

# ASSESSMENT BILLING NOTICE



ORLANDO VACATION SUITES II  
CONDOMINIUM ASSOCIATION, INC.

## IN THIS ISSUE

### Your 2025 Statement

For questions about the 2025 budget, contact your Home Resort's general manager at 407-387-1301 or [Abed.Ereikat@hgv.com](mailto:Abed.Ereikat@hgv.com).

Learn more about your maintenance fees with videos found here: [my.hgv.com/maint-fees](https://my.hgv.com/maint-fees)

### Go Green

To "Go Green" and receive your billing statement electronically, you can opt-in at [my.hgv.com/ManageCommunications](https://my.hgv.com/ManageCommunications) (case sensitive). Select **Email & Print** to opt into electronic communications whenever possible.

### Protect Yourself

Be wary of fraudulent calls, emails or letters claiming to buy, sell or rent your vacation ownership and benefits. Stay up-to-date on spotting red flags from timeshare scams with our educational resources. Visit our Timeshare Fraud Education page at [my.hgv.com/fraud-protection](https://my.hgv.com/fraud-protection) for more information.

## A MESSAGE FROM YOUR HOME RESORT

Greetings from Orlando and Orlando Vacation Suites II Condominium Association, Inc. It's been a pleasure to welcome our Owners back to SeaWorld® Orlando, a Hilton Grand Vacations Club this year.

2024 has been another extraordinary year for Hilton Grand Vacations. We're thrilled to debut on *USA Today's* 2024 Top Workplaces list and won eight 2024 American Resort Development Association (ARDA) Awards, including two coveted ARDA Circle of Excellence (ACE) Awards. We're proud to have received the ACE Project of Excellence award for the newly opened Elara, a Hilton Club in Las Vegas, and the ACE Philanthropy and Community Service award for our efforts surrounding the Maui wildfires, highlighting our pledge to help the communities we serve.

Another way we give back to our communities is through the HGV Foundation, a 501(c)(3) charity focusing on Disaster Relief, Homelessness, Military & Families and Youth Development, amplifying our impact in these areas while supporting other vital community initiatives. Guests can donate to the Foundation at select properties during check-in or by visiting [my.hgv.com/hgv-foundation](https://my.hgv.com/hgv-foundation). You can learn more about HGV's corporate social responsibility, including the Foundation's work, in our annual Environmental, Social and Governance Report, available at [my.hgv.com/csr](https://my.hgv.com/csr) in mid-September.

In other exciting news, we launched additional HGV Max benefits, a unified website for our Owners and Members and a new partnership with Great Wolf Lodge. Details about these have been shared with you via emails, our *Club Traveler* newsletters and on our Member website.

Here at SeaWorld Orlando, a Hilton Grand Vacations Club, we've been diligently working to enhance your home away from home. Recent improvements include renovations in buildings 9 and 10, updating our Activity Center, renewing our poolside furniture and refreshing our parking lot surface through the application of slurry seal.

Looking ahead to 2025, we anticipate renovating buildings 5 and 11; preparing the next generation of villas with model room buildouts; refreshing the first impression landscape at the front of the resort; and celebrating the resort's 30th anniversary next October.

I'm also delighted to share that on March 1, we achieved our fifth consecutive Outstanding Quality Assurance rating with the highest score we have achieved in 20 years!

On behalf of the entire resort team, we thank you for your continued loyalty and for being part of our family. We look forward to welcoming you back to your home away from home soon.

Warm regards,

Abed Ereikat  
General Manager

# ASSESSMENT BILLING NOTICE

## 2025 ASSESSMENT SUMMARY

Now available are the 2025 budget and statement for your association's assessment, real estate taxes and annual Club Dues. The overall combined assessment for all unit types increased by 8.42% for 2025. As in previous years, the operations portion of the budget supports your Home Resort's management, while the reserve portion funds property improvements.

To ensure compliance with Florida law due to not receiving enough votes of the ownership to waive the statutory reserve funding requirement, we're now having to budget larger-than-usual contributions to our reserve fund. Your reserve fund provides for the long-term value of your vacation ownership and allows us to undertake projects like Suite renovations and capital projects at the resort. We've also experienced an increase in bad debt year-over-year. To maintain financial health of the association, we are addressing this by budgeting an increase in the allowance for bad debt account.

Several external factors have impacted our costs as well. We've seen increases in real estate taxes and property insurance premiums, which are beyond our control but necessary to protect our shared investment.

