



GRAND RESIDENCES
BY ROYAL RESORTS®

ADVISORY COUNCIL MEETING
OCTOBER 22, 2020





General Introduction

GRAND RESIDENCES ADVISORY COUNCIL MEETING, OCTOBER 22, 2020

Advisory Council Members: *Douglas Bayerlein, Hugo Carlos Berlanga, Evelyn Hogue Dowell, Joseph Whitlock, Judson Wyatt*

The annual Grand Residences Advisory Council meeting was held at the resort on October 22, 2020. All Advisory Council members were present.

Prior to the meeting, Council toured the resort with Resort Manager Daniela Trava. She pointed out that the Kids and Teens Club renovation is an upcoming project and that the entire façade of the resort will be repainted again and roofs waterproofed. A rundown of 2020 projects included retiling the borders of the family pool and Jacuzzi. She also informed them that a new company was hired for beach cleaning with much better results. Additionally, less Sargasso came ashore during the summer.

Due to the pandemic and resort closure for three months, staffers were unable to complete preventive maintenance tasks in all the villas as planned. The remainder will be completed in 2021.

Preventive maintenance work includes in-depth cleaning and polishing, stripping and repainting doors and furniture and giving them a new coat of varnish and deep cleaning sofas. Air-conditioning units are dismantled and cleaned during the year and technicians from supplier companies visit the resort every month to check appliances.

The resort did not close for Maintenance Week in 2020 and this will also be the case in 2021.

Daniela Trava briefed Council members about the minimal damage that the resort suffered as a result of Hurricane Delta and Zeta in October 2020. Evelyn Hogue Dowell commented that staff did an excellent job when guests had to be evacuated to The Royal Haciendas in compliance with a government order before Hurricane Delta. She said that they felt very safe. Ms. Trava explained that the state has a hurricane culture and

the authorities give timely warnings to businesses and inhabitants when a storm may pose a threat. Royal Resorts and Grand Residences have a Hurricane Contingency Plan, which is activated to protect guests, staff and resort installations when alerts are emitted.

During her back of house tour, Daniela Trava explained the additional health and hygiene measures that the resort has implemented as part of the Royal Care Standard to protect guests and employees against COVID-19, these include sanitizing all merchandise before moving it into the resort and then again before storage. Delivery personnel are also checked and sanitized before they are permitted to enter the resort. Other protocols range from the use of masks and social distancing; installation of protective screens in key areas; extra cleaning measures in villas and more frequent cleaning of busy resort areas during the day; use of new EPA-approved cleaning products and technology; widespread availability of hand sanitizer, temperature checks and more. She mentioned the ongoing employee training program and said that a lot had been done to ensure that employees remain healthy on and off the premises. For more information on the program, owners and members can watch the Grand Residences video and visit www.royalcaresstandard.com

Daniela Trava explained that 20 security cameras are added every year; in 2020, new cameras were installed on floors 1 and 5. All public areas are already covered and are monitored round the clock.

In the Machine House she showed Council members the Reverse Osmosis system, pointing out that filters are now changed once a week instead of every month and that pipes were replaced to ensure that water meets purification and quality standards.

The Advisory Council meeting

After the tour, Council members met with Dr. Kemil Rizk, President, Chief Operating Officer Javier Vales, Chief Financial Officer Fernando López, Vice President of Resort Operations Armando Millet and members of their staff in the Bicaci Room.

Dr. Rizk gave a presentation on global travel trends, the Mexican economy and tourism before touching upon sales at Royal Resorts and Grand Residences.

The COVID-19 pandemic led to a drastic decline in the world economy in 2020 and tourism was one of the hardest hit sectors. Years of steady growth in international traveler numbers and earnings were erased. The 4.7 percent growth in international tourism exports in 2019 disappeared overnight as tourism ground to a standstill in 2020. Recovery depends on the reopening of borders, the rollout of vaccines and restoring consumer confidence and is expected to be gradual, although short-haul travel is likely to recover more quickly.

