The Imperial Hawaii Vacation Club
2026 Budget Presentation

Club Budget

Revenue	IHVC
Assessment Income - Operations	9,143,935
Hotel (FIT) Income	8,820,057
Front Office Income	887,803
Interest/Fees Income	1,064,947
Administration Income	764,243
Other Income	336,096
Tax Collected	2,127,907
Total Revenue	**23,144,988**

Expenses	
Reservations & Marketing Expenses	1,707,392
Administration Expenses	664,664
Front Office Expenses	1,907,895
Housekeeping Expenses	4,041,883
Repairs & Maintenance Expenses	1,090,098
Accounting Department Expenses	345,874
Employer's Taxes & Burdens	898,516
Office Expenses	242,104
In-Suite Expenses	466,370
Other Project Expenses	257,612
Utility Expenses	283,171
Bank and Credit Card Fees	113,142
Insurance Expenses	456,594
Professional Expenses	199,118
Taxes/Pass Through Expenses	3,937,971
Waiver/Write Off Expenses	361,171
Depreciation Expense	322,927
Allowance & Extraordinary	161,754
Master Association Assessments	6,308,158
Sub-Total Expenses	**23,766,414**

Total Net Revenue From Above	**23,144,988**
Earnings (Loss) before Income Tax Expense	(621,426)
Income Tax Expenses	(100,000)
Income (Loss) From Operations	**(721,426)**

2026 Reserve Funding	
Reserve Interest Income	72,000
Reserve Income	0
Reserve Expense	0
Total Net Reserve Change	**72,000**

Master Association Budget

Revenue	AOAO
Assessment Income - Operations	6,913,815
Interest/Fees Income	15,600
Other Income	108,688
Tax Collected	1,875
Total Revenue	**7,039,978**

Expenses	
Housekeeping Expenses	179,254
Repairs & Maintenance Expenses	295,870
Other Project Expenses	80,759
Utility Expenses	1,863,626
Bank Fees & Expenses	12,740
Insurance Expenses	579,689
Administration Expenses	800,254
Professional Expenses	63,804
Taxes/Pass Through Expenses	3,030,468
Waiver/Write Off Expenses	226,197
Depreciation Expense	7,701
Allowance and Extraordinary Exp	-
Sub-Total Expenses	**7,140,362**

Total Net Revenue From Above	**7,039,978**
Earnings (Loss) before Income Tax Expense	(100,384)
Income Tax Expenses	55,000
Income (Loss) From Operations	**(155,384)**

2026 Reserve Funding	
Reserve Interest Income	66,000
Reserve Income	750,000
Reserve Expense	(2,171,000)
Total Net Reserve Change	**(1,355,000)**

Assessment is Due January 1, 2026

The 2026 Assessment is a 2.75% increase over the 2025 Assessment

THE IMPERIAL HAWAII VACATION CLUB - 2026 ASSESSMENT

Annual Assessments are Due and Payable by January 1, 2026. A 5% Cash Discount is only available for payments made by check, cash or money order and must be received in our office no later than November 30, 2025. Thereafter, only a 3% Cash Discount is available for payments made by check, cash or money order and must be received in our office no later than January 1, 2026.

Unit Type		Total Assessment		Unit Type		Total Assessment	
Ohia	=	$ 1,008.39	**Without the 5% Cash Discount**	Ohia	=	$ 957.97	**With the 5% Cash Discount**
Banyan	=	$ 1,513.76		Banyan	=	$ 1,438.07	
Palm	=	$ 1,604.36		Palm	=	$ 1,524.14	
Koa	=	$ 1,649.65		Koa	=	$ 1,567.17	
Hala	=	$ 1,878.51		Hala	=	$ 1,784.58	

Unit Type		Total Assessment		Unit Type		Total Assessment	
Ohia	=	$ 1,008.39	**Without the 3% Cash Discount**	Ohia	=	$ 978.14	**With the 3% Cash Discount**
Banyan	=	$ 1,513.76		Banyan	=	$ 1,468.35	
Palm	=	$ 1,604.36		Palm	=	$ 1,556.23	
Koa	=	$ 1,649.65		Koa	=	$ 1,600.16	
Hala	=	$ 1,878.51		Hala	=	$ 1,822.15	

A MESSAGE TO OUR OWNERS

Dear Valued Timeshare Owner,

Warm greetings from your home in paradise! We hope you are well and enjoying the many benefits of your ownership in beautiful Waikīkī, Hawai'i We also wish to thank you for being part of the Imperial Hawai'i Vacation Club 'ohana. As we prepare for the upcoming 2026 fiscal year, I want to share a brief overview of important information regarding your annual assessment and the key factors influencing this year's 2026 budget.