On the operational front, wage and benefit increases have necessitated adjustments across the board. This ensures we can attract and retain quality Team Members who can provide you with exceptional service. Our vendors, particularly housekeeping, have faced similar wage pressures, resulting in higher costs we've had to absorb.

Although we've had some increases in budget line items like property taxes and the reserve contribution, the increase in the overall combined assessment for all unit types is still less than last years. With each review of the budget, your association's board and resort team are committed to keeping costs down without compromising service or the property's upkeep. Every year, the budget is built by the corporate finance and on-site operations teams and reviewed internally by your resort's leadership before going to each association board for approval. During this process, every effort is made to keep your maintenance fees as low as possible, taking special care to minimize the impact of extraordinary market conditions.

## BOARD OF DIRECTORS UPDATE

At the last Annual Owners Meeting, Alyssia Benford was reelected and Cindy Angelo was elected to the Board of Directors, joining LeaAnn Newman, Michael Brookes and Marc Neu.

We would like to extend our thanks to your board members for their continued support and leadership. As Cathy Gorman comes off the board we would like to thank her for her service.

## CONTRIBUTING TO ARDA-ROC

Your assessment statement includes a voluntary contribution to the American Resort Development Association–Resort Owners' Coalition (ARDA–ROC). ARDA promotes the interest of vacation ownership legislation on local, state and federal levels, including tax-related issues. If you don't wish to contribute to ARDA–ROC, simply subtract this fee from the total payment due.

*Contributions to ARDA-ROC are not deductible for tax purposes.*

## PAYMENT INFORMATION

Your maintenance fee payment is due by January 1, 2025, by 11:59 p.m. ET. Please note that if your fees are not paid on time, your account will be delinquent, and you'll be subject to late fees and interest.

We encourage you to make payments via check to provide cost savings to your association or online at [club.hiltongrandvacations.com](https://club.hiltongrandvacations.com) using a debit card.

**ORLANDO VACATION SUITES II CONDOMINIUM ASSOCIATION, INC.**  
**ANNUAL ASSESSMENT BILLING BUDGET**  
**JANUARY 1, 2025 THROUGH DECEMBER 31, 2025**

