

**ESTIMATED
2008 OPERATING BUDGET**

FOR

**WORLDQUEST RESORT
CONDOMINIUM ASSOCIATION, INC.
(PHASES I THROUGH XXIV)**

WorldQuest Resort Condominium Association, Inc.
Estimated Operating Budget
For the Year Beginning January 1, 2008
And
Ending December 31, 2008
(Phases I through 24)
(1626 Units)

<u>Owner's Support Revenues</u>	<u>Yearly</u>	<u>Monthly</u>
	<u>2007</u>	<u>2007</u>
Maintenance Fees for Total Units	\$10,927,926.57	\$910,660.60
 <u>Operating Expenses</u>		
Security Services	1,467,675.00	122,306.25
Repairs and Maintenance	1,534,369.00	127,864.09
Utilities and Other Services	1,021,061.00	85,088.42
Insurance	2,794,501.00	232,875.09
Taxes and License	32,520.00	2,710.00
Administrative Expenses	70,243.00	5,853.59
Management Fees	809,356.00	67,446.34
Legal and Professional Fees	31,219.00	2,601.59
Annual Fees to the Division	20,880.00	1,740.00
Common Area Hskp. Expense	508,563.00	42,380.25
Telecommunications (\$110 / unit / month)	2,146,320.00	178,860.00
World Gateway Assoc. Dues	<u>106,991.00</u>	<u>8,915.92</u>
Total Operating Expenses	<u>10,543,698.00</u>	<u>878,641.54</u>
 <u>Reserve Expenses (See Notes)</u>		
Roof Replacement	112,000.00	9,333.34
Building Painting	171,428.57	14,285.72
Elevators	72,000.00	6,000.00
Pavement Resurfacing	<u>28,800.00</u>	<u>2,400.00</u>
Total Provisions for Reserves	<u>384,228.57</u>	<u>32,019.06</u>
Total Operating Expenses and Reserve	<u>\$10,927,926.57</u>	<u>910,660.60</u>
 <u>Estimated Condominium Unit Assessment</u>		
Total Operating Expenses and Reserve/Total	<u>\$6720.75</u>	<u>\$560.07</u>
Number of Units (10,927,926.59/1626) = Annual		
Assessment / 12 = Monthly Assessment		

NOTES TO BUDGET FOR

THE WORLDQUEST RESORT CONDOMINIUM ASSOCIATION, INC.

NOTE 1. By definition, a budget is an estimate of expenses. However, actual expenses incurred may be more or less than the estimated expenses set forth in the Budget. The Developer and the Association cannot and do not make any representation or warranty that actual expenses will not increase as a result of inflation, etc. Furthermore, if the estimated expenses in certain categories of the Budget, for example, water or electricity, are greater than the actual expenses incurred for those categories, then the excess will be used to offset any deficit occurring in the categories of the Budget where actual expenses exceed the estimated expenses.

NOTE 2. Management Fees. The management fees, payable to a management firm affiliated with the Developer, are based on eight percent (8%) of the Condominium Association Operating Budget.

NOTE 3. Property taxes assessed against the Resort Facility will be billed separately by the Association or management entity; Unit Owners will receive their tax bill from the taxing authority.

NOTE 4. The Board of Directors of the Association shall purchase insurance for the Resort Facility in accordance with the Declaration of Condominium attached to the Prospectus as Exhibit A-1.

NOTE 5. Assessment for Common Expenses are made in accordance with provisions of the Declaration of Condominium attached hereto as Exhibit A-1 with respect to operation, maintenance and management of the Common Elements. The Assessments, with respect to Owners of the Units shall be determined pursuant to Schedule 2 of the Declaration of Condominium attached to the Prospectus as Exhibit A-1.

