypress Harbour Condominium Association, Inc.
Limited Proxy for 2019 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 11, 2019. Please note, however, that votes will be counted if cast in person or otherwise properly received on or before October 18, 2019.

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) **Debra J. 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 18, 2019, at Marriott's Cypress Harbour, Breakers Building, 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 2020. In 2019, your Reserve Maintenance Fee contribution was \$372.75 per unit week. A majority “No” Vote will result in the Reserve Maintenance Fee contribution for 2020 being \$817.19 per unit week. This represents the Fully Funded annual contribution level for 2020.

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 \$330.00 - \$429.00 Reserve Maintenance Fee contribution per Unit Week
(Recommended by your Board of Directors)

Between \$430.00 - \$529.00 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.

Prabhat K. Malviya

Malcolm Seheult

Patricia F. Soltys

Mark Tingey

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 11, 2019. Please note, however, that votes will be counted if cast in person or otherwise properly received on or before October 18, 2019.

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