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# Cypress Point Resort



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2005 Fall Edition

## **Climbing Back to the Top**

Cypress Point Resort has once again earned the designation to be a RCI Gold Crown Resort in 2006. This is a culmination of the hard work by the staff and management at the Resort. It also reflects the commitment of the owners who have supported the Board's efforts and plans. Regaining that prestigious rank, as requested by the owners, has been a goal for both the Board and the management team for almost five (5) years.

When Cypress Point Resort was built in 1992, it was immediately recognized as a Gold Crown facility based on the unit quality, amenities and design. Until 2001, we maintained that superior rank. By that time the score was based on the comment card results from RCI exchange guests. Scores started slipping in 1999 and plans were made to address the items falling short of the top ranking. Unfortunately, the efforts made, which included new carpeting, soft goods and some furnishing replacements, were not adequately funded, were not up to Gold Crown standards and ended up providing only a temporary fix. In fact, the final result of that poorly executed renovation was lower scores as the unit updates failed to maintain the colorful look and feel of the Resort. In addition, many of the new furnishings failed to hold up under the heavy usage that a timeshare unit receives.

In 2002 the Resort fell to an RCI ranking of Resort of International Distinction (RID). While still above average, this was not what owners purchased and did not reflect the quality family image Cypress Point Resort had held for so many years. Our low point was 2003 when the Resort almost missed even the RID ranking. In 2001 and 2002, the common amenities and Resort

infrastructure were addressed to bring them back to Gold Crown levels. In 2003, the Board brought in three major design groups to recommend a new look for the units. This was the remaining trouble spot preventing the Resort from regaining Gold Crown status. To avoid a repeat of the same mistakes made in 2000, the Board commissioned two designers to create full model units on-site with their recommended changes. This allowed the Board and owners to see actual units with the new look. It also allowed for fine tuning of the final design to give us the best quality possible for the money spent. Literally, hundreds of man hours were spent by the Board and management team reviewing every aspect of the two models to achieve the specifications for the final design.

The design created by Phillip Todd Enterprises, Inc. was the overwhelming choice by the Board and owners who participated in the meeting that July. In late 2003, the plan for renovation of all 168 units was in place. In January 2004, the fifteen month renovation project started with the first three buildings being stripped to the bare walls and painted. Each unit was then restocked with all new furnishings, appliances, entertainment equipment, carpeting and soft goods. The last units were completed in March 2005. Most importantly, it was right on schedule and within budget. Scores started improving almost immediately in 2004.

Funding for the massive project was provided by a renovation surcharge to all owners. Included in that funding plan was a long term reserve plan that will provide the funds needed in the future for projected replacements and improvements. As an example the model unit for the 2011 renovation work has already been designed, constructed and returned to regular service for owner and guest comments.

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Included in the design for 2011 are all new cabinets in the kitchen and bath areas, new marble countertops, plumbing fixtures, floor tiles and, the single most requested change from both owners and guests, doors on both master bedroom toilet areas. Comments from owners and guests who have seen or stayed in the 2011 model unit have been very positive. As before, there are changes to be made to fine tune the first proposal. The cabinets used in the model did not meet the quality or design standards of Cypress Pointe and will be redesigned and upgraded. The original floor tile proposed was deemed too plain and was revised to better reflect the Caribbean theme of Cypress Pointe Resort. The value of a full sized model to the process is evident and will continue to be used to ensure a great result in the future.

With the 2006 designation of Gold Crown, Cypress Pointe Resort has returned to the status owners feel it deserves. The plans for continuing improvements should help us retain that distinction for years to come. We will proudly accept the Gold Crown in 2006 and work hard to improve scores even more going forward.

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## Roofing Update

As noted in the last printed and on-line newsletters, there is a major concern about the building roofs at the Resort. All roofs have been found to have major construction defects that are considered to be non-repairable. It has been recommended by professional roofing consultants that they be removed and replaced to protect the buildings and the safety of owners and guests. As part of the 2006 budget plan the unexpected costs of those replacements had to be considered.

It has been the standard procedure for the Board to look at not only immediate needs of the Resort but also to plan for the long term. This helps keep costs steady and improves the ability to plan for future improvements. Unfortunately, the roofs were not scheduled for replacement for another 40 years so funding is not in place at this time. To avoid a one time assessment for a capital project of this magnitude the Board has decided to look to

lenders for the funding. We are currently soliciting loan offers to fund what is estimated as a \$3.5 million dollar project. If obtained, the loan will be paid back through any recovery obtained from the original contractors and scheduled increases to the annual reserve fees. By using this procedure the cost and benefits will be spread out over many years rather than an immediate charge. It should also allow us to stay on schedule with the other improvements already in the works.

