

October 4, 2019

Dear Marriott's Grande Vista Owner:

A regular meeting of Grande Vista of Orlando Condominium Association, Inc., Board of Directors will be held at 8:30 a.m., Eastern time, on October 21, 2019, at Marriott's Grande Vista, 5925 Avenida Vista, Orlando, Florida 32821.

One purpose of this meeting is to review the Condominium Association's proposed 2020 Maintenance Fee Budget.

The Board of Directors has worked diligently over the years to maintain a fee structure which balances the need for delivering a positive and memorable vacation experience for Grande Vista Owners while searching out efficiencies to limit increases to a reasonable degree. We are proud of the success we have achieved on these two fronts supported by the fact that the resort's Guest Satisfaction Scores continue to reinforce Grande Vista Owners are highly satisfied with their resort experience.

Please pay particular attention to the Reserve Fee on the enclosed proposed budget. As required by Florida Statute, the proposed budget must reflect a reserve contribution which is fully funded. As provided in the Limited Proxy, your Board of Directors recommends a "YES" vote for waiver or reduction of fully funding.

The Board of Directors reviews the Association's reserve funding needs on a regular basis, and will do so again at this meeting. The goal has been and remains to maintain a balanced approach in reserve contributions versus projected expenditures for the Association.

As a member of the Association, your presence and comments are welcome at this meeting. Any comments will be considered by the Board of Directors prior to taking formal action on the proposed budget.

**As noted on the Agenda, open budget discussion with Association members is scheduled from 12:30 p.m. to 12:50 p.m., Eastern Time.**

If you have any questions or would like any additional information, please contact Panna Utpaul, General Manager, by phone at 407-238-6388, or by email at [panna.utpaul@vacationclub.com](mailto:panna.utpaul@vacationclub.com).

Sincerely,

*Daniel Kuzdzal*

Secretary

Grande Vista of Orlando Condominium Association, Inc.

**Grande Vista of Orlando Condominium Association, Inc.  
Board of Directors Meeting**

October 21, 2019, at 8:30 a.m., Eastern Time

Marriott's Grande Vista  
Plaza Concordia  
5925 Avenida Vista  
Orlando, Florida 32821

**Agenda**

- Call to Order
- Establishment of Quorum and Roll Call
- Proof of Notice of Meeting
- Appointment of Recording Secretary
- Approval of Agenda
- Approval of Previous Meeting Minutes
  - July 16, 2019 Board of Directors Meeting
  - September 9, 2019 Finance Committee Meeting
- Financial Report
  - Property Tax Appeal Update
  - Investment Update
  - Audit Firm Selection
  - Accounts Receivable/Bad Debt
  - Current Financials/2019 Forecast
  - Reserves
    - 2019 Year to Date
    - 2020 Proposed Projects
  - Proposed 2020 Maintenance Fee  
**(Open Budget Discussion with Owners: 12:30 p.m. – 12:50 p.m.)**
- Unfinished Business
  - Action Item Review
- Resort Operations Report
- New Business
  - Establishment of 2020 Board and Annual Meeting Dates
- Adjournment

**GRANDE VISTA OF ORLANDO CONDOMINIUM ASSOCIATION, INC.**

2020 Estimated Operating Budget

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

	2019 BUDGETED EXPENSES 46,350 UNIT WEEKS (PER UNIT WEEK)	2020 PROPOSED BUDGET 46,350 UNIT WEEKS (PER UNIT WEEK)	2019 BUDGET VS 2020 BUDGET INCREASE/(DECREASE)		2020 PROPOSED BUDGET TOTAL \$	2020 BUDGET BY VILLA TYPE			Commercial Units (12)
			\$	%		1 BEDROOM 515 UNIT WEEKS (PER UNIT WEEK)	2 BEDROOM 38,728 UNIT WEEKS (PER UNIT WEEK)	3 BEDROOM 7,107 UNIT WEEKS (PER UNIT WEEK)	

<b>Revenue</b>									
Association Fees - Commercial Units	0.00	0.00	0.00	0.0%	6,942	0.00	0.00	0.00	6,942
GOLD (WEEKS 18-21,35-50)	1,387.00	1,843.98	456.98	32.9%	32,361,757	1,213.90	1,770.05	2,292.40	0
PLATINUM (WEEKS 1 - 17,22 - 34,51 - 52)	1,413.92	1,870.90	456.98	32.3%	53,881,736	1,231.68	1,793.82	2,337.14	0
Bank/Investment Interest	3.72	10.20	6.48	174.2%	472,758	6.65	9.76	12.87	0
Late Fees	6.28	5.73	(0.55)	(8.8%)	265,430	3.74	5.48	7.23	0
Maintenance Fee Interest Income	8.56	7.69	(0.87)	(10.2%)	356,451	5.02	7.36	9.71	0
<b>Total Maintenance Fee Revenue</b>					<b>87,345,074</b>				<b>6,942</b>

