

Mayacama Residence Association
Minutes of the Annual Meeting for All Residence Club Members
Wednesday, June 26th 2013 at 2pm

The annual meeting of the Board of Directors (the “Board”) of the Mayacama Residence Association was held on Wednesday, June 26th at 2 pm PST within the Clubhouse of Mayacama Golf Club, in Santa Rosa, California.

Directors Present:

Jonathan Wilhelm - President
Gary Moore (by phone) – Vice President
Greg Brown – Treasurer
Jasmine Watts – Secretary

Also Present Were:

Katie Ciocca – Residence Director
Ed Mascarin – Member
Joe Goldberg – Member
Unknown Number of Members by Phone

I. Welcome & Introductions

Jonathan Wilhelm called the meeting to order at 2 pm and introduce all participants who were physically present and thanked everyone for attending the meeting, whether in person or telephonic. He apologized if anyone had technical difficulties receiving the meeting announcement, and asked that if this occurred to please reach out to the Club to resolve the issue. He then introduced Katie Ciocca as our new Residence Director and shared that she had worked with Mayacama previously as the Food & Beverage Director. He also shared that prior to returning to the Club she was the General Manager of Le Mars Hotel in Healdsburg and was part of the Hospitality Division of Francis Ford Coppola’s. Jonathan Wilhelm also mentioned that Joe Howard is moving on from Mayacama after 9 years of being with the company, although he may still do some IT work for us. He will be missed but his time and efforts were greatly appreciated. He went on to share that replacing Joe Howard as the Residence Manger will be Daniel Hildebrand from the Sebastian in Vail, Colorado and starts on July 1st.

II. Approval of Past Minutes

Jonathan Wilhelm presented to the Board the minutes of the Mayacama Residence Association meeting on August 27, 2012 for approval, whereupon motion duly made, seconded and unanimously adopted, the minutes were approved as presented.

III. Election of Member Representative

Jonathan Wilhelm announced that by vote of the Members of the Mayacama Residence Association a Member Representative was elected to the Board. The Member elected was Stuart Singer; who was unfortunately not in attendance due to unexpected travel delays. Jonathan Wilhelm mentioned that as reflected in Stuart Singer's biography has been a member for 7 years, he is an attorney who lives in Florida but is frequently in California for business and also belongs to Exclusive Resorts. Jonathan Wilhelm outlined the Member Representative's responsibilities as 2 year term, participating in 2 Directors Meeting in November and March, in addition to the Annual Residence Club Meeting in June. The Annual Meeting will continue to be held in June unless by request of the Members and approval by the Board it is moved to another month. As Member Representative, Stuart Singer will be required to cast a vote when votes are necessary. The Board will also look to the Member Representative for guidance on amenities, procedures and services.

IV. Overview of Rules & Regulations

Jonathan Wilhelm prefaced the overview by pointing out that the goals of the Rules and Regulations are to be of benefits to the Members and if they don't work that the Board is happy to review any recommended changes. Upon beginning the overview he mentioned that during the discussion all examples will be based on the 1/10th Membership and the 1/5th Members can simply double the number of weeks discussed.

- a. Planned Weeks can be deposited into the Timbers Reciprocity Exchange Program (TRP). They can be shared with unaccompanied guests, friends, co-workers, or be used as donation to a charity. Planned Time equates to 3 weeks per year. Two of these weeks are reserved for the upcoming year from Sept. 15-Sept 30. The final week will be reserved for the upcoming year from October. 1 – Oct. 30.
- b. One Space Available week will be reserved for the upcoming year in the month of November. Residence Members may only have 1 Space Available week on the books at a time.
- c. Short Notice stays can be made any time within 30 days of the desired arrival day beginning on January 1 for the calendar year, and Members may have only 1 outstanding Short Notice stay reserved at any one time.

Jonathan Wilhelm brought up the fact that there has been a misconception about the number of buildings a Member may reserve at a time, and asked Katie Ciocca to speak to the issue. Katie Ciocca started by reminding everyone that Planned Vacations are what can be shared with unaccompanied guests, and that Space Available and Short Notice time is to be used exclusively by the Member and the Members family. It cannot be used by business associates or any kind of unaccompanied guests. She reiterated that Members may only have 1 Space Available and 1 Short Notice reservation on the books at any one time, which translates to 1 building for a 7 night period. And that Short Notice can be booked 30 days in advance of the stay. Once a Member has checked in they may then book another week of that same use type, whether Space Available or Short Notice.

Joe Goldberg asked for clarification on when Members can book Short Notice and if they can have both a Space Available and Short Notice on the books at the same time. Katie Ciocca responded by saying that Short Notice can be booked 30 days in advance of the stay and that Members may have 1 Space Available and 1 Short Notice stay booked simultaneously. Discussion followed including Jonathan Wilhelm providing an example of how a Member may use 2 residences at the same time by utilizing a Planned week and then overlapping a Short Notice stay.

Katie Ciocca went on to share that after examination of the usage trends this year it has been found that many Members have requested more than 1 residence during a Space Available or Short Notice stay. These patterns have been accommodated in the past but as the program has grown it puts pressure on the system and is very limiting to other Members use and enjoyment. Moving forward it will be important to stick to the Rules & Regulations and provide each Member with reservations based on the usage types they have available.