There will be increases in fees not foreseen in the original 2003 renovation plan that scheduled funding through 2030. It appears that approximately \$50/year per week in additional reserve money will be required to fund the roof work and the associated interest costs on the proposed loan for the next ten years. As always the Board and management will do everything possible to minimize the impact on the annual fees while making sure the work required is done to the highest standards. Please watch our web-site and the on-line newsletter for updates on this important project.

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## Tax Relief

For the second year in a row the real estate tax challenge filed by the Association has been successful. In fact since 2003 we have been able to lower the assessed valuation by over 42% resulting in substantial real estate tax savings for the owners. While the Association has been extremely successful in obtaining an abatement of assessed valuations, we are still waiting for formal notice of any tax rate adjustments for Cypress Pointe Resort, both of which will ultimately determine the exact amount of the tax bill.

After two unsuccessful attempts to lower the assessments in 2001 and 2003 these reductions will help hold down the total bill due from owners each year. Savings on the tax line can help offset increases in operations or reserves. As we face the unexpected costs of the building roofs, these savings will play a part in holding overall fees as low as possible.



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## On-Line Payments

Since 2002 Cypress Pointe Resort has offered an on-line payment option for owners. In 2004 we added an automated phone payment system to streamline phone payments and dramatically reduce personnel expenses while improving the level of service for owners.

For 2006 we will be introducing an all new on-line payment system. The new system will be tied to the master owner data for the Resort. This means that information on your account will be updated and available to you within 72 hours of a payment received by check, phone or on-line. For payments made over the Internet, credit card payments can be verified during the session and a transaction tracking number will be provided for your records.

These improvements are being offered based on owner feedback and to help keep our improving collection rate on track. By offering multiple methods of payment and easy on-line access to updated account information owners can stay current on their personal information without requiring more expensive and hard to find personnel at the Resort to handle such inquiries.

These are the start of other improvements for owner services. In 2006 we hope to roll out a plan for owner rentals for those wishing to rent their time at the Resort. Also on the drawing board are on-line reservations and more. Cypress Pointe will continue to improve every area of the owner and guest experience both on and off site. As always we welcome your comments and suggestions.

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## Renovation of Lobby, Front Desk and More

Changes are being made to the Front Desk area of our lobby. New granite counter tops and a revised check-in area are close to completion. Also, underway is renovation of the public restrooms in the Clubhouse. In the next few months a refresh of the remainder of the lobby is expected. This will help improve the first impression of owners and guests arriving at the Resort.

As part of the changes, there will be a new look and new

features in the Gift Shop and Snack Bar areas within the Clubhouse. Our Gift Shop will be redesigned to feature more Resort logos and other unique items to add to the guest experience. The Snack Bar is expected to have a whole new design possibly featuring a gourmet coffee shop and deli with indoor and outdoor seating areas. Items such as newspapers, drinks and pool items will be featured there while film, phone cards and other more general use items will move to the gift shop. Both areas will be staffed by professionally attired personnel accountable to the same standards as the rest of the staff who work at the Resort. It is expected that by having two areas with well defined product lines rather than competing, all services will improve for our owners and guests while contributing to the overall financial viability of the Resort. Watch for these changes in late 2005 and into 2006.

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## Membership Cards

Efforts are underway to provide all owners at Cypress Pointe Resort a new membership card. This attractive card will feature the Cypress Pointe logo, your account number and important telephone numbers. These cards are being supplied as a courtesy to our owners by Interval International (II), one of the three affiliated exchange companies at Cypress Pointe. Membership in II is not required but we urge you to consider them for your exchange needs.

Please watch for your new card in the mail and remember to carry it proudly and be certain to look for owners-only benefits in future newsletters.

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Sign up for the Cypress Pointe On-Line Newsletter at our web-site <http://cypresspointe.net>.





VACATION RESORTS  
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### **SERVICE DIRECTORY**

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### **MEMBERS OF THE BOARD**

*John Chase, President  
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### **VACATION RESORTS INTERNATIONAL**

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*Vacation Resorts International*

**Reservations Direct 949-859-2181**

*Central Reservations - Hours of Operations*

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*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*