NOTE 6. Reserve Analysis (Phases I through V):

**Reserves Analysis for Budget Year 2008
Phases 1, 2, and 3**

Fund Type	Useful Life	Remaining Useful Life by 12/31/2008	Estimated Replacement Costs		Reserve Funds	
Balance as of 12/31/07	2008 Assessment	Total Assessments	through December 31, 2008			
Roof Replacement	50	47.5 yrs	\$700,000.00	\$21,000.00	\$14,000.00	\$35,000.00
Building Painting	7	4.5 yrs	\$150,000.00	\$32,142.86	\$21,428.57	\$53,571.43
Elevators	25	22.5 yrs	\$225,000.00	\$13,500.00	\$9,000.00	\$22,500.00
Pavement Resurfacing	5	2.5 yrs	\$18,000.00	\$5,400.00	\$3,600.00	\$9,000.00
Total Provisions			\$1,093,000.00		\$48,028.57	\$120,071.43

**Reserves Analysis for Budget Year 2008
Phases 4 and 5**

Fund Type	Useful Life	Remaining Useful Life by 12/31/2008	Estimated Replacement Costs		Reserve Funds	
Balance as of 12/31/07	2008 Assessment	Total Assessments	through December 31, 2008			
Roof Replacement	50	48.67	\$466,666.67	\$3,080.00	\$9,333.33	\$12,413.33
Building Painting	7	5.67	\$100,000.00	\$4,714.29	\$14,285.71	\$19,000.00
Elevators	25	23.67	\$150,000.00	\$1,980.00	\$6,000.00	\$7,980.00
Pavement Resurfacing	5	3.67	\$12,000.00	\$792.00	\$2,400.00	\$3,192.00
Total Provisions			\$728,666.67		\$32,019.04	\$42,585.33

**Reserves Analysis for Budget Year 2008
Phases 6 through 9**

Fund Type	Useful Life	Remaining Useful Life by 12/31/2008	Estimated Replacement Costs		Reserve Funds
Balance as of 12/31/07	2008 Assessment	Total Assessments through December 31, 2008	through December 31, 2008		
Roof Replacement	50	49	\$933,333.33	\$0.00	\$18,666.67
Building Painting	7	6	\$200,000.00	\$0.00	\$28,571.43
Elevators	25	24	\$300,000.00	\$0.00	\$12,000.00
Pavement Resurfacing	5	4	\$24,000.00	\$0.00	\$4,800.00
Total Provisions			\$1,457,333.33		\$64,038.10

**Reserves Analysis for Budget Year 2008
Phases 10 through 24**

Fund Type	Useful Life	Remaining Useful Life by 12/31/2008	Estimated Replacement Costs		Reserve Funds
Balance as of 12/31/07	2008 Assessment	Total Assessments through December 31, 2008	through December 31, 2008		
Roof Replacement	50	49	\$3,500,000.00	\$0.00	\$70,000.00
Building Painting	7	6	\$750,000.00	\$0.00	\$107,142.86
Elevators	25	24	\$1,125,000.00	\$0.00	\$45,000.00
Pavement Resurfacing	5	4	\$90,000.00	\$0.00	\$18,000.00
Total Provisions			\$1,457,333.33		\$240,142.86

Total For 2008 \$384,228.57

NOTE 7. The books and records of the WORLDQUEST RESORT, A CONDOMINIUM is located at 8601 Worldquest Blvd, Orlando, FL 32821.

NOTE 8. There are no recreational facilities as part of the common elements of this Condominium.

NOTE 9. The proposed Estimated Budget is based on bids and estimates that were valid at the time that they were made. Costs are subject to change. In particular, the cost of insurance for condominium associations in Florida is particularly difficult to predict. Given hurricanes, storms and other recent events, insurance rates have risen substantially in recent years and are subject to change. Although the Association is required to purchase property insurance, the cost of that insurance is beyond the control of the Association.

NOTE 10. The budget contained in this offering is an estimate under the assumption that all 24 buildings or 1626 units were completed for the budget year 2008.

NOTE 11.

THE BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.

