



## **IMPORTANT ANNOUNCEMENT – RESPONSE REQUIRED**

July 2016

Dear Owners:

This is a very important communication from your board of directors for The Royal Resort Vacation Owner's Association.

Our association is facing a serious challenge that impacts our ability to continue providing the quality vacations you have come to expect from your ownership at the Royal Resort.

As you know, we are one of three organizations in the Royal Hotel that utilize the units and amenities of the property. As such, we each share proportionately with the operational expenses of the whole resort including employees, supplies, unit housekeeping, maintenance, utilities, insurance, property taxes, amenities, unit content replacements and repairs, etc.

### **RIGHT-TO-USE ASSOCIATION ABANDONS ROYAL HOTEL – JUNE 30, 2016**

On April 2, 2016 the right-to-use timeshare association held a special owner meeting to make a decision on their future at the Royal. The members who are facing increased costs due to their loss of a large number of dues paying members voted almost unanimously to abandon the Royal and move to another timeshare program known as Vacation Internationale. These 2,600 members will no longer pay any of the expenses of the Royal Resort operation as they conclude their transition out of the Royal on June 30, 2016.

### **RESORTS CONDOMINIUMS INTERNATIONAL (RCI), INTERVAL INTERNATIONAL (II) AND TRADING PLACES EXCHANGE CEASE EXCHANGE AFFILIATION WITH ROYAL HOTEL**

When the national exchange companies were notified that the Royal RTU was leaving the Royal Hotel they immediately notified our association that they would no longer accept deposits of Royal Resort weeks into their exchanges. This ended the ability of our owners to vacation in other locations using their banked Royal weeks. We can only use our Royal Resort timeshare at the Royal Hotel.

### **BOARD RECOMMENDATION**

Although, this is not our boards original plan we have also come to the conclusion that it is probably in the best interests of our owners to also consider making arrangements to join with the

right-to-use (RTU) association members and transfer our ownerships out of the Royal into the Vacation Internationale (VI) timeshare program so that we do not suffer the extreme increase in expenses to remain in the Royal and probably eventually losing our timeshare altogether.

Our concerns are centered on the impact the departure of the RTU association has upon each one of us. The loss of 2,600 RTU members and their annual fees places us in a serious predicament where we become the sole support for the timeshare program in the Royal and all of the associated operational expenses previously shared such as employees and supplies purchases.

As we have met with Trading Places who is our management company we have learned that in order for our association to maintain the level of services we need at the Royal for our owners it will require a large special assessment immediately and subsequent increases in the annual fees. This is due to the fact that of our (650) owners only 350 are good paying owners and the cost to maintain our front desk check-in, housekeeping, maintenance, etc. will only be paid by those of us who do pay and the limited rental income we can generate.

Therefore, we have determined that we as a board would make a recommendation to each of our owners to transfer your Royal timeshare ownership into the Vacation Internationale (VI) timeshare program. VI has agreed that they will provide you with a fully paid membership in their timeshare program.

You will be contacted shortly by the team at Vacation Internationale to answer all of your questions and to arrange for the transfer of your timeshare ownership to the VI program.

Once you agree to make this change we will notify Stewart Title Company who will prepare a deed to transfer your Royal timeshare to the Hotel Owners.

Please see the enclosed materials which will give you additional information to assist you with making your decision in this important matter.

**ATTACHMENTS:**

- Frequently Asked Questions – FAQ
- Letter from Vacation Internationale
- Welcome to VI Brochure

Sincerely,

Royal Resort Vacation Owners Association  
Board of Directors  
Michael Simonoff, President