Dear Diamond Resorts Hawaii Collection Member,

As we approach the end of another exciting and successful year in the resorts of the Hawaii Collection (the "Collection"), we hope this letter finds you and your families well. We thank you for allowing us the privilege of being a part of your vacation experience and look forward to providing you with another year of fantastic resort accommodations and service. We would like to take advantage of this opportunity to share some of the exciting things that have happened and that are planned for our resorts in the near future.

2014 and 2015 Resort Projects

Some of the most visible evidences of improvement in our Collection component site resorts are the continuation of the Poipu exterior and interior refurbishments as the water intrusion project work on the fourth building nears completion; the Polo Towers' pool deck renovation which offers new furniture, shade, and an observation area over The Strip; and the completion of the Ka'anapali entrance, porte cochere, and Lokelani Garden, as well as suite refurbishments.

The largest project at our resorts for 2015 will be the replacement of the roof structure (the space frame) over Ka'anapali building towers. Second to that are the next phases of water intrusion repairs and refurbishments at the Point at Poipu. Polo Towers' lobby and front desk area will be renovated, and there will be furniture upgrades in select suites at Sedona Summit. Together, these resorts have planned over $13.6 million in capital reserve projects for 2015. A necessary part of all their budgets are funds to continue to replace items as needed to maintain the properties to the high-quality standards we expect.

2015 Assessment Fees

The Collection consists of ownership interests at four resorts, as previously mentioned. Each resort has a Board of Directors that annually reviews actual year-to-date expenses and the projected costs for the following year. Each board reviews proposed capital projects and determines which will be done and what reserve funds will be needed. A common factor in each of the 2015 budgets for these four resorts this year has been higher health care expenses due to more team members participating under the Affordable Health Care Act guidelines, resulting in higher maintenance fees. Each Board determines the annual maintenance fee for its resort and that is billed to all owners in their association. The Collection is billed by each association depending upon the amount of inventory held. Each resort association's assessments are expenses over which the Collection has no control.

With its own administrative costs added to the costs of fees owed to each of the resorts, the Board of the Collection determines its budget. For 2014, management has projected the year will end with a $1.6 million deficit. Therefore, the 2015 budget includes an $800,000 surplus in order to cut the deficit in half. The delinquency rate has decreased from 5% to 4%, meaning more and more members are using their points to vacation and are paying their assessments. Our Board has worked closely with the management company to keep our increase as low as possible given the impact of the increased assessments from the component site resorts.

Payment Information and Payment Options

Your 2015 Maintenance Fee statement and a copy of the Diamond Resorts Hawaii Collection Members Association's 2015 Budget are enclosed. For information on paying your 2015 maintenance fee please refer to the enclosed Assessment Billing and Collection Policy, to the Frequently Asked Questions on your statement, e-mail BillingHelp@DiamondResorts.com, or call 1.877.DRI.CLUB (1.877.374.2582).

Sincerely,

Board of Directors
Diamond Resorts Hawaii Collection Members Association