

Dear Marriott's Sunset Pointe Owner:

It is my pleasure to present you a letter from your Board President, John J. Turano.

At the 2019 Annual Meeting, Owners will elect member(s) to serve on the Board of Directors. Any Owner desiring to become a candidate for election to the Board of Directors must complete and submit a [Volunteer Form](#) to the Association. Volunteer Forms must be received by **January 29, 2019** in order to be considered for the 2019 Board of Directors election.

To access the form, click on the link in this letter and you will be directed to MarriottVacationClub.com, where you will be prompted to log in using your MarriottVacationClub.com user ID and password. If you don't have an account, click "Create a New Account." If you have an account and encounter challenges logging in, click "Forgot Password or User Name" on the Web site. For technical support accessing the Volunteer Form on MarriottVacationClub.com, please contact Owners Services at 800-845-4226.

You may also request a form by contacting Mary Caballero, Executive Assistant, by phone at 843-342-1602 or via email at Mary.Caballero@vacationclub.com.

Warm regards,

Michael Best
General Manager
Marriott's Sunset Pointe

**2018 PRESIDENT'S LETTER
SUNSET POINTE OWNERS' ASSOCIATION, INC.**

Dear Marriott's Sunset Pointe Owner:

As you are aware the invoices for the 2019 maintenance fees have been sent out and are due no later than January 16, 2019. The invoice also included a copy of the approved budget for the 2019 calendar year. I would like to draw your attention to the cost associated with using a credit card to pay for the maintenance fee, the projected cost is \$16,000.00 or \$12.55 per unit week. I would respectfully request that when paying your maintenance fee you consider a method other than using a credit card.

The property is in excellent condition. The refurbishment has been completed and it is getting rave reviews. The deck gazebo was completely rebuilt as well as the deck itself. The deck rail was damaged by a weather event and the management team discovered that the framing under the deck surface was rotting and in very bad shape. Sunset Pointe as well as Marriott's Harbour Point decided to repair the deck frame, railings and gazebo rather than repair just the deck rail which would have been a temporary fix. We also approved a proposal to repair a walk way that had experienced severe deterioration and presented a hazard to guests who would be using the walk way.

Our resort is in very good financial condition. We are projected to end the fiscal year with an operating fund balance of \$52,270.00. The General Manager and his team have been very diligent in keeping the expenses in line with the approved budget.

The Board of Directors have spent a considerable amount of time analyzing the proposed budget for the 2019 calendar year. The Management Team proposed a budget that would have increased the maintenance fee by 5.3% or a total of \$1373.91. The primary reasons for the proposed increases were necessary wage increases for the staff, increased cost of maintenance and housekeeping, increase in property taxes, and the reserve fee increase. After meeting with the Management Team we were able to reduce the maintenance fee to \$1369.16 so that the increase over last year is 4.9%.

Hilton Head Island continues to experience a labor shortage that has been going on for three years. The demand for labor has increased over time due to more retail outlets as well as hospitality increases. In order to remain competitive in the labor market it is necessary to keep wages competitive as well. Thus the wage increase for 2019 has been the major driver of the increase in the budget. Our property tax has also increased over the last two years due in large part to the damage done by the recent storms to the county. The other major driver is the need to have an adequate reserve fund for the current capital projects as well as dealing with unexpected capital repairs.

As you may remember the Board has embarked on a plan to maintain an operating fund balance that would be no less than 8.33% of the operating fund. Our goal is to achieve this operating surplus in the next four years. We did receive funds from the insurance company due mainly to loss of business. The beginning balance for calendar year 2018 was \$42,681.00 we are advised that the fund balance for the year ending December 31, 2018 will be \$52,270.00. This fund is necessary in the event that we have a catastrophic loss due to a hurricane or other weather event. As we have learned these events are not covered by our reserve fund but rather are covered by the operating fund.

I would also like to take this opportunity to thank the Management Team for the good work that they do in advising the Board regarding the needs of the resort. Also for keeping the Board informed on a quarterly basis regarding the financial status of the budget, expenses and where saving may be achieved.

Sincerely,

John J. Turano

President

Sunset Pointe Owners' Association, Inc.

Board of Directors

VOLUNTEER FORM TO SERVE ON THE BOARD OF DIRECTORS

At the next Annual Meeting, Owners will elect member(s) to serve on the Board of Directors. Board Members meet at least twice annually with the management of Marriott Vacation Club® to conduct the business of the Association. Board Members are reimbursed for actual expenses incurred for travel, lodging and meals. A Nominating Committee will meet to select candidates for the vacant position(s). The list of candidates to be elected will be included on a Limited Proxy sent with the Notice of Annual Meeting. Please complete this volunteer form if you have an interest in serving on the Board of Directors for your Association.

To be considered, your form must be received by January 29, 2019

Name: _____

Address: _____

Occupation: _____
(If retired, list primary occupation prior to retirement.)

Contact information: (Telephone) _____ (Email) _____

If nominated, your name and occupation, along with a brief profile, will be included with the Notice of Annual Meeting. To assist in this effort, please provide a summary of no more than 150 words of your experience and why you would like to serve as a director. Your summary will be published exactly as stated. Please do not abbreviate words or company names. Print clearly or type. Attach additional paper as necessary.

SIGNATURE: _____

Note: Please be sure that you can commit to attending at least two (2) meetings per year before volunteering to serve. Elected directors will have their names listed in Association publications. This will permit other Owners to contact you regarding the operation of their Vacation Ownership property.

COMPLETE AND MAIL, FAX OR EMAIL TO: Marriott Vacation Club® International
5 Grasslawn Avenue
Hilton Head Island, South Carolina 29928
Attn: Mary Caballero
Fax: 843-689-9417
Email: mary.caballero@vacationclub.com

*The submittal of a volunteer form is not a guarantee of being selected as a candidate. Information submitted is proprietary and will be used only by the Nominating Committee, with the exception of your profile, which will be included with the Notice of Annual Meeting, should you be selected as a candidate.

THIS FORM MUST BE RECEIVED BY JANUARY 29, 2019