We are pleased to report the IHVC Board of Directors has once again approved the 5% discount for cash payments paid by CASH, CHECK or MONEY ORDERS received prior to November 30, 2025, and a 3% discount for cash payments received after November 30, 2025, and before January 1, 2026. The 5% cash discount if received by November 30, 2025, can reduce your 2026 assessment by $50-$94 depending on the type of unit you own. Please see the payment discount schedule on the reverse side for the unit(s) you own. It is important that IHVC members do not delay remitting their 2026 assessments to take advantage of the special 5% discount being offered for CASH, CHECK or MONEY ORDERS in the month of November 2025. We recognize there are circumstances that may not allow all owners to take advantage of these options and encourage owners to discuss payment options with our accounting staff. Please note that some payment options may affect an owner's immediate use of their interval until the 2026 use year assessment is paid in full.

The 2026 budget increase has been carefully managed and will remain in line with the prevailing Consumer Price Index (CPI). This reflects our ongoing commitment to fiscal responsibility in maintaining affordability, maintaining and delivering the high standards you expect from your property while continuing to deliver the exceptional experience you've come to expect. Despite these rising costs, we remain focused on delivering exceptional experiences and preserving the value of your ownership. Owning a timeshare at the Imperial Hawai'i Vacation Club means holding a piece of one of the world's most iconic destinations—Waikīkī, Hawai'i. With its legendary beaches, vibrant culture, and year-round appeal, Waikīkī, one of the most sought-after destinations in the world, continues to be a place where memories are made and traditions are cherished.

The Board has approved a 2.75% increase in assessments for the coming year. There are several core Master Association Expenses for which we have no or limited control of these critical expenses or costs contributed to this year's adjustment:

- Land Lease Costs
- Property Taxes
- Insurance Premiums
- Wage Increases
- Reserve Contributions

Future capital projects under consideration to be paid from the existing IHVC Reserve funds include in-suite replacements and upgrades totaling $1.550 million. These various projects will be announced when project planning is finalized in 2026.

We understand that any increase can be challenging to our owners, and we are committed to managing our resources efficiently while maintaining the high standards of our community. We appreciate and thank you for your continued trust, understanding and support. Should you have any questions regarding your assessment or the budget, please do not hesitate to contact our management team. I hope to see you soon at the Annual IHVC Owners meeting on March 10, 2026.

Mahalo Nui Loa and with warm Aloha,

J. Preston James
Imperial Hawai'i Vacation Club President

2026 BOARD CANDIDACY STATEMENTS

The 2026 Annual General Meeting will be held on **Tuesday, March 10, 2026**. There are two (2) IHVC and three (3) AOAO Board positions to be filled. Please let us know if you are interested in running for either BOTH the AOAO and/or the IHVC Boards by submitting a candidate statement of 100 words or less stating your reasons and qualifications. We are seeking applicants, who, first and foremost, are regular vacationers at The Imperial Hawaii Vacation Club. Whatever your background, a board member must work well in a team environment and be prepared to represent and be accountable in the best interests of all owners. This requires a significant time commitment to attending board and committee teleconference meetings. Your candidate statement must be received at The Imperial by **Friday, January 2, 2026**, on/or before 4:00 PM (HST) in order for your name to be placed on the Proxy and Ballot and for your 100-word statement to be printed in the newsletter. Additionally, to be fair to all candidates, if a statement is longer than 100 words, we will only print the first 100 words. You may also send a more complete resume to be disseminated to owners who request more information regarding your qualifications. You may send your 100-word statement and a more complete resume to The Imperial's mailing address or to the Imperial's Assistant Resort Manager at **msales@imperialofwaikiki.com**.