IATA forecasts that at the global level international passenger numbers will not reach the 2019 benchmark until 2024.

Dr. Rizk explained that the pandemic hit the Mexican economy hard. GDP growth, already sluggish in 2019, fell by -8.9 percent and unemployment jumped to 5.2 percent in 2020 and is expected to rise further in 2021. The peso/US dollar exchange rate was also volatile after three years of stability.

The new United States-Mexico-Canada trade agreement came into effect on July 1, 2020, with major changes in the auto industry, labor

and environmental standards, intellectual property protection and some digital trade provisions.

The Mexican government is committed to the reform and recapitalization of Pemex, the national oil company, and CFE, the Federal Electricity Commission, however lack of clarity on joint ventures and private sector investment in energy is causing uncertainty. It is trying to limit the participation of private sector investors in green energy, which is an error. It is to be hoped that it changes its policy.

Tourism is one of Mexico's main revenue sources, accounting for 10.3 percent of GDP, a 3 percent increase from 2018, and 7.23 million direct jobs in 2019, 13.3 percent of the total workforce. However, like the rest of the world, the tourism industry has been severely affected by the pandemic with a 61 percent drop in air passengers in 2020. Flights are now increasing and as a short-haul destination for the US market Mexico is expected to recover more quickly.

This is the case in the Mexican Caribbean as airlines reopen routes and add flights. The Quintana Roo government has worked diligently to promote the area and implement international health and hygiene standards to prevent the spread of COVID-19. In May, Cancun and Riviera Maya were the first destinations in the Americas to receive the World Travel and Tourism Council Safe Travels global safety stamp.

Visitor arrival numbers are expected to recover gradually, beginning in the second semester of 2021. A number of factors are at play here: pandemic travel restrictions, lack of flights and consumer confidence;



Quintana Roo is still not in the green tier, which is the lowest, as far as controlling the spread of COVID-19 is concerned; uncertainty over the US presidential election and the economy.

Tourism in the Mexican Caribbean continues to be affected by occasional media reports about security and Sargassum seaweed. Federal and state governments are addressing both issues.

With the development of the Costa Mujeres shoreline, the Mexican Caribbean is fast approaching the 100,000-hotel room mark. This means more competition for visitors and price wars triggered by large hotel chains are affecting resort performance throughout the area.

Dr. Rizk then briefed Council on the status of the solar power sharing agreement, which will not go ahead at this time due to a recent executive order issued by the Mexican government freezing private sector involvement in renewable energy and raising the carriage rate for delivery of electricity generated from renewables using the CFE or National Electricity Board grid. Already hit by a delay due to the pandemic, the power plant in Guanajuato will not be able to operate at this time because of this ruling.

Turning to the fractional and private residence club industry, Dr. Rizk explained that the fractional industry has not recovered from the financial crisis in 2008 and the situation is similar in the private residence club sector with an -86 percent drop in sales since 2007. The exception is an increase in sales performance of 16% in 2019 when compared to 2018.

He added that the average industry price per share has decreased by -7 percent since 2007 but has increased by more than 15 percent per square foot. Grand Residences list pricing is slightly above the average per 5-week share for units that are larger than the industry norm. However, in terms of price per square foot, it is below the industry average. Club Service Fees are also lower than at other comparative resorts.

Dr. Rizk mentioned that the sale of Grand Residences Points and Elite memberships have led to an increase in the sales volume of more than 35 percent since May 2018. Over 518 Points memberships have been sold and 43 Fractional memberships. Eighty-seven percent of all Grand Residences sales are to Royal Resorts members.

Dr. Rizk briefed the Advisory Council on the completion of Grand Residences, with phases 3 and 4 of the resort and additional guest amenities. The COVID-19 pandemic has caused a further delay; however the plan is to begin construction in 2021 with a view to opening the remaining phases in 2022. Management hopes to be able to share additional information with owners and members in the first quarter of 2021.

The intention is still to forge a commercial alliance with a US-based hospitality brand to promote Grand Residences and sell points memberships.

