

Aug. 1, 2009

Dear Concerned Deeded Owners of the Point at Poipu (CDOPP)

The purpose of our organization is to inform you and then take appropriate action of the issues concerning our resort.

After attending the Owner's meeting in Feb. 2009 we became very concerned about the practices of our management company, Diamond Resorts International (DRI)

Our maintenance fees increased by 50% and can continue to increase by 20% per year with board approval, according to Hawaii timeshare law. DRI has a 3 year contract and expects it to be renewed for an additional 3 yrs. They have stacked the Board of Directors of our two boards with Diamond employees so that they are the majority on both boards and vote in their own best interest. Unfortunately the owners voted them in being unaware of their intentions. The increases and contract renewals were in the form of a resolution that was not released to us despite repeated requests for copies.

Management fees have risen sharply, but services have decreased. The free breakfasts, receptions, cocktail parties, coupons, etc. have all been eliminated.

We have requested the list of deeded owners, guaranteed in our by-laws, so that we many communicate with each other. DRI refused to release this information with an excuse of privacy. Our board president's requests are ignored and they have meetings by phone conferences demanding instant voting. The by-laws dictate 15 days to investigate the items.

We have contacted other management companies who are willing to manage our resort at a much lower fee. With your involvement we hope to replace DRI. We want a board run by our own deeded members, interested in running our resort for the owners and not the management company. We want a management company that does not serve by conflict of interest and violation of our by-laws.

DRI directors control the boards, pass resolutions awarding themselves no bid contracts. We are investigating the legality of this conflict of interest.

We hope you can attend the next board meeting on Aug. 21,2009 in Las Vegas, details to follow. Also, please plan to attend the annual board meeting in Feb. 2010 at The Point at Poipu. More increases will be on the agenda at these meetings. Your input is vital.

Please pass this on to other deeded owners you know so they can join us. Forward their name, address, phone, email to the email address above.

It is very important that you reply ASAP so we know we can count on you.

Respectfully submitted,
CDOPP Committee