

August 2018

Dear Marriott's Club Son Antem Holiday Owner,

It is my pleasure to present the 2018 Summer General Manager and Advisory Board of Directors Newsletters in English and in German. In this issue, you'll learn about the latest developments taking place at your home away from home in Mallorca, Spain.

Best regards,

Martin Divenosa

Area General Manager, EME
Marriott's Club Son Antem



August 2018

Dear Marriott's Club Son Antem Owner,

We look forward to welcoming you back to Marriott's Club Son Antem. My staff and I take great pleasure in seeing our Owners and having the opportunity to extend our unique brand of Marriott hospitality.

At Marriott's Club Son Antem, you will be welcomed by smiling faces and cheerful greetings. Every associate, whether a Front Desk Clerk, Housekeeper or a Waiter, will please you with their kindness, smiles and superior service. The resort is dedicated to our Owners by consistently improving our services and the amenities we provide.

I also want to take this opportunity to inform you that I have accepted the position of Area General Manager, Europe, Middle East region (EME) and I am still based in Son Antem.



It's an honour to inform you that Marriott's Club Son Antem was awarded Resort of the Year 2017. We celebrated this achievement with all our associates who made this possible by performing an excellent job for you.

Please feel free to share with us any suggestions or ideas that may improve the quality of your home away from home and the service we provide by completing the Guest Satisfaction Survey once you're home.

Owners Forum

An open forum is led by a senior property leader every Friday at 10:00 a.m. At the forum, an update on the current and future projects will be presented as well as time for Owners to ask questions about the resort.

Housekeeping and Front Office

Your villas have a new look.

The villas are equipped with new electrical appliances – dishwasher, washing machine and dryer, refrigerator, microwave, oven and a ceramic cooking plate. A small booklet with instructions to operate the appliances can be found in the dining room side board drawer.

Diana Groth was promoted to Assistant Director of Services in the Housekeeping department. She started at Marriott's Marbella Beach Resort in April 2000 at the Reception Desk and has served as the Assistant Controller at Club Son Antem since August 2012. Diana brings experience and knowledge to the Housekeeping department.





Buggy Bus Porter Service

One of our newest amenities is the buggy bus which can be used on your arrival or departure day to bring you to or pick you up from your villa with your luggage. Or if you need a quick ride from your villa to the main building during your stay, our porter is just a call away and will pick you up.

Golf Course Update

Cleaning the roughs on the golf course was a priority during the winter months. Several areas were cleaned not only to make the courses easier and nicer but also to improve the air flow that helps to keep the turf in better conditions.

Continuing with the water usage optimization process that we started two years ago, we proceeded to empty, clean and proof the main water pond to avoid leaks. This will help us by increasing the amount of water available for irrigation during the summer periods.

Landscaping areas were created to provide a unique look to certain holes, especially the 8th hole on the East course where the old well from the Spa building was installed.

We received our new buggy fleet with 38 new E-Z-GO TXT plus three buggies for the staff, marshals and a ball picker for the Academy.



If you are playing golf at any of our courses, remember we are also there to deliver you the best service offering drinks, snacks, golf items and much more!

La Terrassa

Christian Saiu was promoted to Restaurant Manager. With a degree in International Hotel Management, Christian held several supervisor positions with Marriott International and Marriott Vacation Club International. He joined Marriott's Club Son Antem in 2015 as Front Desk Manager.

Luis Llano was promoted to Marketplace Supervisor. Luis joined Marriott's Club Son Antem in 2015 as a server and is focused on guest satisfaction.



Feel like dining in your villa? Call our new room Service, available during the months of July and August, and allow us to bring your order to your villa. Room service is available from 6.00 p.m. until 10.30 p.m. by dialing '0' or At Your Service.

Spa, Activities, Pool

Our Activities Team is enthusiastic about meeting you to share the following good news!

A cabana was built for your open-air treatments and to provide you with more accessible massages while being with the family at the pool, and now including the weekends. New sunbeds were also installed by the pools.



The Aqua meditation room in the Holistic area reopened. Our Massage & Beauty department is now open seven days a week with a new treatment menu.

A giant chess board was placed in the spa garden Family Zone next to our new bean bags loungers.

Courtesy Visit Team

Old faces - New responsibilities!

We are pleased to let you know that Marlies and Raul joined our Courtesy Visit team. They will pass by your villa, and together with the rest of the team, make sure all goes well during your stay.



In closing, I would like to remind you of the following information:

Cork Owner Services

Owner Services is available Monday through Friday from 8.30 a.m. to 6.00 p.m. (Irish Standard Time) and Saturday from 10.00 a.m. to 2.00 p.m. (Irish Standard Time) by phone at +800-88-55-66-77 or via email at Europe.Services@vacationclub.com.

