

SAND DUNE SHORES
Presentation Budget as Mailed to the Ownership
For the Year: January 1 - December 31, 2018

| | 3,000 | Annual | Monthly | Unit |
|-------------------------------|-------|-----------------|----------------|----------------|
| REVENUE | | | | |
| Annual Assessments | | \$ 617,450 | \$ 51,454 | \$ 672.60 |
| Ad Valorem Tax Assessments | | 24,349 | 2,029 | 26.52 |
| Reserve Assessments | | 69,651 | 5,804 | 75.87 |
| Late Payment Penalty | | 1,000 | 83 | 1.09 |
| Rental Income | | 15,000 | 1,250 | 16.34 |
| Rental Commission | | 7,000 | 583 | 7.63 |
| Bad Debt Recovery | | 5,000 | 417 | 5.45 |
| Interest | | 300 | 25 | 0.33 |
| Sale of Intervals | | 1,500 | 125 | 1.63 |
| Miscellaneous | | 3000 | 250 | 3.27 |
| Total Revenue | | 744,250 | 62,021 | 810.73 |
| PAYROLL | | | | |
| Payroll | | 169,447 | 14,121 | 184.58 |
| Taxes and Benefits | | 16,945 | 1,412 | 18.46 |
| Health Insurance | | 14,000 | 1,167 | 15.25 |
| Workers Comp | | 7,257 | 605 | 7.90 |
| ADP | | 1,500 | 125 | 1.63 |
| Total Payroll | | 209,148 | 17,429 | 227.83 |
| OPERATING | | | | |
| Amenities | | 4,853 | 404 | 5.29 |
| Cable TV & Internet | | 10,260 | 855 | 11.18 |
| Electricity | | 21,000 | 1,750 | 22.88 |
| Gas | | 10,000 | 833 | 10.89 |
| Housekeeping | | 2,000 | 167 | 2.18 |
| Housekeeping Supplies | | 12,000 | 1,000 | 13.07 |
| HVAC | | 3,000 | 250 | 3.27 |
| Maintenance | | 18,000 | 1,500 | 19.61 |
| Grounds | | 3,000 | 250 | 3.27 |
| Pest Control | | 3,500 | 292 | 3.81 |
| Pool | | 4,000 | 333 | 4.36 |
| Telephone | | 5,780 | 482 | 6.30 |
| Water & Sewer | | 12,000 | 1,000 | 13.07 |
| Waste Removal | | 2,300 | 192 | 2.51 |
| | | 111,693 | 9,308 | 121.67 |
| ADMINISTRATIVE | | | | |
| Bad Debts | | 207,700 | 17,308 | 226.25 |
| Bank & Credit Card Fees | | 6,500 | 542 | 7.08 |
| Billing & Collections | | 3,765 | 314 | 4.10 |
| Division Fees | | 1,836 | 153 | 2.00 |
| Insurance | | 37,269 | 3,106 | 40.60 |
| Legal Fees/Audit | | 10,500 | 875 | 11.44 |
| Licenses & Permits | | 1,295 | 108 | 1.41 |
| Loan & Loan Interest | | 10,800 | 900 | 11.76 |
| Management Fees | | 39,744 | 3,312 | 43.29 |
| Office/Miscellaneous | | 7,500 | 625 | 8.17 |
| Postage & Mail | | 2,500 | 208 | 2.72 |
| Property Taxes | | 24,349 | 2,029 | 26.52 |
| Total Administrative | | 353,758 | 29,480 | 385.36 |
| Total Expenses | | 674,599 | 56,217 | 734.86 |
| Less: Other Income | | <u>(32,800)</u> | <u>(2,733)</u> | <u>(35.73)</u> |
| Total Operating Budget | | 641,799 | 53,483 | 699.13 |
| Reserves | | <u>69,651</u> | <u>5,804</u> | <u>75.87</u> |
| Total Budget | | 711,450 | 59,288 | 775.00 |

Total Number of Units 18
Total Number of Weeks 918

Pursuant to Florida Statute 721.13(3)(d)2, the custodian of records on behalf of Association is:
Vacation Resorts International
25510 Commercentre Drive, Suite 100
Lake Forest, CA 92630

Related Party Disclosure

In 1992, the Association borrowed \$80,000 at an annual interest rate of 8%, which is payable bi-annually. The amounts borrowed were collateralized by two unit weeks of choice owned by the Association. The principal balance owed as of December 31, 2013 is \$35,000 to six different owners. The notes matured in 1994 and 1995; however the Association and owners reached an agreement for the remaining holders not to demand payment on the notes for an indefinite period as long as the interest payments on the notes are kept current. The amount of interest paid on the notes for the year ending December 31, 2013 was \$3,200.