



Budget **SUMMARY** for 2014

 *Makai Club*
Condos & Cottages

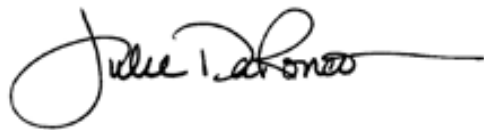
A Message From Your Manager

Recently your Boards of Directors conducted a regular Board meeting and approved the 2014 budgets. I'm pleased to report in 2014 there will be no increase to the Maintenance Fees. While there has been a zero percent increase, this year's budget does include a significant contribution to capital reserves, as well as a year-end deficit pay down. Funding our reserves for future repairs, refurbishments and renovations is critical to the ongoing success of the Associations.

This year's Maintenance Fee bill appears slightly different than previous billings. This is because our new management company, Grand Pacific Resorts, is affiliated with Advanced Financial Corporation (AFC) for billing and payment processing. AFC offers on-line payment with all major credit cards, accepts checks and even has an installment billing option. Rest assured, this is your proper Maintenance Fee bill for 2014 and payment directions are enclosed for your convenience.

The proposed budget reflects Management's commitment to the highest levels of customer service and resort maintenance. Once again, careful consideration has been given to every category of operating expenses and adjustments have been addressed concerning current market expectations. It is the objective and priority of Management not only to apply sound cost accounting principles toward our financial responsibilities, but to continue providing memorable and lasting vacations for all our Owners and Guests.

Respectfully,



Julie Daronco
Makai Club & Cottages Manager

Operating BUDGET for 2014

January 1 - December 31, 2014

	2013 Budget	2014 Budget
REVENUE:		
Room Revenue	\$ 47,166	\$ 41,274
Assessment Revenue	\$ 1,744,636	\$ 1,744,636
Bad Debt	\$ (116,680)	\$ (56,961)
Other	\$ 32,541	\$ 32,541
TOTAL REVENUE	\$ 1,707,663	\$ 1,761,490
DEPARTMENTAL EXPENSES:		
Front Office		
Salaries & Wages	\$ 98,467	\$ 100,436
Other Expenses	\$ 24,693	\$ 25,187
Housekeeping		
Salaries & Wages	\$ 270,967	\$ 257,418
Linen Replacement	\$ 10,198	\$ 10,402
Guest/Cleaning Supplies	\$ 13,755	\$ 13,067
Laundry Costs	\$ 25,501	\$ 26,011
Other Expenses	\$ 27,367	\$ 26,100
Clubhouse		
Clubhouse Expense	\$ 4,423	\$ 4,511
Owner Services		
Other	\$ 42,230	\$ 42,230
Administration		
Salaries & Wages	\$ 67,772	\$ 69,128
Accounting	\$ 33,892	\$ 33,899
Printing/Postage	\$ 4,151	\$ 4,234
Other	\$ 43,362	\$ 43,568
Computer	\$ -	\$ -
Repairs & Maintenance		
Salaries & Wages	\$ 118,909	\$ 112,963
Other Expenses	\$ 19,163	\$ 18,357
Landscape & Utilities		
Landscape	\$ -	\$ -
Utilities	\$ 125,334	\$ 129,094
TOTAL DEPARTMENTAL EXPENSE	\$ 930,183	\$ 916,605
TOTAL CONTRACT/FIXED EXPENSES	\$ 697,480	\$ 642,555
TOTAL OPERATING EXPENSES	\$ 1,627,663	\$ 1,559,160
DEFICIT PAYDOWN	\$ (80,000)	\$ (202,330)
NET INCOME/(LOSS)	\$ 0	\$ 0

 **Makai Club**
AT PRINCVILLE IOA

ANNUAL ASSESSMENTS

Per Vacation Week

	UNIT TYPE	OPERATING ACCOUNT	RESERVE ACCOUNT	MAINTENANCE FEE TOTAL
2014	Condo	\$855.21	\$75.52	\$930.73
2013	Condo	\$855.21	\$75.52	\$930.73

*The IOA budgets reflect the total assessments. The AOA budget is called out for informational purposes.

Operating BUDGET for 2014

January 1 - December 31, 2014

	2013 Budget	2014 Budget
REVENUE:		
Assessment Revenue	\$ 420,856	\$ 420,856
Bad Debt	\$ -	\$ -
Other	\$ -	\$ -
Reserve Income	\$ -	\$ -
Reserve Interest Income	\$ -	\$ -
TOTAL REVENUE	\$ 420,856	\$ 420,856
DEPARTMENTAL EXPENSES:		
Front Office		
Other Expenses	\$ 439	\$ 448
Housekeeping		
Salaries & Wages	\$ 4,884	\$ 4,640
Clubhouse		
Clubhouse Expense	\$ 3,720	\$ 3,794
Administration		
Salaries & Wages	\$ 28,475	\$ 29,045
Accounting	\$ 15,905	\$ 15,905
Printing/Postage	\$ -	\$ -
Other	\$ 6,933	\$ 6,933
Computer	\$ -	\$ -
Repairs & Maintenance		
Salaries & Wages	\$ 49,116	\$ 46,660
Other Expenses	\$ 32,522	\$ 32,460
Security		
Salaries & Wages	\$ 21,304	\$ 21,730
Other Expenses	\$ -	\$ -
Landscape & Utilities		
Landscape	\$ 49,896	\$ 50,894
Utilities	\$ 58,818	\$ 61,045
TOTAL DEPARTMENTAL EXPENSE	\$ 272,012	\$ 273,554
TOTAL CONTRACT/FIXED EXPENSES	\$ 148,844	\$ 154,259
TOTAL OPERATING EXPENSES	\$ 420,856	\$ 427,813
NET INCOME/(LOSS)	\$ 0	\$ (6,957)

