

GRANDE VISTA OF ORLANDO CONDOMINIUM ASSOCIATION, INC.

2016 Estimated Operating Budget

PHASES 1-23, 25-28 (900 UNITS)

For The Period Beginning January 02, 2016 And Ending December 30, 2016

	2015 BUDGETED EXPENSES 46,350 UNIT WEEKS (PER UNIT WEEK)	2016 APPROVED BUDGET 46,350 UNIT WEEKS (PER UNIT WEEK)	2015 BUDGET VS 2016 BUDGET INCREASE/(DECREASE)		2016 APPROVED BUDGET TOTAL \$	2016 BUDGET BY VILLA TYPE		
			\$	%		1 BEDROOM	2 BEDROOM	3 BEDROOM
						515 UNIT WEEKS (PER UNIT WEEK)	38,728 UNIT WEEKS (PER UNIT WEEK)	7,107 UNIT WEEKS (PER UNIT WEEK)

Revenue								
GOLD (WEEKS 18-21,35-50)	1,120.80	1,227.43	106.63	9.5%	21,541,453	814.46	1,181.97	1,505.17
PLATINUM (WEEKS 1 - 17,22 - 34,51 - 52)	1,159.85	1,261.41	101.56	8.8%	36,328,595	836.90	1,211.97	1,561.65
Bank/Investment Interest	0.24	0.33	0.09	37.5%	15,418	0.22	0.32	0.42
Late Fees	7.67	6.83	(0.84)	(10.9%)	316,367	4.45	6.53	8.61
Maintenance Fee Interest Income	12.29	16.10	3.81	31.0%	746,299	10.51	15.40	20.32
Total Maintenance Fee Revenue					58,948,132			

Expenses								
Accounting	9.97	10.77	0.80	8.0%	499,004	7.02	10.30	13.59
Activities	20.22	22.67	2.45	12.1%	1,050,817	14.79	21.69	28.61
Administration	27.56	30.21	2.65	9.6%	1,400,124	19.71	28.89	38.12
Audit Fee	0.31	0.32	0.01	3.2%	14,884	0.21	0.31	0.41
Bad Debt Expense	12.15	12.15	0.00	0.0%	563,160	7.93	11.62	15.33
Billing and Collections	10.05	10.25	0.20	2.0%	474,994	6.69	9.80	12.93
Board of Directors	0.35	0.61	0.26	75.2%	28,264	0.40	0.58	0.77
Cable Television	3.94	4.02	0.08	2.0%	186,329	2.62	3.85	5.07
Credit Card Fee	17.90	19.51	1.61	9.0%	904,495	12.73	18.67	24.63
Division of the Condominium, Timeshare, and Mobile Homes Fee (FL)	2.00	2.00	0.00	0.0%	92,550	1.30	1.91	2.52
Electricity	32.52	30.00	(2.52)	(7.7%)	1,390,384	19.57	28.69	37.86
Fees - Golf	18.00	18.00	0.00	0.0%	834,418	11.75	17.22	22.72
Front Desk	47.56	51.97	4.41	9.3%	2,408,645	33.91	49.71	65.59
Gas	7.17	5.48	(1.69)	(23.6%)	253,855	3.57	5.24	6.91
High Speed Internet	4.03	4.03	0.00	0.0%	186,780	2.63	3.85	5.09
Housekeeping	215.81	223.88	8.07	3.7%	10,376,901	146.07	214.15	282.56
Human Resources	11.05	12.02	0.97	8.8%	557,233	7.84	11.50	15.17
Income Tax	0.39	0.30	(0.09)	(23.3%)	14,070	0.20	0.29	0.38
Insurance	33.17	34.01	0.84	2.5%	1,576,399	22.19	32.53	42.92
Landscape / Grounds	14.98	14.97	(0.01)	(0.1%)	693,734	9.77	14.32	18.89
Legal	0.54	2.16	1.62	298.5%	100,000	1.41	2.06	2.72
Loss Prevention / Security	23.44	25.04	1.60	6.8%	1,160,379	16.33	23.95	31.60
Maintenance	83.16	90.61	7.45	9.0%	4,199,984	59.12	86.68	114.36
Management Fee	103.46	111.71	8.25	8.0%	5,177,631	72.88	106.85	140.98
Operating Capital	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00
Pest Control	3.91	4.22	0.31	7.9%	195,704	2.75	4.04	5.33
Pool Maintenance	14.11	15.32	1.21	8.6%	710,219	10.00	14.66	19.34
Postage and Printing	2.29	1.98	(0.31)	(13.5%)	91,573	1.29	1.89	2.49
Refuse Collection	2.01	2.64	0.63	31.4%	122,500	1.72	2.53	3.34
Rent for Recreation	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00
Taxes upon Association Property	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00
Taxes Upon Leased Areas	0.00	0.00	0.00	0.0%	0	0.00	0.00	0.00
Telephone	4.00	4.00	0.00	0.0%	185,563	2.61	3.83	5.05
Water and Sewer	10.54	9.53	(1.01)	(9.6%)	441,931	6.22	9.12	12.03
Operating Fee	736.58	774.38	37.80	5.1%	35,892,524	505.23	740.73	977.31

