Annual Meeting
2015

The Landings Association, Inc.
February 24, 2015
2014 Association President

John Fitzgibbon
Agenda

- Call to Order
- Approve Minutes of 2014 Annual Meeting
- 2014 and 2015 Boards of Directors
- 2014 Year in Review
- Volunteers of the Year
- 2014 Financial Report
- Marketing Update
- Association Operations
- 2015 Key Initiatives and Priorities
- Questions
Approval of the Minutes of the 2014 Annual Meeting
Retired Directors

John Fishburne

Milly Pitts-DiCicco
2015 Board of Directors

- Randy Stolt, President
- Rex Templeton, Jr, Vice President
- Jim Rich, Treasurer
- Nancy Pavey, Secretary
- Neil Bader
- Jerry Beets
- Terry Breyman
- Rita Butler
- Brenda Day
- John Fitzgibbon, Ex-Officio
2014 Accomplishments

- Strategic Planning
- Water
- Renewal
- Covenants
2014 Accomplishments

- 2014 Covenants Modernization Vote
  - Removed Developer Provisions and Identified Developer Rights and Duties Assumed by the Association
  - Modified Covenants to Include Property Owners’ Association Act (POAA) Provisions
  - Allowed Shallow Wells for Non-Potable Water
  - Enabled Emergency Entry Into Private Property
  - Defined Allowable Home Businesses
2015 Covenants Vote

- Requires 2/3 “Yes” Vote of All Owners
- 1,847 Votes Received
  - 1,691 “Yes” (92%)
  - 156 “No” (8%)
- Need 2,947 “Yes” Votes in Total
- Please Vote!
2014 Volunteer of the Year

- Developed and Implemented Chinese Tallow Tree Removal Project – “Tallow Terrors”
- Prevented Destruction of the Native Maritime Forest in The Landings and Skidaway Island
- Led Effort to Kill 60,000 Chinese Tallow Trees Over Past 7 Years
2014 Volunteer of the Year

Ann Fenstermacher
2014 Volunteer Group of the Year

- 90 Members
- Transportation
- Caregiver Relief
- Companionship
- Simple Home Tasks
- Crutch Closet
2014 Volunteer Group of the Year

Neighbors Helping Neighbors

(Don McCulloch and Caryl Warner – Co-Chairs)
Financial Report

Nancy Pavey
2014 Treasurer
## Association Operating Funds

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessment</td>
<td>$5,257</td>
<td>$4,975</td>
<td>5.7%</td>
</tr>
<tr>
<td>Vehicle Registration &amp; Service Agreements</td>
<td>993</td>
<td>954</td>
<td>4.1%</td>
</tr>
<tr>
<td>Other income</td>
<td>556</td>
<td>585</td>
<td>-5.0%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$6,806</td>
<td>$6,514</td>
<td>4.5%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>6,438</td>
<td>6,296</td>
<td>2.3%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>420</td>
<td>464</td>
<td>-9.5%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>3</td>
<td>2</td>
<td>50.0%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>6,861</td>
<td>6,762</td>
<td>1.5%</td>
</tr>
<tr>
<td><strong>Excess of revenues over (under) expenses</strong></td>
<td>($55)</td>
<td>($248)</td>
<td>77.8%</td>
</tr>
</tbody>
</table>
## Association Reserve Funds

(in thousands)

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Repairs</td>
<td>$843</td>
<td>$610</td>
<td>38.2%</td>
</tr>
<tr>
<td>(roads, community paths, lagoons,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>storm Drains)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Other Capital Items</td>
<td>962</td>
<td>988</td>
<td>-2.6%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>1,805</strong></td>
<td><strong>1,598</strong></td>
<td><strong>13.0%</strong></td>
</tr>
</tbody>
</table>

**Current Reserve Balance:**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$6,440</td>
<td>$5,894</td>
<td>9.3%</td>
</tr>
</tbody>
</table>
## Marinas

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dues &amp; Boat Storage</td>
<td>$1,055</td>
<td>$1,060</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Fuel/Merchandise Sales</td>
<td>378</td>
<td>332</td>
<td>13.9%</td>
</tr>
<tr>
<td>Other</td>
<td>21</td>
<td>47</td>
<td>-55.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,454</td>
<td>1,439</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expense</td>
<td>1,278</td>
<td>1,200</td>
<td>6.5%</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>-</td>
<td>21</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>168</td>
<td>156</td>
<td>7.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,446</td>
<td>1,377</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Excess of revenues over (under) expenses $8