Dr. Rizk then turned to general company news. Royal Resorts has signed a contract with a new Internet provider to implement fiber optics technology in the resorts. Grand Residences already has fiber optics, but the new service will mean better band width, greater streaming capacity and rewiring. On the subject of digital technology, Evelyn Hogue Dowell said that improvement is needed on the Grand Residences App. She commented favorably on the use of QR codes for the menus but said that they are not linked to the App and need to be. Daniela Trava replied that the App will be upgraded.

Dr. Rizk also mentioned the CRM technology now being used to improve and personalize the vacation experience for owners and

members, for example in the pre-arrival Concierge service. The member perception of the Concierges has improved and the customer satisfaction rate is higher.

The number of Royal Resorts Signature Club members continues to grow and the exclusive Privileges by Royal Resorts platform accessible by logging into the Royal Resorts Signature Club website offers more travel services and benefits than ever.

Ninety-two percent of members are now enrolled in Royal Resorts Rewards, earning and redeeming Rewards. Royal Resorts Signature Club members will soon be able to earn and redeem Rewards for qualifying purchases that they make through Privileges by Royal Resorts.

As Dr. Rizk concluded his presentation, Joseph Whitlock commented on the poor condition of the access road and asked why all the resorts in the area cannot join forces to get the potholes filled and the tarmac repaired. Dr. Rizk said that it is the responsibility of El Cid and that they have asked the El Cid Condo Manager to take action on multiple occasions to no avail. Daniela Trava has also talked to the Puerto Morelos Mayor and the Municipal Tourism Secretary but there has been no response from them either. She believes that El Cid intends to repair the road once its resort construction project is finished.

Resort Operations report

Daniela Trava then briefed Council members on resort operations. On the topic of customer satisfaction and reviews, Grand Residences is currently ranked second among in Puerto Morelos resorts in TripAdvisor and the goal is to win back the top position in 2021. She explained that the resort gets excellent reviews but not as many of them as the current No. 1 Excellence Riviera Cancun, which is a 600-room property and gets a thousand reviews a month.

Grand Residences uses the Qualtrics platform to analyse reviews from TripAdvisor, Google, Expedia and other sources and the resort scores 4.78 stars.

In 2020, Grand Residences was a TripAdvisor Travelers' Choice - Best of the Best recipient and was listed in the TripAdvisor Travelers' Choice Top 25 Hotels in Mexico for Families. It also won the Wine Spectator award for Excellence for El Faro for the fourth year running and a Restaurant Guru star for the Lobby Bar.

Occupancy levels at the resort averaged 47.19 percent from January to September, obviously hit hard by the pandemic and the resort closure for three months during the lockdown declared by the Mexican authorities.

Daniela Trava then turned to the new Royal Care Standard health and hygiene measures expanding on her comments during the resort tour. She gave examples of some of the new protocols such as the contactless option for check-in through the Grand Residences App; the use of QR codes to access digital menus and other resort publications; a la carte menus instead of buffets for theme nights; social distancing and the use of screens in certain areas like the gym where there are divisions between the fitness machines. Employees also have their temperature checked before they get on the bus to come to work and again upon arrival at the resort.

In other news, she said that Travel Leaders Group, an association of 65,000 travel advisors in the United States, Canada, the United Kingdom and other countries has invited Grand Residences to join its portfolio of resorts. Moving forward, the resort will be promoted in the Group's catalogs, websites and other media.

Chef Rafael Borbolla left the company in September to pursue a new



career opportunity in a large all-inclusive resort chain in Cancun and a new Executive Chef was appointed. Hector Rentería is a young, highly creative chef who has worked for leading resort chains and fine dining restaurants in Mexico, United States, Doha, capital of Qatar, Dominican Republic, Montenegro and Serbia. His philosophy is that dining should be an unforgettable experience.

