Fall 2014

Dear Diamond Resorts U.S. Collection Member,

As we approach the end of another exciting and successful year in the resorts of the U.S. 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 Polo Towers' pool deck renovation which offers new furniture, shade, and an observation area over The Strip; a new mini golf course at the Grand Beach Resort and a renovated one at Greensprings Vacation Resort; a recreation area added to Scottsdale Villa Mirage; exterior painting at The Ridge on Sedona; upgraded landscaping at Daytona Beach Regency; and a refreshed shuffleboard area at the Royal Palm Beach Resort. Inside the suites, renovations are complete or in progress at Lake Tahoe Vacation Resort, Greensprings Vacation Resort, The Historic Powhatan Resort, and Scottsdale Villa Mirage.

The largest projects at our resorts for 2015 will be the porte cochere and lobby renovation at Flamingo Beach Resort; the Tiki Bar and Operations Facility at Mystic Dunes Resort; full or partial suite renovations at Daytona Beach Regency, Desert Paradise Resort, Flamingo Beach Resort, Grande Villas Resort, Greensprings Vacation Resort, Mystic Dunes Resort, and The Historic Powhatan Resort. Including many other projects, together, the 31 resorts have planned over $60 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 at the high-quality standards we expect.

2015 Assessment Fees

The Collection consists of ownership interests at 31 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 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.

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 U.S. Collection Members Association