Total Net Operating	716.37	751.12	34.75	4.9%	34,814,440	490.05	718.48	947.96
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Reserve Fee ⁴	259.00	300.00	41.00	15.8%	13,905,000	195.73	286.96	378.63
Operating And Reserve Fee	995.58	1,074.38	78.80	7.9%	49,797,524	700.96	1,027.69	1,355.94

Estimated Property Tax¹								
GOLD (WEEKS 18-21,35-50)	145.43	176.31	30.88	21.2%	3,094,287	128.68	176.53	178.58
PLATINUM (WEEKS 1 - 17,22 - 34,51 - 52)	184.47	210.29	25.82	14.0%	6,056,321	151.12	206.53	235.06
Total Maintenance Fee Plus Property Tax					58,948,132			

Club Dues ²	4.00	4.00	0.00	0.0%	-----	4.00	4.00	4.00
International Owners Surcharge ³	34.50	34.50	0.00	0.0%	-----	34.50	34.50	34.50
Owner Service Fee ⁵	33.43	38.78	5.35	16.0%	-----	38.78	38.78	38.78

GRANDE VISTA OF ORLANDO CONDOMINIUM ASSOCIATION, INC.
2016 Estimated Operating Budget Notes
PHASES 1-23, 25-28 (900 UNITS)
For The Period Beginning January 02, 2016 And Ending December 30, 2016

Notes to the 2016 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.

Estimated 2016 Ad Valorem Taxes	AVERAGE	1 BEDROOM	2 BEDROOM	3 BEDROOM
GOLD (WEEKS 18-21,35-50)	\$176.31	\$128.68	\$176.53	\$178.58
PLATINUM (WEEKS 1 - 17,22 - 34,51 - 52)	\$210.29	\$151.12	\$206.53	\$235.06

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 seventy seven dollars and twenty eight cents (\$77.28), 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.

Components	Estimated Useful Life In Yrs	Estimated Replacement Cost	Estimated Remaining Useful Years	Anticipated Beginning Fund Balance As Of January 02, 2016	Contribution For 2016
Roof Replacement	21	\$6,054,214	10	\$337,802	\$364,506
Furniture and Fixtures	12	\$64,855,325	4	\$4,004,099	\$9,700,430
Building Painting	6	\$4,232,963	2	\$923,931	\$1,055,000
External Building Maintenance	18	\$27,256,930	9	\$1,389,961	\$1,832,672
Pavement Resurfacing	13	\$895,586	2	\$169,352	\$231,541
Common Area Rehabilitation	14	\$5,755,821	5	\$103,418	\$720,850
TOTAL		\$109,050,839		\$6,928,563	\$13,905,000

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

At a duly called meeting of the Grande Vista of Orlando Condominium Assoc. Inc., a majority of the nondeveloper voting interests in person or by limited proxy voted to approve the reduction of reserves for capital expenditures and deferred maintenance.

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.

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 by the Association 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 on Unit Weeks in Non-Club Units, and are not included in the Developer Guaranty.

Notes From 2014 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 MRHC at December 31, 2014 and 2013 was \$0 and \$1,990, respectively. 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 the Association from MVWC at December 31, 2014 and 2013 was \$2,300,988 and \$2,644,587, respectively.

Frequently Asked Maintenance Fee Questions

Q. What are maintenance fees and who determines them?

A. Maintenance fees are those funds collected by your Association to cover the cost of operating the resort, future maintenance and refurbishment. Maintenance fees are approved by your Association's Board of Directors and include:

Operating Fees: These funds cover the cost of all resort expenses incurred on an annual basis, e.g. electricity, phone, maintenance and housekeeping.

Reserve Fee: This is planned funding of capital replacement expenditures for replacement of large items, e.g. refrigerators, roof repairs and villa furnishings.

Property Tax: These taxes are assessed by the county in which the resort is located and billed to each Owner through the maintenance fee.

Florida Club Fee: This is a membership fee giving you the usage option to customize a vacation experience at the other participating Florida Marriott Vacation Club resorts without utilizing a third-party exchange company (such as Interval International®). For our international Owners, the fee also relates to the additional costs of providing services internationally (e.g. higher postage costs, higher long- distance telephone costs and translation costs).

Reservation System Fee (Non-Club Owners): The fee for non-club Owners to cover the cost for Owner Services support.

Q. When are maintenance fees due?

A. Please refer to your maintenance fee invoice for your exact due date. Please remember to remit payments on time. Interest and late charges will be assessed on late unpaid balances according to your Association's guidelines.

Q. What are my maintenance fee payment options?

A. **Option 1:** You may pay 24 hours a day, 7 days per week at www.My-VacationClub.com.

Option 2: Mail your check payable to Marriott Resorts Hospitality Corporation (with or without your maintenance fee coupon) to:

Marriott Resorts Hospitality Corporation
P.O. Box 382056
Pittsburgh, PA 15250-8056

(Please include your customer number on your check)

Option 3: Contact a Financial Services Representative at 1-800-845-4226 or 1-801-828-1046. This option is available Monday – Friday from 9:00 a.m. – 9:00 p.m. and Saturday & Sunday from 9:00 a.m. – 5:00 p.m. ET.

* Deliveries that require a signature (e.g. certified, registered, or overnight) should be mailed to:

Marriott Resorts Hospitality Corporation
Attn: 382056
500 Ross Street 154-0460
Pittsburgh, PA 15250-8056