January 2019

Dear Marriott's Phuket Beach Club Member:

It is my pleasure to introduce you to the <u>Winter 2019 Resort Report and Letter from the Advisory</u> <u>Committee Chairman</u> from Marriott's Phuket Beach Club. In this issue, you'll learn about the latest developments taking place at your home away from home in Phuket, Thailand.

Best Regards,

Olivier Le Quinquis General Manager



January 2019

Dear Member,

I would like to wish you and your families a healthy, prosperous and peaceful new year and I am very much looking forward to meeting you during your next stay at your home resort. It is my pleasure to serve all Members of Marriott's Phuket Beach Club. My goal is to maintain the high standards and ensure your full satisfaction while controlling costs. The resort remains one of the best in the Marriott Vacation Club portfolio and we are all proud of this accomplishment.

The year 2018 was very busy and productive with our soft good renovation and reserve projects taking place as planned. As part of the renovation, I would like to highlight the following:

- New high definition televisions with digital access and Chromecast feature to stream wirelessly from your device
- New stove tops and kitchen hoods
- Additional LED lights in the kitchen, dining area, living room and bedrooms as well as improved lighting in the bathrooms
- Smaller projects, such as replacing shower glass doors and wood floors, done on an as-needed basis

Reserve Projects

The major projects to take place from late April to late October are:

- Replace HVAC in 36 villas; this project will take place over the next four years until the entire resort is complete
- Renovate soft goods in six villas
- Replace bedspreads and pillows
- Install new washing machines and dryers
- Install new microwaves and refrigerators
- Add ice machines in walkways
- Replace emergency phones
- Repaint building exteriors
- Replace domestic water pumps (south side)
- Repair stamped concrete walkways
- Perform small projects, such as replace shower glass doors and wood floors, on an as-needed basis

Hotel Relations

All public areas, including food and beverage outlets, are managed by JW Marriott Phuket Resort & Spa. In 2018, Matthias Sutter became the new General Manager of the hotel and he and the Executive team are committed to satisfying the high expectations of both Hotel guests and Marriott's Phuket Beach Club Members.

Members Advisory Committee

Marriott's Phuket Beach Club Members Advisory Committee represents Members of the resort and work closely with the Management Team to improve the property and Members satisfaction. Committee Members are always open to feedback and suggestions from Members. Committee Members' email addresses are provided in the Chairman's Letter following my letter.

Maintenance Fees

For 2019, a 3.45% budget increase was agreed upon at the Members Advisory Committee Meeting in November 2018 and the 2019 Maintenance Fee is 36,924.95 THB per unit week. The increase is primarily impacted by local inflation drivers and labor factors as the resort maintains and enhances overall guest experience.

Pre-Arrival

Planning your vacation by using our pre-arrival tool helps us better understand your preferences and it is our goal to do the utmost to meet your preferences. I encourage you to complete and return the pre-arrival planning email for a smooth arrival.

Villa Location

Knowing villa location is a very important factor when using your week, our aim is to satisfy room preferences as much as possible. We often receive a high volume of requests in a specific area of the resort or for a specific villa number and it is not always possible to fulfill all requests as the resort has a high occupancy year-round. We recommend submitting a second or third preference in the event your first preference is not available. Specific villa location cannot be guaranteed as we are a flexible timeshare; however, again, we will do our utmost to meet our Members' wishes.

Maximum Occupancy

As a reminder the maximum is six occupants (adults and children) sleeping in a two bedroom unit at any one time, as stated in the Phuket Beach Club Association Rules and Regulations. This is a very important factor for security, life and safety reasons. Should you plan to sleep more than six occupants, an additional reservation should be made.

Owner and Guest Satisfaction

We are pleased to share our Guest Relations team will be consolidated with three international management trainees. The team welcomes Vincent van Agteren who joined the team as Guest Relations Manager. The team will continue the courtesy villa visit program which remains an important part of the communication and relationship with our Members while on-site.

The weekly Owners Forum is a great opportunity to meet the Management Team and learn of projects and upgrades taking place around the resort. Some of these projects happen behind the scenes and are equally important for the upkeep of your favorite resort. Also, all comments and suggestions received at the forum are shared with the Advisory Committee Members.

