
Cypress Pointe Resort



January, 2007

Planning For the Future

Over the past few years these newsletters have repeatedly mentioned the maintenance, reserve and improvement plans for Cypress Pointe Resort. What exactly is meant by those terms and what can owners and guests look forward to?

The maintenance plan is an outside study that attempts to estimate the remaining life of the property and what replacement will cost. For example how long will the pavement of the parking lots last and what will it cost to replace when worn out. This report, known officially as a Reserve Study, is updated every 5 years. It is meant to identify the many items that make up the Resort and give us a guideline to the funds that will be needed to maintain them. It usually does not consider upgrades but merely attempts to keep what we have in top condition.

Reserves are the funds collected each year for maintenance and improvements with an estimated life of more than a year. It is not money for regular operations or short-term maintenance needs. This money is listed as a separate line on the annual billing and placed in interest bearing bank accounts solely to use for capital improvements.

The Cypress Pointe improvement plan is a rolling ten-year blueprint for upgrades that often include, and may expand on, the items in the Reserve Study. Unlike that study, the improvement plan isn't just to replace what the

Resort had when new as it wears out but looks at what the owners and guests of today and tomorrow expect at a Gold Crown Award level resort. The RCI Gold Crown Award designation is not our target. Having the best resort experience possible for owners and guests is always the main goal. We have never felt that spending money simply to be a Gold Crown Resort is a good use of funds. But the ranking is a useful third party measurement that helps us evaluate how others view the Resort. It is always our hope that the improvements made to keep owners satisfied will also result in that high ranking.

Unlike many resorts in Orlando that continue to grow, Cypress Pointe is built out and will never change in size. That means we can accurately predict the needs for our 168 units and the common areas. We are also lucky to be part of a larger Master Association, the Vinings, which oversees a planned development area around our Resort to prevent inappropriate changes. (Note: Our Association has one Director's seat on the Vinings Master Association Board of Directors. Association Vice-President Chris Thimes is currently serving not only as our Association appointed Director to the Vinings, but also serving as its Board President.) The Vinings Board's control over the use of the multiple developments within the boundaries of the Cypress Pointe district assures us there will be no unpleasant surprises or non-conforming development around the Resort.

Using a planned approach to maintenance and improvements meant that rather than simply replacing the old,



continued on next page

continued from page 1

bulky rear projection screen televisions, VHS players and stereos in 2004, that equipment was upgraded to flat, widescreen sets (capable of HDTV during a future upgrade from our satellite service provider) and DVD/VHS surround sound stereos that offer today's level of performance. The old 110v washer/dryer combination units were replaced with separate washers and 220V dryers for better performance and ease of maintenance. The old open burner style stoves were replaced with glass top ranges, again for aesthetics as well as performance. While these types of changes were important, they did not address every issue with our units. By the next round of renovations in 2011, the units will be nearing 20 years old. We know things like the countertops and cabinets in the kitchen and bath areas will be nearing the end of their useful lives. Many units have cracked floor tile, which is still serviceable but should be replaced. We have also had plenty of feedback on the original open design of the bath areas, and it is not always positive. Eventually all unit air conditioning equipment will have to be retrofitted with the newer SEER 14 (or perhaps even higher rated) energy standard equipment. These are major projects that need to be well planned to maintain the proper look and feel and be appropriately financed. Doing any work with an under funded budget often leads to bad results.

Since the accomplishment of the 2004 renovation work required an assessment, the Board wanted to do everything possible to avoid that in the future. It is much better to collect incrementally over a number of years for needed work rather than burdening owners with a huge one-time fee. As part of that 2004 assessment, a plan was put in place to identify the future needs of the Resort to at least 2030, then collect the proper amounts for the estimated costs slowly. In 2007 we have raised the annual reserve contribution per week to \$100. That is now scheduled to increase an additional \$5 each year starting in 2008. The projection is that by raising this amount gradually, we will have the needed funds in the bank for

the planned renovations in 2011, 2018, 2025 and beyond. Absent unforeseen disaster, the reserves should be sufficient without a need for special assessments and allow reserve fees to be stabilized for years to come.

A major concern for every owner is those annual fees. Everyone wants a clean and up-to-date resort to visit or trade, while the Association hasn't unlimited dollars to spend. The Board feels that the plans in place at Cypress Pointe Resort strike the needed balance between maintaining and upgrading a premier resort while holding costs to a reasonable level for the owners. As of 2007, we are fully funding the annual operations budget, the estimated needs for reserves, paying for the roof replacement loan and property taxes for an average cost of \$765/week. While that number has risen since 2000 it still remains one of the lowest rates for a top-ranked, three-bedroom timeshare in the Orlando area. Since 2001 we have had an annual surplus to budget in addition to eliminating the deficit accrued in years prior to 2001. That has been done while undertaking multiple projects outlined in previous newsletters, which have helped bring Cypress Pointe Resort back to its current RCI Gold Crown Award status.