*Includes cost of goods sold*
The Landings Company

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,591</td>
<td>$1,257</td>
<td>26.6%</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brokerage commissions</td>
<td>$4,774</td>
<td>$3,693</td>
<td>29.3%</td>
</tr>
<tr>
<td>Other</td>
<td>1,781</td>
<td>1,863</td>
<td>-4.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,555</td>
<td>5,556</td>
<td>18.0%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct costs</td>
<td>4,534</td>
<td>3,912</td>
<td>15.9%</td>
</tr>
<tr>
<td>Marketing expense</td>
<td>1,087</td>
<td>1,009</td>
<td>7.7%</td>
</tr>
<tr>
<td>General and administrative expense</td>
<td>760</td>
<td>773</td>
<td>-1.7%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>39</td>
<td>34</td>
<td>14.7%</td>
</tr>
<tr>
<td>Income tax benefit</td>
<td>(35)</td>
<td>(33)</td>
<td>6.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,385</td>
<td>5,695</td>
<td>12.1%</td>
</tr>
<tr>
<td><strong>Net gain/loss</strong></td>
<td>$170</td>
<td>$(139)</td>
<td>222.3%</td>
</tr>
</tbody>
</table>
## Consolidated Statement of Revenues and Expenses

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Association Operating</td>
<td>$6,788</td>
<td>$6,450</td>
<td>5.2%</td>
</tr>
<tr>
<td>Association Reserves</td>
<td>1,926</td>
<td>1,893</td>
<td>1.7%</td>
</tr>
<tr>
<td>Marinas</td>
<td>1,454</td>
<td>1,439</td>
<td>1.0%</td>
</tr>
<tr>
<td>Landings Company</td>
<td>6,014</td>
<td>5,556</td>
<td>8.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>16,182</td>
<td>15,338</td>
<td>5.5%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Association Operating</td>
<td>6,842</td>
<td>6,698</td>
<td>2.1%</td>
</tr>
<tr>
<td>Association Reserves</td>
<td>843</td>
<td>610</td>
<td>38.2%</td>
</tr>
<tr>
<td>Marinas</td>
<td>1,447</td>
<td>1,379</td>
<td>4.9%</td>
</tr>
<tr>
<td>Landings Company</td>
<td>5,843</td>
<td>5,693</td>
<td>2.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,975</td>
<td>14,380</td>
<td>4.1%</td>
</tr>
<tr>
<td><strong>Excess of Revenue over Expenses</strong></td>
<td>$1,207</td>
<td>$958</td>
<td>26.0%</td>
</tr>
</tbody>
</table>
# Consolidated Balance Sheets

**December 31,**

*(in thousands)*

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; investments</td>
<td>$9,794</td>
<td>$8,725</td>
<td>12.3%</td>
</tr>
<tr>
<td>Property, plant &amp; equipment</td>
<td>6,090</td>
<td>5,922</td>
<td>2.8%</td>
</tr>
<tr>
<td>Other Assets</td>
<td>387</td>
<td>313</td>
<td>23.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$16,271</td>
<td>$14,960</td>
<td>8.8%</td>
</tr>
<tr>
<td><strong>Liabilities &amp; Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1,173</td>
<td>1,068</td>
<td>9.8%</td>
</tr>
<tr>
<td>Equity</td>
<td>15,098</td>
<td>13,892</td>
<td>8.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$16,271</td>
<td>$14,960</td>
<td>8.8%</td>
</tr>
</tbody>
</table>
2014 Annual Report

- www.landings.org
TLCo Mission

- To support and **enhance property values** at The Landings.

- To this end, the Company uses funds from its operations to **conduct approximately $1m in national, regional, and local marketing programs** on behalf of the entire community and **maintains a Welcome Center/Sales Office** for prospective purchasers.
Board Members

Bob Meng, Chairman

Doug Marchand, Secretary

Don Roehm, Treasurer

John Fishburne
Nancy Pavey
Nick Sorvillo

Directors

Beth Tarjan, Ex Officio
Several buyer surveys indicate that most, some 66% of those looking at a new destination, want the coast.

No one knows the Georgia coast. When asked, they know NC, SC, & FL coasts. We can own it!

No one knows what a Skidaway is, but they do know Savannah.

An island is very desirable if it’s not remote.
Our Brand Evolution

- Coastal **Not** Beach
- Emphasize Savannah & our Proximity to it
- Utilize Island & its Convenience
- Keep it Clean, Classy but Contemporize it
SAVANNAH'S CHOICE FOR ISLAND LIVING...