I am proud to share Marriott's Phuket Beach Club guest satisfaction score was in the top ten highest scores in 2018 out of 68 Marriott Vacation Club resorts worldwide.

Associate Satisfaction

Management is highly focused on the resort associates. We value their contribution and the development of their careers. I strongly believe they are the soul of our wonderful property and are our best asset in Phuket. Marriott Vacation Club is well known for talent development, constant training and providing career opportunities within the company. There are also incentive and recognition programs in place to celebrate our associates' successes.

I highly encourage you to note the names of associates who make a positive impact during your stay and mention them when you complete your Guest Satisfaction Survey. Phuket Island is a very competitive market so we need to be competitive in salary and recognition to keep our best talent in the company and to develop new associates and their future. As Mr. Marriott said, take care of your associates and they will take care of our customers.

Elections

I would like to take this opportunity to invite you to apply to become a candidate for election to the Members Advisory Committee. This autumn, Marriott's Phuket Beach Club Members will elect one (1) member to serve on the Members Advisory Committee. Any Member desiring to become a candidate for election to the Advisory Committee must complete and submit a volunteer form. You will receive the volunteer form by email or postal mail around the third week of March. The Member Advisory Committee meets twice annually; mid-year, typically in June, either in person or by conference call and a year-end in-person meeting in early November. Expenses incurred for Advisory Committee Member travel for Association business are reimbursed.

Thank you for taking the time to read this letter. I hope to meet you in person next time you come to your home resort in Phuket. Feel free to contact me anytime.

Yours sincerely,

Olivier Le Quinquis

General Manager Marriott's Phuket Beach Club <u>olivier.lequinquis@vacationclub.com</u>

Phuket Beach Club Advisory Committee Chairman's Letter

January 2019 - Barry Parsons



Dear fellow Phuket Beach Club Owners

I wish you all a very happy 2019. As always, I was very pleased to meet many of you during our time at the resort last year, be that at the AGM, the Owner Parties, the Owner Forums or just during our daily activities.

I do hope you will all enjoy returning to your home resort this year and I look forward to meeting many more of you during our next stay.

People Changes

Following the latest annual ballot and election process, I am very pleased to welcome Martin Franz Berlin to your Owner Advisory Committee to join Joanne Taylor, David Johnston, Tracey Gramlick and myself. We aim to do our very best to represent your interests in all matters relating to our very special home resort.

I would like to thank Dirk von Wahl for all his commitment and contributions over the last 3 years, I wish him well and look forward to seeing him at the resort on future trips.

Olivier Le Quinquis has been in position for over one year now and doing a great job as General Manager Marriott's Mai Khao Beach & Marriott's Phuket Beach Club.

His previous role as Director of Rooms has been vacant during this time, but he expects to appoint someone to this role in the very near future.

Vincent van Agteren, who many of you will have met, has taken over the role of Guest Relations Manager and will be supported by several trainees.

Darren Choi has moved into a new role with the Sales team and will be much missed, although we will still be seeing him around the resort. Amit Sharma has returned to India. I thank them both for all they have done for us and wish them well.

On the hotel side, Matthias Sutter took over as General Manager, JW Marriott Phuket Resort & Spa in April 2018, with Oriol Montal moving to a new role in Bali with Marriott International.

Maintenance Fees

As ever, I know this is always a subject of great interest and importance to all of us as owners. Although the cost pressures are becoming increasingly challenging, I am encouraged that our Advisory Committee and the MVC Management team have been able to tightly control and agree a reduction of the initial budgetary costs, whilst still completing the major soft goods refurbishment and planning many further improvement projects in the year ahead, to ensure that both

- the 2019 Maintenance Fee rise is contained at the level of 3.45% (Phuket inflation rate is 3%, salaries and benefits represent an increase of 5%+)

- the Reserve funding for future years maintains acceptable levels to cover unexpected costs

Resort Changes

The major soft goods refurbishment in all of the PBC style villas has been completed. It is probably fair to say that not everyone likes the modern "Thainess" design and color scheme, mostly because of the variety of colors and materials, but feedback from the Owner Forums shows that the majority do.

Changes were made as a result of the feedback, including the lounge chair material and the settee firmness, which shows the value and effectiveness of these forums and the AGM, so please try to attend during your stays.

