
Cypress Pointe Resort



November, 2006

Improvements Underway at Cypress Pointe Resort

Recognizing the need to provide our owners and guests the best possible conditions for an enjoyable vacation, The Cypress Pointe Resort Condominium Association Board of Directors (the "Board") has given the resort management direction to program and develop a number of projects. These projects address the short and long-term update needs, as well as the proper preventive maintenance.

The achievement of the RCI Gold Crown Award for 2006 marks only the first stage of our program. Our efforts are geared not only to keep to the past RCI Gold Crown Award level requirements, but also to improve our operation to achieve the new, higher requirements issued by RCI to achieve Gold Crown for 2007 and beyond.

Since 2002, the Board's commitment and owner support has resulted in the investment of several million dollars that have favorably impacted the overall experience while vacationing at the resort. The following lists just some of the recently completed projects:

1. Total renovation of the 168 units at a cost of about \$5 million. This project included: all new mattresses, all new electronic equipment (4 flat screen TV sets, entertainment center, surround sound, and the most updated technology available), all new appliances, total change of bed sets, carpeting, decoration, and soft goods.
2. Wireless Internet in all units/rooms as well as the Clubhouse and Volcano Pool areas.
3. Installation of a new, advanced multi-line telephone system.
4. Total rebuild and landscaping of the signature Volcano Pool deck area, renovation of the Volcano and pool surfaces also including the installation of a three flume waterslide.

5. Complete renovation of the Clubhouse game and health rooms.
6. Clubhouse paint and roofing.

In addition to those completed projects, we have work underway in the following areas:

1. Clubhouse lobby, front desk and public bathroom renovations (\$225,000 – cost shared with Cypress Pointe GrandeVillas) that should be completed in late January of 2007.
2. The replacement of all the residential buildings' roofs should be complete (weather permitting) during the first quarter of 2007 (\$3 million).
3. Gift shop recently reopened as the new Gift Pointe. This shop now features excellent quality merchandise, featuring logo items with more to follow!
4. Café Pointe featuring Starbucks® brand coffee, pastries, and more is scheduled to open by year-end 2006.
5. A new Maintenance Building strategically located inside the resort for the Housekeeping, Engineering and Laundry operations. This facility, whose construction cost is being partially subsidized in the amount of \$400,000 by our management company, is budgeted to be complete at a final cost to the Association under \$1.2 million. When complete, it will enable resort personnel to expedite all maintenance and other guest requests, which we expect will improve all of our vacationer's experience. New outside street access will totally eliminate the delivery truck traffic inside the resort. This facility will also enable management to store all maintenance and repair inventory, motorized maintenance carts, and spare room inventory in one safe and secure location.



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The future of the resort is also mapped out. The Board has developed a rolling, 10-year plan with a detailed list of project and renovation work to be done with timelines, costs and financing alternatives. This is in addition to the basic outside reserve study updated every 5 years.

The resort has in place a plan to replace the recreational features lost to the new building construction. The former sales trailer land will house a new hard surface tennis court, a basketball court, a gazebo, and two shuffleboard courts, all nested in lush, tropical vegetation. Design of this complex was commissioned to the one of the best landscaping architects in Central Florida. Our owners and guests should be able to enjoy the use of this new facility by mid 2007.

While we only recently finished the guest rooms/units' renovation we have already prepared a model for the next renovation and improvements in 2011. There are scheduled changes to the bathroom and kitchen cabinetry as

well as the countertops to a granite surface. Also included are new tile floors in addition to all the areas that were renovated in 2004-5.

The improvements, vision and commitment has been and will continue to be supplemented by an intensive personnel training, improvement in the working conditions of our front desk employees as well as our housekeeping and engineering employees. We have committed to a drug free place by screening all our new hires and to randomly test 10% of our actual work force every month.

The responses from our owners to all these improvements and the notes received from the exchange guests have been overwhelmingly positive. All of them know to expect even more improvements. A few representative photos of the recent progress are included in this newsletter. You can always find the latest updates on our Association website at <http://cypresspointe.net>.

An Important Note Regarding Split Week and Split Unit Requests

Each year Cypress Pointe Resort has a few owners who wish to take advantage of Split Week or Split Unit opportunities. Split Week is an extra reservation service that provides an opportunity to split a vacation week into two segments for use at different times, all based upon availability. Split Unit is an extra reservation service that provides an opportunity to split the use of a three bedroom

unit into a one bedroom and a studio unit which can be used at different times, all based upon availability. The new fee for either a Split Week or a Split Unit reservation confirmation is now \$49.00. For more detailed information regarding use of both the Split Week and Split Unit services, please refer to your Association Documents that were provided to you at the time of your purchase.

Clubhouse Renovation Requires Temporary Relocation of Front Desk

As mentioned in this newsletter and in many prior Association mailings, the entire Clubhouse lobby is being completely renovated. The new Caribbean theme with vibrant colors, marble floors, and new furniture will be a welcome change. There is no good time to do renovations of this type and our current plan is to close the lobby beginning the first week in January and it will reopen the end of January. Therefore, all check-in and check-out services and all front desk staff and operations will be temporarily moved into a portion of the game room which is located in the Clubhouse; however, much of the game room will still be available for your use and enjoyment.

All resort staff and management will work hard to avoid any potential inconvenience to your family and your important vacation! Staff will be located in key areas around the Clubhouse to direct owners and guests to the west side entrance of the Clubhouse which will provide you direct access to both the game room and the front desk. Just remember...if you are arriving at Cypress Pointe Resort during the month of January, look for resort staff who will gladly point you in the right direction to get to the front desk.