Maintenance projects in 2020

Daniela Trava listed the Maintenance and Housekeeping projects done in 2020:

- The resort now has two additional antennas to improve staff communication
- The new Internet service will be faster, more reliable and will also include TV
- The Villa Automation System will be up and running in early 2021 and will optimize operations. It is connected to the thermostat in the rooms so that they will always be cool when guests enter. The Do not Disturb sign will be connected to the doorbell so Housekeeping will know when staff can go and clean the rooms
- 52 beach chairs were replaced in 2020 and this will continue in 2021
- The railing divisions between the villas are gradually being replaced throughout the resort
- Tiles were replaced on access ramps and in the restaurants, which were repainted
- The front façade of the resort and the lobby were repainted

Hurricane damage

Damage caused by Hurricane Delta cost US\$95,000 and included railings, elevator control panels, tennis court lighting, the perimeter fence on the south side of the resort, some paint peeling and a few tiles missing from the lobby dome

Major repairs planned for 2021

- Repairs to the pool in villa 529 and waterproofing the roof of villa 428
- Maintenance for the Doctor's Office
- Repainting pergolas, fountains and signs
- Retiling the Jacuzzis

Evelyn Hogue Dowell asked about the possibility of having more hooks in the rooms and Daniela Trava agreed to add some.

Judson Wyatt mentioned improvements that he would like to see on the Royal Resorts Signature Club website so that users can see the number of Points they have deposited and how many Points they have available. Currently, members must call Signature Club Member Services.

Mr. Wyatt also asked about resales and CFO Fernando López said that the resort does not have a resale program at this time and explained that the membership contract has an option for voluntary relinquishment.

Turning to the resort restaurants, Mr. Wyatt asked about the possibility of adding more US-style dishes to the menu for families and having an Early dinner option with smaller portions available at a lower cost.

Hugo Berlanga added that he had noticed a difference in the flavor and seasoning of dishes ordered through the Room Service when compared to the same dish in Heaven Bar or El Faro. Evelyn Hogue Dowell also asked about the possibility of including more dishes for people with food allergies on the Room Service menu or speeding up the process of ordering them from El Faro. Daniela Trava said that she will work on both points with the new chef.

Douglas Bayerlein asked for more clarification on Points values, he believes that it is confusing for members. Sales Director Gerry Flores offered to meet with Council to explain the system.

With no further questions or comments at this point, CFO Fernando López then presented the financial statements. He gave a summary of the 2019 report with year-end figures. Resort Operating expenses were 1 percent less than budgeted and the Net Income Operation or Net Loss of 905,262 was 27.2 percent higher than the amount forecast US\$711,495.

Turning to 2020, CFO López explained the financial statement in detail. The Income Statement comparison accompanying this summary (see page 7) shows budgeted and actual (forecast) income and expenses as of September 30, 2020 with estimates to the end of the year. The 2020 budget was prepared using an exchange rate of 19.70 pesos per dollar but the average exchange rate for the year is 22.03, a variation of 11.83 percent.

Dues income was 10.6 percent less due to COVID-19 and lower occupancy. Royal Resorts still owns 45 percent of the units, but with more member units resort income would be greater. Total revenue for the year is 10.5 percent less than budgeted.

CFO López explained that Management took steps to keep Resort Operating Expenses down in 2020. A combination of this policy, the favorable exchange rate variation and the three-month resort closure led to a 23.7 decrease for the year. Fixed Assets and Major Repairs was 83.9 percent less than budgeted. The only exception was the Member Transportation line item, which was 20.3 percent more than budgeted.

In General and Admin Expenses the 1650 percent increase in Other Expenses reflects the payment of service fees to El Cid from previous years.

The Tax line item was 7.4 percent under budget. Net Income was US\$65,058, a much better result in comparison with the loss of 614,967 that had been the forecast.

CFO López noted that for the first time in its history Royal Resorts had to lay off staff in 2020 at its properties, including Grand Residences, a very painful decision to make.

CFO López asked if there were any questions about the 2020 financial statement and Evelyn Hogue Dowell raised several points. She asked about the free stay certificates used by Sales and Marketing at the other resorts. CFO López explained that this program is paid for by the Developers and is not part of the Resort Operations budget. It is used as an incentive to enable members to discover the Grand Residences experience and learn about membership opportunities. Many members decide to purchase Points or Fractional memberships after a "test drive" stay.