Amongst other projects in 2018

- Terrace ceiling fans and lights were fitted in all remaining units and this has been well received

- New digital TVs were installed in all units, with access to Netflix, web browsing, video and audio playback from personal devices, resort information...etc

Wifi access and bandwidth was improved - some issues with this were highlighted by owners, as a result the provider was changed and the upgrade is now due for completion this month
Environmental initiatives were introduced, for example plastic straws are no longer provided with drinks unless requested and by mid 2019 they will be withdrawn totally, as will plastic bags
To help with the "Way to Go" recognition process, you will find that housekeeping staff started using shorter Western style names to help them be remembered by guests. This may initially confuse many of us who as owners have known them for years by their Thai names, but it seems to be working and individually they have embraced the change by choosing their own names.

Projects for 2019 will include

- Rollout of the Generation Water programme (to provide drinking water from the air and replace plastic bottles by re-usable glass bottles) across PBC. The approval process in Thailand took much longer than expected, but this has already been introduced into the JW Marriott and Renaissance hotels.

- Replacement of bed covers and pillows

- Replacement of washers, dryers, refrigerators and microwave ovens

- Introduction of a new heating, ventilation and air conditioning (HVAC) system. This has been installed and proven in Mai Khao Beach resort and will provide significant benefits from lower electricity costs, quietness and de-humidification. It requires significant work in each building though, so will be rolled out over a 4-year period

- New gym equipment is overdue, but has now been approved and will be introduced over the next few months

- The Food and Beverage team are preparing a discount overview and will be sharing this with us shortly to avoid any misunderstandings and provide clear information for every guest during the check in process. One of the most significant recent developments is the discounts available for Marriott Rewards Elite members ranging from 10-20% dependent on Elite level

- They are also running several other welcome and good value initiatives with occasional lunchtime food stations at Siam Deli and by the boardwalk in front of the Andaman Grill.

- As an aside, there are now alternative grocery online order and delivery options for those who use these services from Tesco and Tops supermarkets

- The new M Beach Club opened in place of the Blue Bar in September 2018. They completed a major refurbishment which is visually appealing and could prove to be very successful. Happy hour sat in comfort with feet in the sand watching the sunset was certainly enjoyable. It is still

early days and it has been a slow start but they have ambitious plans so we will see.

Mai Khao Area

Those of you who have visited the resort recently will have seen that the Turtle Village 2 development is open now with additional shops and restaurants starting to move in, including initially a 7-Eleven store and The Pizza Company both of which looked to be quite popular. The Turtle Mart supermarket in the original Turtle Village has expanded to almost double the size and seems to have lower pricing since the increased competition arrived.

The new and well landscaped entrance to Mai Khao Beach resort is a great improvement and also provides additional parking.

Another local development you will see is the expansion over the road of the Anantara Vacation Club. Although there is plenty of construction work going on, we were not aware of any noise or other issues arising from this whilst on the resort.

MVC Asia Pacific News

I know that quite a few of you have stayed at the new MVC Nusa Dua Gardens in Bali now, as well as at Surfers Paradise in Australia.

Further openings are likely to follow, with a second resort in Bali planned for 2020

You have probably all read about the MVC acquisition of ILG, the parent company of Interval International and also owners of Sheraton, Westin and Hyatt timeshare brands.

It is too early to know what this will mean for us as MVC owners, as it has taken some 2 years for the Marriott International acquisition of Starwood to be integrated.

This should though in time offer us all new options for our future travels, which will hopefully be very welcomed.

Advisory Committee

Please read the Owners blog, which will soon be updated with recent draft AC and AGM meeting minutes. Further resort information will follow.

<u>www.mpbcowners.com</u>Please also read the Owners Association resort documentation, which is just being further updated on the Owner website for which a sign in is required. www.owners.marriottyacationclub.com

Do let us know if you have any questions, comments or suggestions via the blog or direct to us at Barry Parsons <u>barry@mpbcowners.com</u>

Joanne Taylor joanne@mpbcowners.com David Johnston david@mpbcowners.com Tracey Gramlick tracey@mpbcowners.com Martin Berlin martin@mpbcowners.com

Wishing you all safe travels and happy holidays with best wishes

Barry Parsons Chairman Advisory Committee, MVC Phuket



Barry Parsons

Joanne Taylor

David Johnston

Tracey Gramlick

Martin Berlin