Your Board of Directors and Resort Management THANK YOU for your understanding and patience during these important renovations to your resort.



Call for Nominations

Dear Cypress Pointe Resort Owners:

Once again, another very busy year quickly comes to a close with the approach of the Holiday Season. Your Board of Directors and management have been extremely busy coordinating the construction of our resort's new Maintenance/Housekeeping building which will centralize all services and storage for both departments. At the same time, construction has been proceeding at a rapid pace with the replacement of all roofs on all residential buildings. AND...while all this has been going on, management has coordinated the opening of the new Gift Shop and work is progressing on Café Pointe which will serve quality Starbuck's coffee. Finally, we have been working on the preliminary plans for a new Activities Center which we hope will be located where the old Sunterra administrative trailers used to sit.

Included in this mailing is the Call for Nominations and Candidate Nomination Form for any owner who may be interested in submitting their names as a candidate to serve on the Board of Directors for the Cypress Pointe Resort at Lake Buena Vista Condominium Association, Inc. (Phase I). The Board of Directors is comprised of six homeowners just like you, and one appointed developer representative. Two owner seats on the Board are up for election at the Annual Meeting in 2007.

Please look forward to a future, full-length newsletter after the Holiday Season which will include a proxy for you to return so the Association can establish a quorum for the Annual Meeting which is scheduled for March 24, 2007.

The Board of Directors and management wish you and your family a very Happy Holiday Season!

Cordially,
Resort Management

Your Board of Directors is searching for owners who are interested in the future of Cypress Pointe Resort (Phase I) to submit their names as candidates and run in the upcoming election for service on the Board. Enclosed you will find a Candidate Nomination Form which we hope you will take time to fill out.

To qualify, you need only fill the following requirements:

- Must be a legal owner in good standing with regard to all fees and be allowed to serve as a Board member in compliance with the Association condominium documents and Florida statutes.
- Must be willing to attend:
 - Regular Board meetings from approximately 9:00 a.m. to 3:00 p.m. on Saturdays as scheduled by majority vote of the Board.
 - Telephonic meetings are sometimes necessary throughout the year as circumstances dictate and as scheduled by majority vote of the Board.
 - The Annual Meeting.
 - Annual Budget Workshop.
- Must be prepared to expend a great amount of effort and time on discussing a variety of issues such as financial statements, management reports, old/new business, and owner correspondence – all of which determine the direction and policies of your Resort.
- Must be willing to serve for a full three (3) year term.

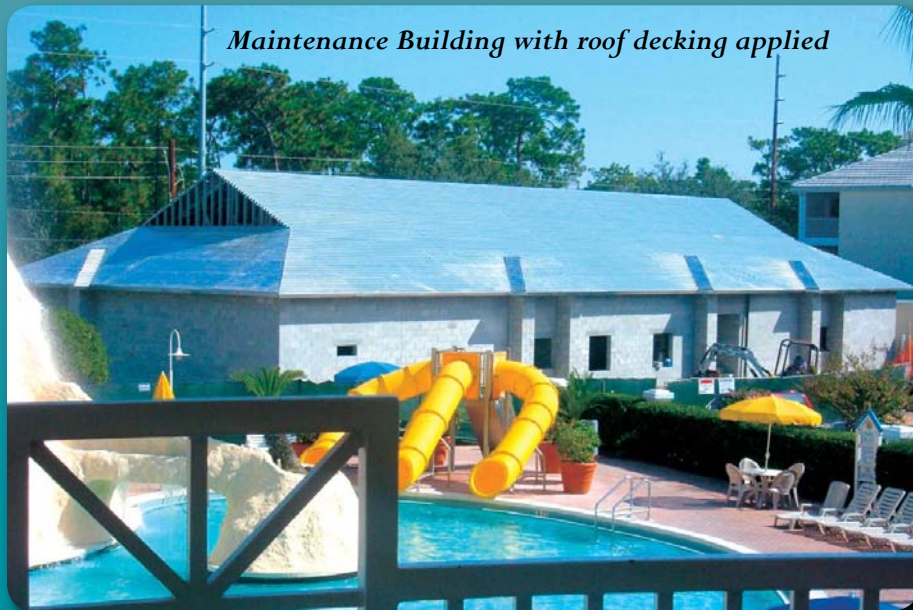
NOTE: Board members are not compensated.

If you have the time and dedication and are interested in this highly rewarding position, please complete the enclosed Candidate Nomination Form and mail or fax it to reach us no later than December 31, 2006.

Mail your Nomination Form to:
Cypress Pointe Resort
c/o Vacation Resorts International
P.O. Box 540669 • Merritt Island, FL 32954
or Fax to: (321) 453-1300



Our Most Recent Renovations



Cypress Pointe Resort

Candidate Nomination Form

If you wish to be placed on the ballot for possible election to your Board of Directors, please fill out the following information and return to the address listed below no later than December 31, 2006. **Please do not send resumes, and limit your response to no more than 250 words within the space provided. Management reserves the right to edit text that exceeds the space limitations.**

Name: _____
(Please print)

Interval Week(s) Owned: _____

Education: _____

Qualifying Experience: _____

Objectives as a Director: _____

Do you have a relationship or affiliation which involves you in any way with the development, sales or management of a timeshare resort and, if so, please explain: _____

Please return to:
Cypress Pointe Resort
c/o Vacation Resorts International
P.O. Box 540669
Merritt Island, FL 32954
or Fax to: (321) 453-1300



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