Update Your Email Address

Please add or update your email address at www.marriottvacationclub.com. After logging in, select “My Account”, click on “Profile”, then “Account Details”, and then “Edit Account Details” to enter your new information. You may also contact Owner Services at +800-88-55-66-77 to update your information.

We look forward to welcoming you here for an enjoyable stay!

Sincerely,

Martin Divenosa

Area General Manager EME

Marriott's Club Son Antem

Martin.Divenosa@vacationclub.com



Summer Newsletter from Son Antem Advisory Board of Directors,

Dear Son Antem Owners,

I'm commencing this Newsletter from my villa garden in Son Antem, overlooking the 4th fairway of the golf course. The course is very busy and I'm watching a continuous flow of golfers, concentrating on their play but also, I assume, focussing on their quest to avoid the water hazard further along this fairway. The course, the trees and the shrubs are looking resplendent, benefiting no doubt from the abnormally cooler and wetter weather during the winter and spring seasons. Since arriving in Son Antem, I have played on both golf courses and completed full circuits of the red and blue walking paths. My overall impression is that the resort is as good as I have ever seen it, a view endorsed by several owners who I had the pleasure of meeting during my visits to the weekly owner cocktail meetings. We also discussed the excellent condition of the gardens around our villas, the friendliness and efficiency of the management and staff and the noticeable improvements in the golf courses, resulting no doubt from the recent investments, including the osmosis plant, over the last two years. I also wish to extend my sincere thanks to those owners who expressed their appreciation to me for the work that we undertake on their behalf throughout the year.

The importance of maintaining good quality golf courses at Son Antem is very significant. Owners, after many years of waiting, are deservedly now enjoying improved playing conditions but the entire resort, including the hotel, have benefitted from the additional golf tourism that the courses have attracted. The subsequent increases in revenues, while bringing direct benefits for the golf courses and La Terrassa, also have a positive impact by reducing the proportion of costs allocated to the owners for the Spa facility. (See my comments later in the Newsletter)

It is very pleasing to see this continuing development and progress in our resort and we thank Martin, his management team and all staff for their commitment and conscientious approach to its presentation and appearance, which adds to the experience of owners and visitors when in Son Antem. The comprehensive, interesting and challenging programme of activities provided by our friendly activities team further enhances this experience.

The recently paved area used for the owner cocktails is a big improvement over last year and has proven to be popular with owners. Likewise, La Terrassa, located at the heart of our resort, continues to be a busy and lively rendezvous for owners, visitors and golfers throughout the day. Whether you start your day with a wholesome breakfast buffet or finish it with dinner, including entertainment on some evenings, you are guaranteed a warm and friendly welcome from the staff.

The grassed area, formerly occupied by the sales centre, presents a pleasant and open aspect to the resort and we have requested that the adjacent car park be retained to provide secondary parking when the Spa car park is full. Sadly and in total contrast is the land containing the old farm building and the ground area adjacent to La Finca Restaurant. They have not been well maintained and are now in very poor condition compared with the resort overall. The old farm building, which I recall was subject to many comments about its future in the early days of the resort, is a protected building belonging to the original owners of the land. We urge management to exert as much influence as possible on the owners of these areas, which occupy a prominent position in our resort, to obtain improvements in their appearance and presentation

Owners who have visited Son Antem since March this year will be aware of the enclosures that have been erected around the 15 villa swimming pools. When the legal requirements for these unwelcome enclosures were identified, the board made recommendations to management to ensure that the fencing had minimal impact on the open character of the resort and that existing levels of access would not be affected. This has been achieved and the child safety locks on all gates provide an additional level of security when lifeguards are not in attendance.

The board's input to bathing seasons, contrary to earlier promises, was not considered by management but we will continue to represent the views of the many owners who have written to us on this issue in an effort to achieve a better cost solution for you.

This Newsletter is sent from the Chairman of the Board. The Board is an elected representative body of Holiday Owners. The content and views expressed in this Newsletter are the Chairman's own views and not those of Management.

During my contact with owners at the cocktail, I received some comments on the historical and continuing high increases in the Maintenance Fee. This is a perennial issue for some owners and therefore one that successive boards have continued to challenge for many years. We will continue to apply ourselves to this issue and board members, Mogens Hallas, Doede Keuning and Ingrid Ambrosy have prepared financial proposals which have been submitted to management in advance of their 2019 budget preparation, which commences in Summer and concludes at the October board meeting when budgets for the 2019 maintenance fee will be presented and discussed.

The Spring Board Meeting was held on 27th April. It was the first meeting for our three new members who were elected in 2017, Danielle Merki from Switzerland, Ingrid Ambrosy from Germany and Lesley Hart from England and I thank them and all board members for their contribution and support. Management presented the financial results for the 2017 financial year to us and they will be detailed in the minutes from that meeting. They showed an operating deficit of €45,000, which after a forecast of zero variance last October, is a major disappointment for the board and owners. It was also the sixth year out of the last seven to show a deficit. There were also the additional unbudgeted expenses of €214,000 to pay for the deployment of lifeguards from May 2017, which I covered in detail in my previous newsletter. Management achieved a small reduction of €17,000 in the 2017 lifeguard costs against their original forecast.