Mrs. Hogue Dowell mentioned that they have seen several incidents involving certificate holders who were not behaving in an appropriate manner or respecting Grand Residences standards and its family resort code. Management took note and Gerry Flores said that he would ensure that certificate recipients behave and abide by resort rules.

CFO López then presented the 2021 budget and the proposal to keep the Club Service Fee at the same level for the year. He explained that the budget was calculated using an estimated exchange rate of 22.58 (an exchange rate variation of 2.49 percent when compared to 2020) and an inflation rate of 4 percent. He also commented that 2020 was an atypical year and that line items for 2021 reflect costs for a full year of operation. Royal Care Standard purchases of cleaning products and sanitation services provided by external companies are factored into the budget.



Management policy is to keep costs as low as possible in 2021 without affecting quality. However, the Electricity line item shows an increase of 24.3 percent because the resort will have to purchase power from the Federal Electricity Commission. Fixed Assets and Major Repairs also shows an increase of 495.9 percent and includes Pool Repairs, Repairs to the tennis court mesh fence, painting roof tiles and the Integrated Room Automation System which was approved in the 2020 budget. The Internet line item shows a 75.7 percent increase over 2020 and is due to the Internet upgrade project and the rates charged by the new Internet service provider.

Before voting on the budget and Club Service Fee proposal, Council members addressed a number of operations issues. They asked why some villa lights remain on when guests are out. Daniela Trava replied that Leading Hotels of the World® standards dictate that air-conditioning, TV and lights must be kept on. Douglas Bayerlein commented that it is additional energy consumption that comes with a cost.

Daniela Trava explained that when units are vacant the air-conditioning is kept at 25°C and lowered to 22°C when guests check in. She added that she has been working with Housekeeping to ensure that they do not turn all the villa and terrace lights on, only the minimum needed to maintain LHW standards.

Mr. Bayerlein suggested that the resort look at a Room Automation System that handles everything, not just the doorbell and that including lighting controls would be a way to save money. Management replied that it might be possible to include lighting but that the cost would be higher. They agreed to take another look at the Integrated Room Automation System.

Judson Wyatt asked if there were any defaults in 2020. Due to the financial crisis some members were unable to make payments on time, however Royal Resorts was able to work with them. In September 2020 there was a 0.5 percent increase in late payments in comparison with the same period in 2019.

Dr. Rizk commented that resort occupancy is down and not expected to recover for the winter high season.

Council unanimously approved the budget and the motion to keep the Club Service Fee unchanged for 2021.

Evelyn Hogue Dowell commented that Daniela Trava is an outstanding manager and her care and compassion for guests and her team is evident. She thanked Royal Resorts staff for making them feel safe during Hurricane Delta while also contending with the challenge of the global pandemic.

Finally, Judson Wyatt asked about the owner rate for the All-in Grand meal package. He believes it is still quite high, particularly for people who do not drink. CEO Javier Vales replied that food accounts for the highest percentage of All-Inclusive program costs. He added that they are working on another rate for multiple week-multiple unit owners.

The All-in Grand package now gives owners and members more dining choices. In addition to meals at El Faro, Flor de Canela and Heaven, it has been expanded to include restaurants such as El Conquistador, Hacienda Sisal, Captain's Cove and La Trattoria in Cancun and Los Murales and Kinoko at The Royal Haciendas.

