



**Hilton**  
**Grand Vacations Company**

October 2008

Dear Plantation Beach Club Owner,

As we near the end of another terrific year at Plantation Beach Club at Indian River Plantation Resort, we are grateful for the opportunity to continue serving you.

In recent months, several exciting property enhancements have been made, including the paint restoration project that included waterproofing the exterior building along with replacing damaged wood in many of the planters. We also renovated the grill area and replaced the older TV in the Gardenia Room with a flat-screen TV. Hilton Grand Vacations stepped up to cover the cost of the grill project and the new TV, as well as the resort's new Wii wireless video-game console.

We value the privilege of serving you and the role we play in making your vacations fun, relaxing and unforgettable.

**2009 Billing / Budget Impacts**

Enclosed is the statement for your 2009 annual maintenance fee, which consists of the operating assessment, reserve assessment and real estate taxes. The assessment portion funds the day-to-day operations of your resort, with the reserves portion funding future improvements to your property, including replacement of furniture and roofing, painting and other enhancements as needed.

Just as higher fuel costs and other rising costs have affected us in our personal lives, so too have the increased costs impacted the operation of your resort. The cost of fuel has a direct impact on the cost of our utilities and also leads to higher costs for a range of products and services that we use.

Key factors that may contribute to a change in maintenance fees for 2009 include expenses driven by inflationary trends such as real estate taxes, insurance premiums and utility costs; and an increase in the cost of cable television service. While our costs have risen, our operating fee has increased less than 3 percent over 2008's operating fee.

Please keep in mind that your Board of Directors and Hilton Grand Vacations Company work carefully to establish your association's budget, addressing important needs for maintaining and enhancing your property while managing your annual maintenance fee. For more information about your billing statement – including Frequently Asked Questions – please review the enclosed brochure, "Understanding Your Vacation Ownership Statement."

**Your prompt payment of the enclosed bill – due by January 1, 2009 – is appreciated.** Payment on or before that date will ensure sufficient flow of funds to support ongoing operations at your property.

**Payment Options**

**By Check** – Paying by check is the most cost-effective payment method for your association. Please make your check payable to the Plantation Beach Club Condominium Association, Inc., include your account number on the check and remit it with your payment stub. If you own at

more than one property, please prepare a separate check for each association to prevent co-mingling of funds among associations.

**By Credit Card Online** – Using your Club Member number and password, log in at [hgvclub.com](http://hgvclub.com) and click “Pay Fees & Taxes” under the “My Ownership” tab. If you’ve never logged in before, visit the “Create an Account” section on the website’s sign-in page to create your password and access your account. ***If you are not a Club Member***, simply go to [hgvclub.com](http://hgvclub.com) and click the online payment button for non-members.

All payments must be payable in U.S. funds.

### **Board of Directors**

At the last Annual Owners Meeting, the ownership elected Carol Martin to the Board of Directors. We are excited to have her as a Board Member and look forward to her many contributions to the long-term prosperity of your association and your property. We also extend our thanks to the rest of your Board Members – Sanford Searleman, Kirk LeBlanc, Kathy Woods and Charles Bobyack – for their continued support and leadership.

At the 2009 Annual Owners Meeting, two (2) candidates will be elected to the Board of Directors. Both of these available seats will carry two-year terms to comply with Florida Statutes. If you are interested in becoming a candidate, please complete the enclosed Board of Directors Candidate Form and return it by February 15, 2009.

### **ARDA – Timeshare’s First Line of Defense**

As the vacation ownership industry’s trade association, the American Resort Development Association (ARDA) promotes a “timeshare-friendly” legislative agenda at the local, state and federal levels. On behalf of ARDA, we would like to thank those who have supported these efforts by making a voluntary \$3 annual contribution to the ARDA-Resort Owners Coalition.

ARDA has been successful at protecting timeshare Owners from excess federal taxes (on prepaid assessments, surplus assessments and capital reserve funds) as well as from excess resort-use taxes. ARDA has also been instrumental in preserving the second home exemption for timeshare Owners. Your Board of Directors has made the decision to include a contribution to ARDA on your billing statement and encourages you again to make this voluntary contribution of \$3 when paying your 2009 assessment. To learn more about ARDA, visit [arda.org](http://arda.org).

