

Dear Custom House Owner:

It is my pleasure to introduce you to Custom House Leasehold Condominium Association, LLC Board of Directors Newsletter. In this issue, you'll learn about the latest developments taking place at your home away from home in Boston, Massachusetts.

Best regards,

Willie Nagda

General Manager

Marriott Vacation Club PulseSM at Custom House

Custom House Leasehold Condominium Association, LLC
1st Quarter – 2018 Board of Directors Newsletter

Dear Custom House Owner:

We hope that you enjoyed your winter in a warm climate. For those who have braved the New England winter, we saw arctic temperatures in December and January highlighted by a January coastal storm that sent storm surges across Long Wharf and up State Street.

March came in like a lion with a devastating coastal storm that caused havoc with the beaches from Quincy to Cape Cod. Again, storm surges were a major concern during the first storm in March. Three other Nor'easters followed in March making this one of the heaviest snowfalls for the month of March. The governor expressed his concerns that the so-called 100-year storms are now common occurrences. With that being said, the Board of Directors and the management team will initiate plans to address these concerns.

Our Newsletters are back, and we hope that you will enjoy receiving them. We are planning on sending three a year. Keeping our fellow owners informed is a very important part of our Agenda.

2017 Board of Directors Election

Two seats were open this year. Kevin Doyle who served for three years chose not to run and Larry La Chance, our outgoing president for 2017, could not run because of the 6-year term limit. The Board would like to extend its sincere gratitude to both Kevin and Larry for their passionate contribution of time and talent in serving.

Elected at the 2017 Annual Meeting were Stephanie Sobeck-Butera and Arthur Surabian. The Board met at the conclusion of the October 3rd Annual Meeting and voted its officers for 2017-18.

President-Arthur Surabian
Vice-President-Hugh Drummond
Treasurer-James Young
Secretary-Phillip Lynch
Director-Stephanie Sobeck Butera

The Board also appointed Larry LaChance to serve as an advisor.

2018 Starting Point

The Board has summarized some of the comments that were made at the October 3, 2017 Annual Meeting. Good management does not ignore those comments and we will investigate those concerns and report the progress that was made at this year's upcoming Annual Meeting. Concerns that were voiced by our owners are as follows:

- The increasing Maintenance Fee and the concerns of future affordability for Custom House owners
- The concern that the Maintenance Fee increases exceed published inflation rates
- The devaluation of owners' Custom House week(s) in the distribution of Marriott Rewards points awarded in exchange for their week(s)
- The decrease in the resale value of an owner week(s)
- Information regarding the resale program that is available to owners and further updates on the Deed Back Program
- More concise and accurate information from the sales team

Update on the Deed Back Program

The Deed Back program has been a very effective tool for Custom House owners over the past few years. Lifestyles change, and this program has provided owners a seamless way of divesting their ownership. The way it works is quite simple. If an owner wants to relinquish ownership of their Custom House timeshare week(s), they simply need to be current with their 2018 maintenance fee(s), use the week(s) as they choose during 2018, and notify Resale Operations prior to September 1, 2018 if they want to do a Deed Back to Marriott Vacation Club. In doing so, owners will relinquish usage and maintenance fee obligations beginning in 2019.

Update on the Resale of Week(s)

While they have temporarily suspended the listing program, MVCI anticipates that it will resume later in 2018. You may recall that in the past, the waiting list of owners who had listed their week(s) was about 300, and sales were in the single digits a year. However, Resale Operations has had excellent results in selling owner's week(s) over the past two years as a result of new marketing programs.

MVCI does change the Resale program offerings from time to time. As such, please inquire with MVCI's Resale Operations Department directly for the latest updates. You may contact them with your resale questions at: Phone: 866-682-4547 Monday thru Thursday 9:00 a.m.-5:00 p.m.; Friday 10:00 a.m.-5:00 p.m.
Email: Resale.operations@vacationclub.com.

Please note that All Resale Operations programs remain subject to change at any time, so please contact the Marriott Vacation Club Resale Department for more information at your convenience.

Custom House Renovation Project Completed

The construction punch list prepared at the completion of the project by General Manager Willie Nagda and his engineering and maintenance teams focused on some small and some very significant issues. The last phase of work centered on the kitchen and bathroom. All kitchen cabinet doors and etched glass have been replaced as well as the installation of new kitchen "granite" countertops. In the bathrooms, all vanity doors were replaced, and all cracked tiles were replaced as well. All of the work that was performed fell under the warranties and no additional costs were incurred.