AOAO OF
Makai Club
AT PRINCEVILLE

ANNUAL ASSESSMENTS Per Vacation Week

	UNIT TYPE	OPERATING ACCOUNT	RESERVE ACCOUNT	MAINTENANCE FEE TOTAL
2014	Condo	\$206.30	\$40.76	\$247.07
2013	Condo	\$206.30	\$40.76	\$247.07

**The IOA budgets reflect the total assessments. The
AOAO budgets are called out for informational purposes.*

Operating BUDGET for 2014

January 1 - December 31, 2014

	2013 Budget	2014 Budget
REVENUE:		
Room Revenue	\$ -	\$ 18,259
Assessment Revenue	\$ 1,070,845	\$ 1,070,845
Bad Debt	\$ (67,861)	\$ (35,594)
Other	\$ 14,524	\$ 14,524
TOTAL REVENUE	\$ 1,017,508	\$ 1,068,034
DEPARTMENTAL EXPENSES:		
Front Office		
Salaries & Wages	\$ 48,167	\$ 49,131
Other Expenses	\$ 18,708	\$ 19,082
Housekeeping		
Salaries & Wages	\$ 131,715	\$ 125,129
Linen Replacement	\$ 8,643	\$ 8,816
Guest/Cleaning Supplies	\$ 7,104	\$ 6,749
Laundry Costs	\$ 20,196	\$ 20,600
Other Expenses	\$ 13,279	\$ 12,615
Clubhouse		
Clubhouse Expense	\$ 5,720	\$ 5,834
Owner Services		
Salaries & Wages	\$ 18,858	\$ 18,858
Administration		
Salaries & Wages	\$ 29,258	\$ 29,843
Accounting	\$ 18,287	\$ 18,287
Printing/Postage	\$ 3,061	\$ 3,122
Other	\$ 15,794	\$ 16,114
Computer	\$ -	\$ -
Repairs & Maintenance		
Salaries & Wages	\$ 50,101	\$ 47,596
Other Expenses	\$ 10,575	\$ 10,111
Landscape & Utilities		
Landscape	\$ -	\$ -
Utilities	\$ 63,523	\$ 65,429
TOTAL DEPARTMENTAL EXPENSE	\$ 462,991	\$ 457,316
TOTAL CONTRACT/FIXED EXPENSES	\$ 474,516	\$ 446,524
TOTAL OPERATING EXPENSES	\$ 937,507	\$ 903,840
DEFICIT PAYDOWN	\$ (80,000)	\$ (164,194)
NET INCOME/(LOSS)	\$ 0	\$ 0

 **Makai Club**
COTTAGES AT PRINCVILLE IOA

ANNUAL ASSESSMENTS Per Vacation Week

	UNIT TYPE	OPERATING ACCOUNT	RESERVE ACCOUNT	MAINTENANCE FEE TOTAL
2014	Cottage	\$1,235.12	\$133.37	\$1,368.49
2013	Cottage	\$1,235.12	\$133.37	\$1,368.49

*The IOA budgets reflect the total assessments. The AOAIO budgets are called out for informational purposes.

Operating BUDGET for 2014

January 1 - December 31, 2014

	2013 Budget	2014 Budget
REVENUE:		
Assessment Revenue	\$ 256,776	\$ 256,776
Bad Debt	\$ -	\$ -
Other	\$ -	\$ -
Reserve Income	\$ -	\$ -
Reserve Interest Income	\$ -	\$ -
TOTAL REVENUE	\$ 256,776	\$ 256,776
DEPARTMENTAL EXPENSES:		
Front Office		
Other Expenses	\$ 926	\$ 945
Housekeeping		
Salaries & Wages	\$ 2,543	\$ 2,416
Clubhouse		
Clubhouse Expense	\$ 2,520	\$ 2,570
Administration		
Salaries & Wages	\$ 12,041	\$ 12,282
Accounting	\$ 6,603	\$ 6,603
Printing/Postage	\$ -	\$ -
Other	\$ 3,670	\$ 3,744
Computer	\$ -	\$ -
Repairs & Maintenance		
Salaries & Wages	\$ 21,460	\$ 20,387
Other Expenses	\$ 22,833	\$ 22,809
Security		
Salaries & Wages	\$ 9,064	\$ 9,246
Other Expenses	\$ -	\$ -
Landscape & Utilities		
Landscape	\$ 33,264	\$ 33,929
Utilities	\$ 29,398	\$ 30,490
TOTAL DEPARTMENTAL EXPENSE	\$ 144,324	\$ 145,420
TOTAL CONTRACT/FIXED EXPENSES	\$ 112,452	\$ 116,377
TOTAL OPERATING EXPENSES	\$ 256,776	\$ 261,797
NET INCOME/(LOSS)	\$ 0	\$ (5,021)

AOAO OF
Makai Club
COTTAGES

ANNUAL ASSESSMENTS Per Vacation Week

	UNIT TYPE	OPERATING ACCOUNT	RESERVE ACCOUNT	MAINTENANCE FEE TOTAL	
<i>*The IOA budgets reflect the total assessments. The AOAO budgets are called out for informational purposes.</i>	2014	Cottage	\$290.47	\$124.07	\$414.54
	2013	Cottage	\$290.47	\$190.88	\$481.35