

Operating BUDGET

for 2016

January 1 - December 31, 2016

**GRAND PACIFIC
MARBRISA**
Owners Association, Inc.

| | 2015 Budget | 2016 Budget |
|------------------------------|---------------------|---------------------|
| DEPARTMENTAL REVENUE: | | |
| Assessment Revenue | \$ 5,353,661 | \$ 5,756,467 |
| Bad Debt | \$ (182,024) | \$ (196,997) |
| Room Revenue | \$ 777,451 | \$ 1,220,816 |
| Resort Services Fee | \$ 27,863 | \$ 160,624 |
| Other Income | \$ 186,395 | \$ 236,212 |
| TOTAL REVENUE | \$ 6,163,345 | \$ 7,177,122 |

DEPARTMENTAL EXPENSE:

| | | |
|---------------------------------------|---------------------|---------------------|
| Front Office | | |
| Salaries and Wages | \$ 240,489 | \$ 247,475 |
| Other Expenses | \$ 81,283 | \$ 85,017 |
| Housekeeping | | |
| Salaries and Wages | \$ 1,048,223 | \$ 1,418,025 |
| Linen Replacement/Laundry | \$ 324,207 | \$ 519,896 |
| Guest/Cleaning Supplies | \$ 232,696 | \$ 269,924 |
| Other Expenses | \$ 108,720 | \$ 127,902 |
| GP Vacation Services | \$ 72,000 | \$ 82,000 |
| Guest Activities | \$ 201,577 | \$ 151,470 |
| Administration | | |
| Salaries and Wages | \$ 414,634 | \$ 457,114 |
| Accounting | \$ 48,672 | \$ 50,129 |
| Printing/Postage & Newsletter Expense | \$ 73,733 | \$ 69,137 |
| Other Expenses | \$ 136,358 | \$ 202,382 |
| Sales/Advertising | \$ 151,348 | \$ 206,402 |
| Repairs & Maintenance | | |
| Salaries and Wages | \$ 275,985 | \$ 309,875 |
| Other Expenses | \$ 326,638 | \$ 348,105 |
| Landscape | | |
| Contract | \$ 292,104 | \$ 276,499 |
| Telephone | \$ 31,500 | \$ 47,544 |
| Utilities | \$ 924,832 | \$ 906,657 |
| TOTAL DEPARTMENTAL EXPENSES | \$ 4,985,001 | \$ 5,775,551 |
| TOTAL CONTRACT/FIXED EXPENSES | \$ 1,178,340 | \$ 1,301,618 |
| TOTAL EXPENSES | \$ 6,163,341 | \$ 7,077,169 |
| NET INCOME | \$ 4 | \$ \$99,953 |

*Real Property Taxes are not included in the budget.

ANNUAL ASSESSMENT Per Use Week

2016 Assessments

| | Operating | Reserves | Total |
|----------------------|-----------|-----------|------------|
| D Studio (8) | \$ 574.34 | \$ 127.40 | \$ 701.74 |
| B 1 Bdrm. (32) | \$ 679.20 | \$ 150.67 | \$ 829.87 |
| A 2 Bdrm. (106) | \$ 767.30 | \$ 169.03 | \$ 936.33 |
| E 3 Bdrm. (16) | \$ 810.45 | \$ 178.55 | \$ 989.00 |
| L 2 Bdrm. Luxury (2) | \$ 810.45 | \$ 199.97 | \$ 1010.42 |

2015 Assessments

| | Operating | Reserves | Total |
|----------------------|-----------|-----------|-----------|
| D Studio (8) | \$ 574.34 | \$ 87.86 | \$ 662.20 |
| B 1 Bdrm. (28) | \$ 679.20 | \$ 103.91 | \$ 783.11 |
| A 2 Bdrm. (78) | \$ 767.30 | \$ 117.38 | \$ 884.67 |
| E 3 Bdrm. (12) | \$ 810.45 | \$ 123.99 | \$ 934.44 |
| L 2 Bdrm. Luxury (2) | \$ 810.45 | \$ 138.87 | \$ 949.32 |

NOTE: Your Association mails an annual assessment billing statement to each member. In the unlikely event that you do not receive a billing statement from the Association, you must request a duplicate bill. Failure to receive a billing statement will not relieve you of the obligation to pay assessments on time.

Budget **SUMMARY**

for 2016

GRAND PACIFIC
MARBRISA
Owners Association, Inc.

A Message from Your General Manager

On behalf of Hilton Grand Vacations MarBrisa, we would like to present the Association's 2016 Budget as approved by your Board of Directors on October 15, 2015.

Our mission as your Resort Management and the Board of Directors is to focus on achieving a sound financial platform with minimizing operational expenses, building strong Reserves to maintain the "like new" condition of the guestrooms and Resort amenities, while exceeding our Owners and Guests expectations. In support of our mission, the 2016 Budget will increase the Total Assessment by 5.7%, which is comprised of a 42% increase to Reserves contributions, and no increase to the Operation Expense portion.

This increase in the Reserves will allow us to begin our guestroom remodel in our Paradise Pointe location. The remodel will consist of a bright, fresh look with the replacement of the carpet and painting of all of the guestrooms. Although we are continuing to develop MarBrisa in the years to come, maintaining our existing product is an important aspect to deliver upon our promise of creating memorable vacations for all of our Owners.

Should you have any questions upon reviewing the attached Budget, please do not hesitate to contact me at (760) 828-4520.

I look forward to seeing you at your home-away-from-home!

Sincerely,



Stephen Arent
General Manager