The topic of Members donating weeks at Mayacama to charities was brought up, and Katie Ciocca explained that donations to charity organizations are permitted only with Planned Vacations and that each donation must be organized through the Club. Only certificates produced and coordinated through the Residence Club will be honored. Joe Goldberg added that if a week has been deposited into TRP it may not be donated to a charity, the week may only be used by the Member or the Members family. Discussion on the topic followed.

Jonathan Wilhelm stated that each Planned Week can be booked into either 1 3-bedroom Villa or 2 1-bedroom Casitas. During Space Available & Short Notice time only 1 3-bedroom Villa or 1 1-bedroom Casita can be reserved.

The cancellation policy was the next matter reviewed in Rules & Regulations. Katie Ciocca spoke to the fact that the current policy requires Members to cancel Planned Vacations 60 days in advance in order to rebook that time without penalty. Space Available and Short Notice stays should be canceled 30 day prior to the stay, but Members have been canceling

the day before their arrival or even the day of check-in. Jonathan Wilhelm proposed that one solution could be to reduce the cancellation time to 14 days and implement a \$250 fee. He then stated that this issue would be reviewed in more detail with the Board and the Member Representative and that only if the problem persists will action be taken. Ed Mascarin asked if a Member cancels and is charged who would receive rental income. Jonathan Wilhelm responded by saying the goal would be to have another Residence Member utilize the time and that the objective is not to make money but to encourage Members to cancel in a manner that allows others in the program to utilize the space. A short discussion followed.

The next issue Jonathan Wilhelm talked about in regards to the general rules is that the Developer has limited non-Residence Golf Members for booking within 15 days. The goal is to provide the Members with more Space Available and Short Notice time. Therefore the booking window for non-Residence Golf Members was shortened on April 1st from 30 days to 15 days when booking into the Developer owned inventory only. No Member owned inventory is utilized for rental. This window will go back to 30 days during low season on November 1st. As the pace of sales continues to strengthen rental opportunities for non-Residence Golf Members will no longer be an option.

V. **New Construction**

Jonathan Wilhelm stated that new construction is anticipated to begin either in the 4th quarter of 2013 or the 1st of 2014. There are 14 more 3-bedroom Villas to build and 1 more 1-bedroom Casita. The construction start date will depend on sales volume, which has been very strong over the last year, and finalizing the details of financing the building costs. Mayacama is currently working with their current lender to refinance and work on the construction revolver. The goal is to move forward as quickly as possible on building 1 or 2 more Villas. Adding more Villas to the mix will relieve demand for the 3-bedroom residences.

Clark Winslow who was joining the meeting by phone asked where they will be built and what is the cost to building. Jonathan Wilhelm answered that the next 5 will be built down by the 4th tee where there is a current foundation. All upcoming construction will be of the same quality of the existing residences costing approximately \$1.2 Million vertical. The conversation continued for a short time.

VI. **Timbers Partnership & Member Benefits**

Jasmine Watts began by sharing that since the end of August in 2012 there have been 44 member weeks deposited and 12 withdrawn. The Mayacama Members who have had an opportunity to utilize TRP have all reported excellent experiences. Any week deposited into TRP must be done 90 days in advance of the stay and once a week is deposited the credit a

Member receives is good for 24 months. Jasmine Watts reminded Members that the 90 day window is part of the reason why the Planned Vacation cancellation policy is 60 days prior to the arrival date. Only Planned Vacations can be deposited.

VII. Questions & Answer and Comment Session

Kriss Myers who joined the meeting by phone commented that he understands and would be in agreement with the Association if it to decide to implement a punitive policy for late cancellations. He does not believe a fee in the amount of \$250 reflects that the Club is trying to make money off the Residence Members rather that the fine might be a way to address the issue of late cancellations. Jonathan Wilhelm replied by saying that the association will continue to review and take action if necessary based on feedback from the a Member

Q: Joe Goldberg asked if there was any plan to move to an online reservation system similar to the Timbers Reciprocity Exchange?

A: Jonathan Wilhelm and Greg Brown said unfortunately not at this time because of our operating system, but that they appreciate the great value and will explore moving that direction in the future.

Ed Mascarin wanted to provide the feedback that having partnered with Timbers has not added any pressure to golf course and clubhouse use. Jonathan Wilhelm responded by saying that he has heard some Golf Members who are worried that the partnership with Timbers is allowing an open pathway to the Club but it is simply not true. The only time an owner at another Timbers Property has access to the Club is when they have withdrawn a week that a Mayacama Member has deposited from their Planned Vacations into the Exchange.

Jonathan Wilhelm commented that Mayacama is in the early review stages of a project to add a 10 to 12 room Inn on the property. It would be approximately 15,000 sq ft and could be accessed by Mayacama Members on a nightly rental basis. It would be accessible to both Residence Members and Golf Members. More details will be provided as the process continues.

Q: Clark Winslow asked for an update on the financial health of the Club.

A: Jonathan Wilhelm responded by saying that we have sold 17 residential memberships since partnering with Timbers, which is a tremendous increase that he is very pleased with. He went on to say that the Club began with 24 Million in debt and even through the recession that number has been reduced to 6.3 Million. This puts the club in a really good position and has been very helpful in attracting banks to refinance and investors.

Jonathan concluded the meeting by thanking all the Members who volunteered for the position as Member Representative and everyone for attending the meeting.

No further business. Meeting adjourned at 2:55pm PST.

Respectfully submitted,

Jasmine Watts
Secretary