The changes and results are directly related to our stable management, careful planning and most of all, the strong turn-around in collection rates. None of this could have been accomplished without great owner support. The owners of Cypress Pointe Resort do act as a family and treat the Resort as a second home. We can all look forward to many more years of enjoyment as our Florida vacation home continues to evolve to meet your expectations for resort features at an affordable price.



Notice of Annual Meeting

**CYPRESS POINTE RESORT AT LAKE BUENA VISTA
CONDOMINIUM ASSOCIATION, INC.
(PHASE I)**

TO ALL MEMBERS:

On **SATURDAY, MARCH 24, 2007 at 9:00 A.M.** the Annual Meeting of the Cypress Pointe Resort at Lake Buena Vista Condominium Association, Inc. (Phase I) will be held at **THE CYPRESS POINTE RESORT CLUBHOUSE, 8651 TREASURE CAY LANE, ORLANDO, FL** for the purpose of electing Directors, and such other business as may lawfully be conducted. There are two (2) Director positions up for election. Please complete and return the enclosed Proxy for Election of Directors.

Please note the following information about PROXIES:

A Proxy is for the purpose of appointing another person to vote for you in the event that you might not be able to attend the meeting. If you appoint a Proxy and later decide you will be able to attend the meeting in per-

son, you may withdraw your Proxy when you register at the meeting.

Enclosed you will find:

1. The Agenda for the Annual Meeting.
2. Candidate Nominations.
3. Proxy (if returned by mail the Proxy must be received by March 23, 2007).
4. Envelope for the return of executed Proxy.

Again, please be sure to either attend the Annual Meeting or return your Proxy. Thank you for your assistance in conducting the business of your Association.

BY ORDER OF THE BOARD OF DIRECTORS
Don Wilks, Secretary

2007 Annual Meeting Agenda

**THE CYPRESS POINTE RESORT AT LAKE BUENA VISTA
CONDOMINIUM ASSOCIATION, INC.**

Date: Saturday, March 24, 2007

Time: 9:00 a.m.

Place: Cypress Pointe Resort Clubhouse
8651 Treasure Cay Lane, Orlando, FL

I. CALL TO ORDER/ROLL CALL

II. NOTICE VERIFICATION AND CERTIFICATION OF QUORUM

III. APPROVAL OF MINUTES (03/19/05)

IV. ELECTION OF DIRECTORS

- A. Appointment of Inspectors of Election
- B. Nominations of Director Candidates
- C. Election of Directors

V. OFFICER'S REPORTS

- A. President's Report
- B. Treasurer's Report
- C. Management Report

VI. OLD BUSINESS

VII. NEW BUSINESS

VIII. ADJOURNMENT





VACATION RESORTS
INTERNATIONAL

8651 Treasure Cay Lane
Orlando, FL 32836

SERVICE DIRECTORY

Cypress Pointe Resort
8651 Treasure Cay Lane
Orlando, FL 32836
Telephone (407) 597-2700 or (407) 238-2300
Front Desk Fax (407) 238-2886
Owner Services Fax (407) 238-7501
Email: cp1@cypresspointe.net
Web-site <http://cypresspointe.net>

MEMBERS OF THE BOARD

John Chase, President
Chris Thimes, Vice President
Don Wilks, Secretary
Stu Schwartz, Treasurer
Ralph Owen, Director
Michael Aliperti, Director
Amie Doetzer, Director

VACATION RESORTS INTERNATIONAL

271 Crockett Blvd.
Merritt Island, FL 32953
Corporate Service ... (321) 453-3300

Vacation Resorts International

Reservations Direct 949-859-2181

Central Reservations - Hours of Operations

Monday through Friday

6:00 am to 6:00 pm (Pacific Time)

Saturday

8:30 am to 4:00 pm (Pacific Time)

Sundays and Holidays - Closed

OWNER SERVICES 407-597-3000

EXCHANGE INFORMATION

Interval International (II) 800-634-3415

Resort Condominiums International (RCI)

Special VRI Owner Line 877-874-3334

Club Sunterra 877-258-2786

SUNTERRA FINANCIAL SERVICES

For Title Services, Deeds and Mortgage Issues

Main Office 702-804-8600

Mortgage Collections 877-258-2786