<b>Expenses</b>									
Accounting	11.80	12.81	1.01	8.6%	593,802	8.36	12.25	16.17	59
Activities	27.28	28.98	1.70	6.2%	1,343,223	18.91	27.72	36.58	0
Administration	34.35	36.51	2.16	6.3%	1,692,620	23.82	34.93	46.08	169
Audit Fee	0.35	0.31	(0.04)	(11.4%)	14,250	0.20	0.29	0.39	1
Bad Debt Expense	5.00	5.00	0.00	0.0%	231,750	3.26	4.78	6.31	0
Billing and Collections	10.46	10.13	(0.33)	(3.2%)	469,731	6.61	9.69	12.79	47
Board of Directors	0.70	0.78	0.08	11.4%	36,078	0.51	0.74	0.98	4
Cable Television	4.07	2.78	(1.29)	(31.7%)	129,000	1.82	2.66	3.51	0
Credit Card Fee	19.97	19.55	(0.42)	(2.1%)	906,339	12.76	18.70	24.68	0
Division of the Condominium, Timeshare, and Mobile Homes Fee (FL)	2.00	2.00	0.00	0.0%	92,700	1.30	1.91	2.52	0
Electricity	31.15	29.30	(1.85)	(5.9%)	1,357,990	19.11	28.02	36.97	136
Fees - Golf	18.00	18.00	0.00	0.0%	834,418	11.75	17.22	22.72	0
Front Desk	63.17	76.69	13.52	21.4%	3,554,598	50.04	73.36	96.79	0
Gas	6.92	6.78	(0.14)	(2.0%)	314,108	4.42	6.48	8.55	31
High Speed Internet	1.76	2.35	0.59	33.5%	108,862	1.53	2.25	2.96	0
Housekeeping <sup>6</sup>	268.14	304.79	36.65	13.7%	14,128,469	198.86	291.54	384.67	1,413
Human Resources	16.05	23.41	7.36	45.9%	1,084,950	15.27	22.39	29.54	109
Income Tax	3.75	7.44	3.69	98.4%	344,625	4.85	7.11	9.38	0
Insurance	42.07	57.82	15.75	37.4%	2,680,243	37.72	55.31	72.97	268
Landscape / Grounds	16.52	17.22	0.70	4.2%	798,407	11.24	16.48	21.74	80
Legal	2.16	2.16	0.00	0.0%	100,000	1.41	2.06	2.72	10
Loss Prevention / Security	32.03	36.24	4.21	13.1%	1,679,917	23.64	34.67	45.74	168
Maintenance	117.07	119.06	1.99	1.7%	5,518,909	77.68	113.88	150.26	552
Management Fee	127.61	169.15	41.54	32.6%	7,840,949	110.36	161.80	213.48	784
Operating Capital	6.47	0.00	(6.47)	(100.0%)	0	0.00	0.00	0.00	0
Other Expenses	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00	0
Owner Services <sup>5</sup>	0.00	46.24	46.24	100.0%	2,143,071	30.17	44.23	58.35	0
Pest Control	4.56	4.73	0.17	3.7%	219,454	3.09	4.53	5.98	22
Pool Maintenance	13.93	13.83	(0.10)	(0.7%)	640,864	9.02	13.23	17.45	0
Postage and Printing	2.07	2.14	0.07	3.4%	99,277	1.40	2.05	2.70	0
Refuse Collection	2.80	3.35	0.55	19.6%	155,351	2.19	3.21	4.23	16
Rent for Recreation	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00	0
Taxes upon Association Property	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00	0
Taxes upon Leased Areas	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00	0
Telephone	4.37	5.37	1.00	22.9%	248,769	3.50	5.13	6.77	0
Water and Sewer	10.82	11.09	0.27	2.5%	513,994	7.23	10.61	13.99	51
<b>Operating Fee</b>	<b>907.40</b>	<b>1,076.01</b>	<b>168.61</b>	<b>18.6%</b>	<b>49,876,718</b>	<b>702.03</b>	<b>1,029.23</b>	<b>1,357.97</b>	<b>3,920</b>

<b>Total Net Operating</b>	<b>888.84</b>	<b>1,052.39</b>	<b>163.55</b>	<b>18.4%</b>	<b>48,782,079</b>	<b>686.62</b>	<b>1,006.63</b>	<b>1,328.16</b>	<b>3,920</b>
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Reserve Fee <sup>4</sup>	358.51	651.94	293.43	81.8%	30,220,441	425.36	623.60	822.80	3,022
<b>Operating And Reserve Fee</b>	<b>1,265.91</b>	<b>1,727.95</b>	<b>462.04</b>	<b>36.5%</b>	<b>80,097,159</b>	<b>1,127.39</b>	<b>1,652.83</b>	<b>2,180.77</b>	<b>6,942</b>

<b>Estimated Property Tax<sup>1</sup></b>									
GOLD (WEEKS 18-21,35-50)	139.65	139.65	0.00	0.0%	2,450,810	101.92	139.82	141.44	0
PLATINUM (WEEKS 1 - 17,22 - 34,51 - 52)	166.57	166.57	0.00	0.0%	4,797,105	119.70	163.59	186.18	0
<b>Total Maintenance Fee Plus Property Tax</b>					<b>87,345,074</b>				<b>6,942</b>