If you have any questions about your 2009 maintenance fees and taxes, please feel free to contact me by phone at (772) 225-0074 or by email at [sglenn@hgvc.com](mailto:sglenn@hgvc.com). On behalf of the entire staff of Plantation Beach Club at Indian River Plantation Resort, we look forward to welcoming you back to the familiar comfort of your home away from home.

Warmest regards,



Sharon Glenn  
Resort Manager

**PLANTATION BEACH CLUB CONDOMINIUM ASSOCIATION, INC.  
ANNUAL BUDGET FOR THE PERIOD  
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009**

SUMMARY	Statutory Reserve Funding		2008 Per Unit/Week	2008 Annual Budget	With Owner Waiver of Statutory Reserve Funding	
OPERATING FEE	1,013,850	662.65	643.37	984,354	1,013,850	662.65
CAPITAL RESERVE	598,495	391.17	212.43	325,014	339,934	222.18
PAINTING RESERVE	3,719	2.43	0.32	486	1,841	1.20
<b>NET BEFORE CREDITS</b>	<b>1,616,064</b>	<b>1,056.25</b>	<b>856.12</b>	<b>1,309,854</b>	<b>1,355,625</b>	<b>886.03</b>
<b>TOTAL AMOUNT BILLED</b>	<b>1,616,064</b>	<b>1,056.25</b>	<b>856.12</b>	<b>1,309,854</b>	<b>1,355,625</b>	<b>886.03</b>

**PLANTATION BEACH CLUB CONDOMINIUM ASSOCIATION, INC.  
RESERVE ANALYSIS FOR THE PERIOD  
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009**

1530 unit/weeks Replacement Fund	Average Estimated Life (in years)	Average Estimated Remaining Life (in years)	Estimated Replacement Cost (30 units)	2009 Statutory Reserve Funding	Estimated Fund Balance As of 1/1/2009	2009 Proposed Reserve Funding	2009 Projected Expenses	Estimated Fund Balance As of 12/31/2009
Interior	13.11	4.33	846,592	124,986	305,404	67,689	159,220	213,873
Roof	13.06	4.19	2,295,910	386,569	676,188	252,946	129,860	799,274
Painting	12.00	2.50	17,025	3,719	7,727	1,841	3,750	5,818
Paving	23.33	10.00	185,720	15,850	27,217	12,602		39,819
Capital Improvements	6.00	3.33	251,195	71,090	14,464	6,697		21,161
<b>TOTAL</b>			<b>3,596,442</b>	<b>602,214</b>	<b>1,031,000</b>	<b>341,775</b>	<b>292,830</b>	<b>1,079,945</b>

	2009 Statutory Reserve Funding	2009 Proposed Reserve Funding
Operating Fee	\$662.65	\$662.65
Capital Reserve	\$391.17	\$222.18
Painting Reserve	\$2.43	\$1.20
<b>TOTAL AMOUNT BILLED</b>	<b>\$1,056.25</b>	<b>\$886.03</b>

The State of Florida mandates that condominium associations prepare calculations to fully fund reserves. The Law also provides the reserve requirement may be waived or reduced, allowing the unit owners to put less money into the reserve accounts. To meet fully funded requirements for Statutory Reserves, the resulting annual maintenance fee would be \$1,056.25. The Board of Directors recommended a vote in favor of waiving the full funding requirements for Statutory Reserves at the 2008 annual meeting, thereby establishing the maintenance fee at \$886.03 for the 2009 budget year.

**NOTE:**

There may be some items that may require future replacement and are not reserved for, i.e.: replacement of plumbing, railings, electrical wiring, etcetera. These types of items will need to be paid from operating funds or will require a special assessment.

The components' actual replacement costs and useful lives may vary from the estimated amounts. 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.

There are 1530 periods of 7-day annual use availability that exist within the timeshare plan for which annual fees are required to be paid to the Division of Florida Land Sales, Condominiums and Mobile Homes, Bureau of Timeshare, in accordance with Section 721.27, of the Florida Statutes.