Façade Inspection

Per the requirements of the city of Boston, the 5-year inspection of the exterior façade will be conducted as soon as the weather breaks. March has been one Nor'easter after another. The contracts to perform the work have been completed and the inspections will be conducted in April or May.

Master Harbor Plan Update

For what seems to be a never-ending topic, the approval of the Master Harbor Plan remains a work in progress. Two projects, which are part of the plan, the Harbor Garage and Hook Wharf, will impact Custom House and our neighbors. If those two sites are allowed to be built per the plan's draft, 600-foot building heights will be constructed and an extraordinary density mass (70%), will dramatically exceed the current limits. The Wharf District Council (WDC), which represents properties within our district, continues to oppose the plan, which has been approved by the BPDA (formerly the Boston Redevelopment Authority). Its main focus of opposition is based on the fact that the plan violates Chapter 91-The Massachusetts Public Waterfront Act. Currently, the plan is awaiting action from the department of Energy Environmental Affairs. The process that is in place calls for April 9th to be the deadline for letters of response to be submitted. The Wharf District Council has spent thousands of hours in representing its members and our neighborhood over the past 5 years and is currently in the process of drafting its response. The WDC has encouraged each of its members to individually respond as well. With the completion of this process, the department of Energy Environmental Affairs will deliberate and either reject, modify or approve the Master Harbor Plan. This plan has had countless numbers of twists and turns and will become the guideline for the development of the Boston Harbor waterfront.

2017 Custom House Guest Satisfaction Scores

2017 was another year of incredible performance by the management team and each and every associate. Their commitment to excellence is why Custom House is a crowning jewel. In 2017 the compilation of the Guest Satisfaction Surveys scored as follows:

Overall Satisfaction 97.2%
Friendliness of the Front Desk Associates 97.4%
Overall Resort Cleanliness 98.9%
Safety and Security 99.1%

For the year, Custom House finished second worldwide in the overall 2017 Guest Satisfaction Surveys with a score of 97.2%. Finishing first with 97.4% score was 47 Park Street Hotel in London.

2017 Awards

2017 was a year that the Custom House team will never forget. The awards were many and well deserved.

Marriott Vacation Club Pulse at Custom House, Boston was voted #1 in Trip Advisor...there's more...much more!

On March 15th Marriot Vacation Club International announced its prestigious awards for 2017 and we are pleased to announce that your Marriott Vacation Club Pulse at Custom House, Boston was voted:

2017 Resort of the Year

2017 World Class Resort

2017 World Class Achievement for Guest Satisfaction Survey responses

Special Achievement of Excellence for Resort Operations and Activities

Top Performer in Engineering Excellence

Highest Quality Assurance in the Region

The Board of Directors extends its deep gratitude and congratulations to General Manager Willie Nagda, his entire management team and EVERY associate for their dedicated work. Each and every one of them is the reason why Custom House has earned these remarkable achievement awards. Thank you for your sacrifice and love for what you do in making all of this happen.

A Wonderful Article on Custom House that is a must read

In the February Newsletter from the Wharf District Council, a wonderful article written by Joanne Darland, Custom House Administrative Assistant, was published. Joanne's eloquent writing abilities make this a wonderful article to read. Log into www.wharfdistrictcouncil.org and select the February Newsletter. The Board is quite familiar with Joanne's professional and accurate writing. She is the Recording Secretary for all Board meetings and accurately summarizes every discussion. Great job Joanne!

Spring Activities in Boston

From Science Fairs to Art and Flower Festivals, Boston is brimming with springtime activities. On April 16th, the Boston Marathon brings excitement and warmth to the city as 30,000 runners charge down Boylston Street to the finish line. The Red Sox are back in town and the Celtics and Bruins are playoff bound. There are activities and races on the Charles, the Duckling Day Parade at the Public Gardens on Mother's Day and so much to capture in Boston. Check with our concierges, Bonnie and Karen for the latest happenings.

We hope that you have enjoyed reading the resumption of the Newsletter. Custom House is such a wonderful property in the MVCI network and we hope that you have the time to include it in your travel itinerary. Do come to Boston and visit the 2017 Resort of the Year and enjoy the excellence that your maintenance fees provide.

Sincerely,

Board of Directors

Custom House Leasehold Condominium Association, LLC