Club Dues <sup>2</sup>	4.00	4.00	0.00	0.0%	-----	4.00	4.00	4.00	-----
International Owners Surcharge <sup>3</sup>	34.50	34.50	0.00	0.0%	-----	34.50	34.50	34.50	-----
Owner Service Fee <sup>5</sup>	44.89	0.00	(44.89)	(100.0%)	-----	0.00	0.00	0.00	-----

**GRANDE VISTA OF ORLANDO 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. So as to meet the statutory requirement that the Tax Collector's Office only accept "full payment", and so as to have the necessary funds on hand to make payment as soon as possible once the tax bill is received by the Managing Entity 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 tax 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.

<b>Estimated 2020 Ad Valorem Taxes</b>	<b>AVERAGE</b>	<b>1 BEDROOM</b>	<b>2 BEDROOM</b>	<b>3 BEDROOM</b>
<b>GOLD (WEEKS 18-21,35-50)</b>	\$139.65	\$101.92	\$139.82	\$141.44
<b>PLATINUM (WEEKS 1 - 17,22 - 34,51 - 52)</b>	\$166.57	\$119.70	\$163.59	\$186.18

2) The Resort Affiliation Agreement (and thus membership in the Club for every Owner of a Timeshare Estate in Club Unit) is a Limited Common Element of each Club Unit. Costs assessed by the Club Manager or otherwise incurred by the Association pursuant to the Resort Affiliation Agreement constitute Multisite Timeshare Plan Common Expenses, to be apportioned only among Owners of Timeshare Estates in Club Units.

3) International Club Fee of eighty four dollars and seventy four cents (\$84.74), thirty four dollars and fifty cents higher than domestic, includes additional costs for postage, personal delivery, increased frequency of and costs associated with long-distance telephone calls, translation costs, telefacsimile communications and labor costs for additional, special support staff. The fee may, from time to time, be increased to reflect any increase in the cost of providing services, provided, however, any such increase shall not exceed one hundred and fifteen percent (115%) of the immediately preceding year's fee, unless approved in advance by the majority of all Owners.

4) 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 is accumulating 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.

The itemized estimate of the remaining life and estimated replacement of the major components are listed below:

- \* Roof Replacement – includes both unit roof replacement and common area.
- \* 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 – provides for site lighting, irrigation systems, and common area maintenance.

<b>Components</b>	<b>Estimated Useful Life In Yrs</b>	<b>Estimated Replacement Cost</b>	<b>Estimated Remaining Useful Years</b>	<b>Anticipated Beginning Fund Balance As Of January 1, 2020</b>	<b>Contribution For 2020</b>
<b>Roof Replacement</b>	25	\$7,581,656	7	\$1,186,085	\$867,984
<b>Furniture and Fixtures</b>	24	\$126,180,441	6	\$8,131,460	\$18,691,374
<b>Building Painting</b>	10	\$5,858,107	5	\$717,252	\$976,777
<b>External Building Maintenance</b>	30	\$55,721,171	15	(\$1,082,252)	\$5,639,468
<b>Pavement Resurfacing</b>	20	\$1,639,782	12	(\$431,169)	\$970,604
<b>Common Area Rehabilitation</b>	20	\$15,884,318	4	\$2,940,373	\$3,074,234
<b>TOTAL</b>		<b>\$212,865,475</b>		<b>\$11,461,749</b>	<b>\$30,220,441</b>

As permitted by Florida Statute 721, reserve funds may be reallocated between the reserve components by the Board at a duly called meeting.

5) 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.

6) 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: (i) funds received from MVC Exchange Company to account for housekeeping expenses necessitated by nightly use of accommodations by Marriott Vacation Club Destinations Exchange Program members, and (ii) fees paid to the Association by transient guests who voluntarily elect to receive a daily room cleaning.

The Condominium Property is one of several parcels which comprise the Plat. Pursuant to that certain Vista Declaration of Easements, Covenants and Restrictions, recorded in Official Records Book 5102, Page 2606, of the Public Records of Orange County, Florida, all of the parcels included within the Vista Plat are required to contribute a specified share of the costs of operating and maintaining certain roads, easements and facilities which will benefit all of the parcels within the Vista Plat. The estimated expenses for the Master Declaration Common Facility have been included within the various line items of the above estimated operating budget.

The Component Site Reservation System is a Limited Common Element of each Non-Club Unit. Costs incurred in connection with the maintenance and operation of the Component Site Reservation System constitute Component Site Reservation System Expenses, to be apportioned only among Owners of Unit Weeks in Non-Club Units.

Notes From 2018: 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. Marriott Vacations Worldwide Corporation ("MVWC"), the indirect parent company of MRHC, pays all invoices on behalf of the Association, subject to reimbursement by the Association. The net amount due to MVWC at December 31, 2018 and 2017 was \$401,692 and \$108,628, 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 \$4,026,163 and \$3,692,418, respectively.