The annual Club Service Fee for 2021 and the breakdown is as follows:

CSF 2021							
Villa	Normal	Normal	W/Roof Garden	W/Roof Garden	W/Roof Garden	W/Pool	W/Pool
	2 Bedroom	3 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	2 Bedroom	3 Bedroom
CSF	1,859.66	2,170.59	1,984.04	2,294.12	2,603.36	1,922.69	2,232.78
VAT	297.55	347.29	317.44	367.06	416.54	307.63	357.24
3% Occupancy Tax	55.79	65.12	59.52	68.82	78.10	57.68	66.98
Total	2,213.00	2,583.00	2,361.00	2,730.00	3,098.00	2,288.00	2,657.00

Grand Residences CSF 2021			CSF	VAT	Occupancy Tax	TOTAL	CSF price per point	
Points Range	Base	Variable						
2740	3300	189.11	0.1471	498.32	79.73	14.95	593.00	0.2164
3301	4000	225.88	0.1471	597.48	95.60	17.92	711.00	0.2154
4001	4800	289.97	0.1366	702.52	112.40	21.08	836.00	0.2089
4801	5700	346.70	0.1366	842.86	134.86	25.29	1,003.00	0.2089
5701	6600	399.23	0.1366	989.92	158.39	29.70	1,178.00	0.2066
6601	7500	462.26	0.1366	1,146.22	183.39	34.39	1,364.00	0.2066
7501	8600	525.30	0.1261	1,236.13	197.78	37.08	1,471.00	0.1961
8601	9800	525.30	0.1261	1,352.94	216.47	40.59	1,610.00	0.1872
9801	10900	546.31	0.1261	1,497.48	239.60	44.92	1,782.00	0.1818
10901	12100	556.82	0.1261	1,622.69	259.63	48.68	1,931.00	0.1771
12101	13500	593.59	0.1261	1,781.51	285.04	53.45	2,120.00	0.1752
13501	15800	614.60	0.1261	1,946.22	311.39	58.39	2,316.00	0.1715
15801		635.61	0.1261	2,208.40	353.34	66.25	2,628.00	0.1663

The Advisory Council requested that Joseph Whitlock remain on the Advisory Council for one more year as no new applications were received in 2020.

ECONOMIC AND FINANCIAL PREMISES FOR BUDGET PREPARATION

The Grand Residences operations budget is calculated in pesos and then converted into USD using the estimated exchange rate

Exchange rate

An average exchange rate of \$19.70/US\$1 was considered for the preparation of the 2020 budget; however, it is expected to end the year at \$22.03/US\$1. This represents a variation of 11.83 percent.

Based on the projections of the Bank of Mexico and other leading Mexican financial institutions, an average exchange rate of \$22.58 pesos to US\$1 was used for the 2021 budget.

Cost of living

The increase in the cost of living in Mexico as it affects Grand Residences employees is taken at 4 percent and mandatory wage increases for union employees are also considered.

Inflation

The majority of our operational expenses will be affected by an inflation rate of 4 percent. This estimate is in line with the consensus of the major financial institutions in Mexico and the Mexican Government.

Electricity

The power purchase agreement that Royal Resorts had signed with a solar energy company in Guanajuato will not be going ahead at this time due to unexpected changes to the Mexican Energy Law which promote traditional fossil fuel energy generation and discourage solar and wind power. This means that there will be no energy savings for the resorts and is reflected in the 2021 budget, as power will be purchased from the Federal Electricity Commission. Royal Resorts continues to look for a green energy solution.



Income Statement Comparison Forecast 2020 vs Budget 2021 (US Dlls)