(23,296 Unit/Weeks)	2025 BUDGET TOTAL	2025 Per Unit/Wk 1 BR	2025 Per Unit/Wk 2 BR	2025 Per Unit/Wk 3 BR
<b><u>OPERATING REVENUE</u></b>				
Maintenance Fee Revenue	22,522,059	708.53	973.93	1,275.93
Contra Maintenance Fee Revenue	(219,739)	(6.80)	(9.51)	(12.58)
Late Fee Income	852,992	26.42	36.90	48.83
Interest Income	30,464	0.94	1.32	1.74
Support Area 1 Office	10,445	0.32	0.45	0.60
Support Area 2 Retail	22,126	0.69	0.96	1.27
<b>OPERATING REVENUE TOTAL</b>	<b>23,218,347</b>	<b>730.10</b>	<b>1,004.05</b>	<b>1,315.79</b>
<b><u>OPERATING EXPENSES</u></b>				
<b><u>Administrative</u></b>				
Annual Audit	8,400	0.26	0.36	0.48
Division Fees	46,591	2.00	2.00	2.00
Other Administration Expenses	1,184,791	36.68	51.25	67.86
Board Reimbursement	6,963	0.22	0.30	0.40
Financial Services/Data Processing	406,174	12.58	17.57	23.25
Postage, Printing, Newsletter	8,948	0.28	0.39	0.51
Management Fee	4,109,201	127.26	177.75	235.21
<b>Total</b>	<b>5,771,068</b>	<b>179.28</b>	<b>249.62</b>	<b>329.71</b>
<b><u>Operations</u></b>				
Office, Desk, Bell Service	2,615,672	81.00	113.15	149.72
Housekeeping, Laundry, Supplies	5,645,213	185.11	243.91	310.82
Security Provisions	997,496	30.89	43.15	57.10
Uniforms	64,888	2.01	2.81	3.71
Grounds & Landscaping	762,004	23.60	32.96	43.62
Pool & Spa	174,167	5.39	7.53	9.97
Recreation, Concierge, Retail	492,526	15.26	21.30	28.18
<b>Total</b>	<b>10,751,966</b>	<b>343.26</b>	<b>464.81</b>	<b>603.12</b>
<b><u>Utilities</u></b>				
Electric	846,654	26.22	36.62	48.46
Water, Sewer, Gas	547,915	16.97	23.70	31.36
Waste Disposal	95,449	2.96	4.13	5.46
Cable Television	78,973	2.45	3.42	4.52
Contract Services	100,011	3.10	4.33	5.72
<b>Total</b>	<b>1,669,002</b>	<b>51.70</b>	<b>72.20</b>	<b>95.52</b>
<b><u>Building</u></b>				
Maintenance-Service, Equipment, Supplies	2,695,500	83.48	116.60	154.29
Building & Equipment Contracts	181,918	5.63	7.87	10.41
Telephone Contract	17,498	0.75	0.75	0.75
Elevator & Fire System Contracts	85,647	2.65	3.70	4.90
<b>Total</b>	<b>2,980,563</b>	<b>92.51</b>	<b>128.92</b>	<b>170.35</b>
<b><u>Insurance &amp; Taxes</u></b>				
Insurance	1,951,502	60.43	84.42	111.70
Income Tax	94,246	2.92	4.08	5.39
<b>Total</b>	<b>2,045,748</b>	<b>63.35</b>	<b>88.50</b>	<b>117.09</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>23,218,347</b>	<b>730.10</b>	<b>1,004.05</b>	<b>1,315.79</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	2025 BUDGET TOTAL	2025 Per Unit/Wk 1 BR	2025 Per Unit/Wk 2 BR	2025 Per Unit/Wk 3 BR
<b><u>RESERVE REVENUE</u></b>				
Reserve Revenue	7,895,804	244.53	341.55	451.96
<b>RESERVE REVENUE TOTAL</b>	<b>7,895,804</b>	<b>244.53</b>	<b>341.55</b>	<b>451.96</b>
<b><u>RESERVE CONTRIBUTIONS</u></b>				
Reserve Cap Imp	1,872,798	58.00	81.01	107.20
Reserve Interior F F	4,907,356	151.97	212.28	280.90
Reserve Paving	54,474	1.69	2.36	3.12
Reserve Roof	676,668	20.96	29.27	38.73
<b>Total</b>	<b>7,511,296</b>	<b>232.62</b>	<b>324.92</b>	<b>429.95</b>
Reserve Painting	384,508	11.91	16.63	22.01
<b>TOTAL RESERVE CONTRIBUTIONS</b>	<b>7,895,804</b>	<b>244.53</b>	<b>341.55</b>	<b>451.96</b>
<b>RESERVE SURPLUS / (DEFICIT)</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**ORLANDO VACATION SUITES II CONDOMINIUM ASSOCIATION, INC.**  
**ANNUAL ASSESSMENT BILLING BUDGET**  
**JANUARY 1, 2025 THROUGH DECEMBER 31, 2025**

SUMMARY	2025 BUDGET TOTAL	2025 Per Unit/Wk 1 BR	2025 Per Unit/Wk 2 BR	2025 Per Unit/Wk 3 BR
OPERATING FEE	22,522,059	708.53	973.93	1,275.93
CAPITAL RESERVE	7,511,296	232.62	324.92	429.95
PAINTING RESERVE	384,508	11.91	16.63	22.01
<b>TOTAL AMOUNT BILLED</b>	<b>30,417,863</b>	<b>953.06</b>	<b>1,315.48</b>	<b>1,727.89</b>

Replacement Fund	Estimated Useful Life as of 1/1/2025 (in years)	Average Estimated Remaining Life (in years)	Estimated Replacement Cost as of 1/1/2025	2025 Statutory Reserve Funding	Estimated Fund Balance 1/1/2025	2025 Proposed Reserve Funding	2025 Assigned Interest Earned	2025 Projected Expenses	Est Fund Bal as of 12/31/2025
Capital Improvements	12.34	5.40	\$16,881,325	\$1,872,798	\$1,457,342	\$1,872,798	\$11,451	\$1,934,181	\$1,407,410
Interior	19.76	19.77	65,344,302	4,907,356	4,713,650	4,907,356	27,597	6,255,980	\$3,392,623
Painting - Common	7.25	1.50	298,062	59,549	160,400	59,549	58	212,883	\$7,124
Painting - Residential	5.00	1.71	2,481,117	324,959	397,130	324,959	1,601	527,074	\$196,616
Paving	13.60	5.20	616,428	54,474	70,705	54,474	257	93,840	\$31,596
Roof- Common	24.44	6.31	759,389	80,343	62,647	80,343	491	83,145	\$60,336
Roof - Residential	27.50	8.92	4,003,643	596,325	0	596,325	4,891	0	\$601,216
			<b>\$90,384,266</b>	<b>\$7,895,804</b>	<b>\$6,861,874</b>	<b>\$7,895,804</b>	<b>\$46,346</b>	<b>\$9,107,103</b>	<b>\$5,696,921</b>