**PLANTATION BEACH CLUB CONDOMINIUM ASSOCIATION, INC.**  
**ANNUAL BUDGET FOR THE PERIOD**  
**JANUARY 1, 2009 THROUGH DECEMBER 31, 2009**

Description	1530 unit/weeks	2009	2009	2008	2008
		Annual Budget	Per Unit/ Week	Per Unit/ Week	Annual Budget
<b>OPERATING REVENUE</b>					
Association Fees		1,013,850	662.65	643.37	984,354
Late Fee Income		10,900	7.12	7.12	10,900
Interest Income		3,250	2.12	14.35	21,960
Sales Rent Income		1,200	0.78	0.78	1,200
Prior Year Surplus		0	0.00	(39.22)	(60,000)
Other Revenue		20,161	13.18	12.79	19,569
Total		1,049,361	685.85	639.20	977,983
<b>ADMINISTRATIVE</b>					
Annual Audit		6,100	3.99	3.99	6,100
Bad Debt Expense		3,000	1.96	4.90	7,500
Other Administrative Expense		52,996	34.63	32.07	49,065
Postage, Printing, Newsletter		8,200	5.36	5.28	8,075
Management Fees		61,740	40.35	38.65	59,139
Division Fees		3,060	2.00	2.00	3,060
Financial Services Fees		19,569	12.79	12.25	18,744
Board Reimbursement		7,000	4.58	5.88	9,000
Total		161,665	105.66	105.02	160,683
<b>OPERATING EXPENSE</b>					
Office, Desk		225,475	147.38	134.86	206,339
Housekeeping, Laundry, Supplies		218,424	142.76	131.13	200,634
Security Provisions		4,560	2.98	2.85	4,364
Grounds & Landscaping		17,020	11.12	10.93	16,720
Pool & Spa		15,000	9.80	9.41	14,400
Total		480,479	314.04	289.19	442,457
<b>UTILITIES</b>					
Electric		58,000	37.91	37.25	57,000
Water, Sewer, Gas		51,731	33.81	32.49	49,702
Waste Disposal		7,560	4.94	4.71	7,200
Telephone		8,640	5.65	5.49	8,400
Cable Television		9,600	6.27	4.51	6,900
Total		135,531	88.58	84.45	129,202
<b>BUILDING</b>					
Maintenance - Service, Equipment, Supplies		131,843	86.17	88.07	134,745
Building & Equipment Contracts		4,800	3.14	2.55	3,900
Elevator Contracts		5,820	3.80	3.73	5,700
Total		142,463	93.11	94.34	144,345
<b>INSURANCE AND TAXES</b>					
General Insurance		126,492	82.67	71.70	109,697
Income Tax		12,129	7.93	3.92	6,000
Taxes Upon Timeshare Property (Ad Valorem)		N/A	N/A	N/A	N/A
Taxes Upon Leased Areas		N/A	N/A	N/A	N/A
Total		138,621	90.60	75.62	115,697
<b>SALE OF ASSOCIATION WEEKS</b>					
Sale of Association Weeks		(49,000)	(32.03)	(15.69)	(24,000)
Cost of Sales		39,602	25.89	6.27	9,600
Total		(9,398)	(6.14)	(9.41)	(14,400)
<b>OPERATING EXPENSES</b>					
Total		1,049,361	685.85	639.20	977,983
<b>OPERATING PROFIT/(LOSS)</b>					
		0	0.00	0.00	0

Ad Valorem Taxes on individual weeks are billed by the County Property Appraiser's office based on the relative value of the unit week and therefore, are not reflected in the above operating budget.

RESERVES	Statutory Reserve Funding		2008 Per Unit/ Week	2008 Annual Budget	With Owner Waiver of Statutory Reserve Funding	
	602,214	393.60			341,775	223.38
<b>RESERVE REVENUE</b>	602,214	393.60	212.75	325,500	341,775	223.38
<b>RESERVE EXPENSES</b>						
<b>Capital Expenses</b>						
Interior Reserve Expense	124,986	81.69	156.02	238,709	67,689	44.24
Roof Reserve Expense	386,569	252.66	8.84	13,521	252,946	165.32
Paving Reserve Expense	15,850	10.36	0.67	1,032	12,602	8.24
Capital Improvements Res Expense	71,090	46.46	46.90	71,752	6,697	4.38
Total	598,495	391.17	212.43	325,014	339,934	222.18
Painting Reserve Expense	3,719	2.43	0.32	486	1,841	1.20
<b>RESERVE EXPENSE</b>						
Total	602,214	393.60	212.75	325,500	341,775	223.38
<b>RESERVE PROFIT/(LOSS)</b>						
	0	0.00	0.00	0	0	0.00