2020			DESCRIPTION	2021 BUDGET	FORECAST VS BUDGET		ACTUAL/ INTERVALS
BUDGET	FORECAST	%			2020 VS 2021		
					VARIANCE	%	
\$19,7000	\$22,0310	11.83%	EXCHANGE RATE	\$22,5800	2.49%		
			GENERAL REVENUE				
6,124,555	5,474,817	-10.6%	Dues Income	5,848,495	373,678	6.8%	1,849.62
6,124,555	5,474,817	-10.6%	Total Dues Income	5,848,495	373,678	6.8%	1,849.62
			OTHER INCOME				
3,000	1,128	0.0%	Guest Laundry	2,400	1,272	112.9%	0.76
71,400	74,311	4.1%	Other Income	72,000	(2,311)	-3.1%	22.77
74,400	75,439	1.4%	Total Other Income	74,400	(1,039)	-1.4%	23.53
6,198,955	5,550,256	-10.5%	Total Revenue	5,922,895	372,639	6.7%	1,873.15
			RESORT OPERATING EXPENSES				
742,401	544,189	-26.7%	Housekeeping Services	595,639	51,449	9.5%	188.37
342,307	196,812	-42.5%	Housekeeping Maintenance	206,028	9,216	4.7%	65.16
126,072	76,342	-39.4%	Amenities	106,291	29,949	39.2%	33.62
711,129	684,173	-3.8%	Electricity	850,108	165,936	24.3%	268.85
935,338	710,523	-24.0%	Maintenance & Machine House	794,282	83,759	11.8%	251.20
88,103	68,677	-22.0%	Water & Sewage	84,055	15,378	22.4%	26.58
360,794	268,736	-25.5%	Security	336,004	67,268	25.0%	106.26
259,881	194,187	-25.3%	Front Desk/Concierges	218,745	24,559	12.6%	69.18
257,727	152,625	-40.8%	Internal Laundry	235,296	82,671	54.2%	74.41
107,473	17,309	-83.9%	Fixed Assets and Major Repairs	103,147	85,838	495.9%	32.62
135,551	111,672	-17.6%	Landscaping	123,640	11,968	10.7%	39.10
100,781	60,025	-40.4%	Sport Services	76,112	16,087	26.8%	24.07
56,373	47,824	-15.2%	Telephone (Net Result)	52,902	5,078	10.6%	16.73
179,758	115,377	-35.8%	Social Activities	127,927	12,550	10.9%	40.46
19,944	21,800	9.3%	Operational Services	22,192	392	1.8%	7.02
301,152	304,007	0.9%	Resort Insurance	301,354	(2,653)	-0.9%	95.30
21,454	14,525	-32.3%	Gym	17,098	2,573	17.7%	5.41
47,508	57,157	20.3%	Members Transportation	48,000	(9,157)	-16.0%	15.18
64,600	59,751	-7.5%	High Speed Internet Connection	105,000	45,248	75.7%	33.21
4,858,346	3,705,710	-23.7%	Total Resort Operating Expenses	4,403,819	698,109	18.8%	1,392.73
			GENERAL & ADMIN EXPENSES				
552,358	491,756	-11.0%	Management Fee	528,072	36,316	7.4%	167.01
336,022	283,476	-15.6%	Corporate Services	309,306	25,830	9.1%	97.82
113,265	87,405	-22.8%	Accounting/Warehouse/IT/Purchasing	90,794	3,389	3.9%	28.71
64,237	40,972	-36.2%	Administration/General Management	55,378	14,406	35.2%	17.51
134,991	108,455	-19.7%	Human Resources	95,290	(13,164)	-12.1%	30.14
3,588	62,804	1650.3%	Other Expenses	65,983	3,179	5.1%	20.87
11,957	12,763	6.7%	Auditing	13,274	511	4.0%	4.20
44,571	44,240	-0.7%	Membership Services	44,121	(119)	-0.3%	13.95
1,260,989	1,131,871	-10.2%	Total General & Admin Expenses	1,202,218	70,348	6.2%	380.21
79,621	712,675	795.1%	Total Operating Income	316,857	(395,818)	-55.5%	100.21
			FINANCIAL EXPENSES/INCOME				
27,678	30,364	9.7%	Credit Card Commission CSF	30,971	607	2.0%	9.79
27,678	30,364	9.7%	TOTAL FINANCIAL EXPENSES/INCOME	30,971	607	2.0%	9.79
			Taxes				
506,087	454,261	-10.2%	V.A Tax	484,655	30,394	6.7%	153.27
94,891	85,174	-10.2%	Occupancy Tax	90,873	5,699	6.7%	28.74
65,931	77,819	18.0%	Property Tax & Other Exp.	73,836	(3,983)	-5.1%	23.35
666,909	617,253	-7.4%	Total Taxes	649,364	32,111	5.2%	205.36
(614,967)	65,058	-110.6%	Net Income	(363,478)	(428,536)	-658.7%	(114.95)