	1 BEDROOM		2 BEDROOM		3 BEDROOM	
	2025	2025	2025	2025	2025	2025
	Statutory Reserve Funding	Waived Reserve Funding	Statutory Reserve Funding	Waived Reserve Funding	Statutory Reserve Funding	Waived Reserve Funding
Operating Fee	\$708.53	\$708.53	\$973.93	\$973.93	\$1,275.93	\$1,275.93
Capital Reserve	232.62	223.30	324.92	311.91	429.95	412.74
Painting Reserve	11.91	9.74	16.63	13.60	22.01	17.99
<b>TOTAL AMOUNT BILLED</b>	<b>\$953.06</b>	<b>\$941.57</b>	<b>\$1,315.48</b>	<b>\$1,299.44</b>	<b>\$1,727.89</b>	<b>\$1,706.67</b>

The State of Florida mandates that condominium associations prepare calculations to fully fund reserves. The Law also provides the reserve requirement may be waived or reduced, allowing the unit owners to put less money into the reserve accounts. With a waiver to meet fully funded requirement for statutory reserves, the resulting annual maintenance fee would be \$941.57 for 1 Bedrooms, \$1,299.44 for 2 Bedrooms, and \$1,706.67 for 3 Bedrooms. At the most recent special owners meeting, the required vote by the ownership to waive the statutory funding requirement was not achieved. The Board of Directors thereby approved a budget with statutory funding of reserves establishing the maintenance fee at \$953.06 for 1 Bedrooms, \$1,315.48 for 2 Bedrooms, and \$1,727.89 for 3 Bedrooms for the 2025 budget year.

**NOTE 1:** There are 23,296 periods of 7-day annual use availability that exist within the timeshare plan for which annual fees are required to be paid to the Division of Florida Condominiums, Timeshares, and Mobile Homes, Bureau of Standards and Registration, in accordance with Section 721.27, Florida Statutes.

**NOTE 2:** Real Estate Taxes are billed by Orange County Property Appraiser's office and are not reflected in the operating budget.

**NOTE 3:** The following Related Party Transactions note is taken directly from the Orlando Vacation Suites II Condominium Association, Inc., Orlando, Florida, Financial Statements year ended December 31, 2023.

The Developer was billed member assessments in the amount of \$511,602 on 412 unsold unit-weeks during the year ended December 31, 2023. As of December 31, 2023, \$255,832 was due to the Developer for overpayment of assessments, included in accounts payable and accrued expenses.

The Developer utilizes space for the purpose of operating a sales and marketing office. The Association receives reimbursements for the maintenance of the sales and marketing office. Total reimbursements for the year ended December 31, 2023 were \$22,008, included in other revenue.

A Board member is an employee of Hilton Grand Vacations Company, LLC ("HGVC") or its affiliates. The following expenses were reimbursed by HGVC or its affiliates during the year ended December 31, 2023:

Second and split week clean reimbursemen \$2,126,127

As of December 31, 2023, \$342,983, of the above reimbursed expenses was due to the Association, included in other receivables.

The following expenses were paid or accrued to Hilton Grand Vacation Management, LLC ("HGVM") or its affiliates during the years ended December 31, 2023:

Management fees	\$2,735,247
Franchise fees	\$273,525
Financial services fees	439,861
HR Allocation	251,916
Payroll and benefits	10,879,094
Project management fees	21,265
	<u>\$14,600,908</u>

As of December 31, 2023, \$1,201,612 was due from the Association for the above expenses, included in accounts payable and accrued expenses.

Pursuant to the agreement with Hilton Grand Vacation Club, LLC ("HGV Club"), each unit-week owner automatically becomes a member of Hilton Grand Vacation Club (the "Club"). The Club provides a variety of exchange and reservation services, and vacation and travel benefits. Upon purchase, certain unit-week owners are awarded Bonus Points, which can be converted to maintenance fee payments. The Association acts as a conduit for the collection of Club Dues. Club Dues are not considered to be a common expense of the Association. Therefore, Club Dues activity is not reflected on the Association's financial statements. As of December 31, 2023, \$208,228 was due from HGVClub for converted Bonus Points, included in other receivables. As of December 31, 2023, \$138,674 was due to HGV Club for Club Dues collected but not yet remitted, included in accounts payable and accrued expenses.