While both items of expenditure were covered by the reassignment of the 2017 Advance Loan Repayment of Euro 259.560 (Minutes of the October 2017 Meeting) you will recall that the end of 2018 was the scheduled date for the completion of the repayments to cover the original loan, which had accrued following the rebranding of the hotel in 2013. Because of this reassignment, an extension to the original loan repayment period will enable this amount to be repaid over future years. Despite our extensive challenges to these costs, they revert to owners through the contractual terms of the HOPA and repayments equivalent to Euro 22.50 for each week owned will be incorporated incrementally into the Maintenance Fee from 2019 onwards.

We accept that our remit is advisory, but it is also appropriate that our diligence and integrity are able to influence budgets and expenditure when the board have agreed that this is an acceptable and justifiable action to follow. If we are unable to achieve changes, it is the overwhelming view of the board that our role and purpose are substantially diminished.

We received the 1st Quarter, 2018 financial figures during our April board meeting which were mainly in line with expectations. However, it is appropriate to link back to my previous comments on the benefits accruing from increased golf tourism. The higher occupancy in the hotel and cooler weather conditions in March resulted in more of their guests using the Spa facilities, enabling a higher allocation of costs to the hotel, thus benefiting our budgets by €36,500.

The foreign exchange impact for 2018 after the collection of maintenance fees through the direct debit process was €24,000 surplus. In 2017, it was agreed with management (refer to the minutes of meeting, April 28th, 2017) to establish a "Currency Fluctuation Fund" to keep these transactions separate from the operating budget. With the 2018 surplus included, the fund overall was €58,000 in credit. €47,000 will be retained in the fund as a contingency and I am pleased to report that €11,000 will be transferred into the 2018 profit and loss account.

At the end of July, you will all receive your annual 'Notice of Election' for the Advisory Board of Directors. The election will be for two vacancies. I retire after the next meeting on 13th October 2018, on the completion of both of my three-year terms and my colleague, Mogens Hallas, Vice Chairman will complete his first 3-year term. I am very pleased that he will seek re-election for a second term. The ballot will remain open until 13th September and I encourage all owners to spare a very short period of their time for this important event.

I would like to comment on the occupancy statistics for our resort during 2017, which were presented to us at our last meeting. They are interesting and significant as they illustrate the changes that are taking place in the way that we, as owners, use our home resort of Son Antem.

Many Son Antem owners, instead of using their home resort, elected to exchange their weeks using alternative options such as the Destination Points programme, Marriott Rewards programme or through Interval International. When owners elect to exchange their weeks through any of these programmes, it opens up many alternative possibilities for them around the world, such as other Marriott Resorts and hotels, flights and cruises. Additionally, it allows users of these programmes from other resorts to visit Son Antem.

In my previous newsletter, I addressed the concerns of some owners who had experienced difficulties in obtaining reservations for their preferred weeks in 2018. As a follow up to these issues, my fellow board member, Stewart White and I have had extensive correspondence with the Vice President of Service Fulfilment in Cork since last November to try and clarify the issues and concerns of those owners who had contacted us. The Reservation Teams have adapted their procedures to reflect these more diverse usage options and they have informed us that the reservation system ensures that there is sufficient availability for those owners who chose to use their weeks at Son Antem, remembering of course that some weeks are more popular than others when demand may exceed supply. If such difficulties are experienced, please follow the advice in my previous newsletter and consult with Owner Services who will explore alternative options for you. I have found this procedure to be very helpful in the past.

Finally and for the broader interest of some owners, I include the following short statement which board member, Prof. Doede Keuning, an expert in business analysis found in the 2017 MVCI Annual Report.

“In our Europe segment, we are focused on selling our existing projects and managing existing resorts. We do not have any current plans for new development in this segment”

All the board members will spend time at the resort during the summer months and I have encouraged them to attend the Owner Cocktails and Weekly Forums. If you see them at these events, please contact them, either for an informal chat or to update them with your thoughts and ideas for the future of the resort. Additionally, you can contact us by email at: ownerboard.mallorca@vacationclub.com

I wish you a very pleasant stay, either in Son Antem or at an alternative location if you elected to exchange your weeks for 2018.

Roger Hawkins

Chairman, Advisory Board of Directors.





MOGENS HALLAS
Vice-Chairman



DOEDE KEUNING
Member



STEWART WHITE
Member



INGRID AMBROSY
Member



DANIELLE MERKI
Member



LESLEY HART
Member