Imagine the exhilarating lifestyle you've always dreamed of. A stunningly beautiful island community where neighbors make you feel at home before you even arrive. Golf, boating, sparkling waterfronts, pools, miles of trails, and a Club that specializes in 'special'. All mere minutes from the historic city of Savannah, Georgia. We've made it a reality at The Landings on Skidaway Island.

Visit and explore: 3 days/2 nights, $249/couple. Thelandings.com

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Portfolio of Homes
Does National Marketing really produce more Potential Buyers?

YES – National Marketing Works!

BUYERS FROM THE LANDINGS COMPANY’S NATIONAL MARKETING

<table>
<thead>
<tr>
<th>Year</th>
<th>Buyers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>28</td>
</tr>
<tr>
<td>2010</td>
<td>35</td>
</tr>
<tr>
<td>2011</td>
<td>40</td>
</tr>
<tr>
<td>2012</td>
<td>54</td>
</tr>
<tr>
<td>2013</td>
<td>71</td>
</tr>
<tr>
<td>2014</td>
<td>90</td>
</tr>
</tbody>
</table>
2014 Closings by Listing Real Estate Firm

262 Homes Closed at The Landings in 2014

- The Landings Company: 176
- Berkshire Hathaway (formerly Prudential): 32
- Keller Williams Realty: 16
- Re/Max Savannah: 5
- Seabolt Brokers: 5
- Coldwell Banker Platinum: 3
- Celia Dunn Sotheby’s: 4
- Whitley & Associates: 2
- ERA: 2
- Realty South: 2
- Savannah List for Less: 2
- Ken Powers Realty: 1
- Rawls Realty: 1
- International Properties: 1
- Mia Madison Properties: 1
- Landmark 24 Realty: 1
- Cora Bett Thomas Austin Hill & Co: 1
- C.E. Hall Real Estate: 1
- Coastal Realty Executives: 1
- Century 21: 1
- Bellwether Realty: 1
- Skidaway Island Realty: 1
- Skidaway Island Properties: 1
- Savannah Realty: 1
- Exclusive Georgia Properties: 1
- Bob Diamond Realty: 0

Note: Data collected from Savannah Multilist Corporation through 12-31-2014
2015 Media Plan

What's Important:
- Geography (top 13 feeder states and Atlanta)
- High Female Readership – 50% or more
- Age Profile 40-60
- Household Earnings
- Net Worth
- Current Home Value
- Private Club Membership/Inclination
- Boaters
Summary

2014 VERY SUCCESSFUL
- Leads increased by 51%
- Increased out of area buyers
- Further Developed our Team
- Added Four Agents
- More High Value Sales
- Launched New Brand/Website
- Beat an Aggressive Budget of +17.6%

2015 CHALLENGE TO IMPROVE UPON 2014
- Further Increase out of area Buyers
- More High Value Buyers
- Enhance Media Presence and Targeting
- Lay Ground work for Improved Inventory
- Increase Club Joins from New Property Buyers
- Meet or exceed an Aggressive Budget
2015 Early Indicators & Results

- December ‘13 Leads receives were 84
  December ‘14 Leads receives were 215

- January sales sides (buyer, seller or both TLC represented) goal was 18, we sold 45

- January sales volume was over $13m and just over January ‘06 high mark

- January’s average home sold was $520k vs. 2014’s $489k (+6.3%)

- On February 2, we had 106 tour reservations
The Landings Company is *Your* Company

Our team of 30 professional real estate agents and 10 exceptional staff members thank you for your support!

- Average Agent Experience of over 15 years
- All Agents are Landings Residents

We are your home field advantage!
Association Operations

Shari Haldeman – General Manager/COO
### Operational Trends

#### Permit Activity

<table>
<thead>
<tr>
<th>Permit Activity</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Home Construction</td>
<td>34</td>
<td>25</td>
</tr>
<tr>
<td>Additions/Alterations</td>
<td>525</td>
<td>404</td>
</tr>
<tr>
<td>Dumpster/POD/lot clearing</td>
<td>94</td>
<td>174</td>
</tr>
<tr>
<td>Total Permits</td>
<td>653</td>
<td>603</td>
</tr>
</tbody>
</table>

#### Inspections

- 2014: 2,495
- 2013: 1,266

Staffing increase of one position in 2015 is offset by permit revenue
New Home Construction Permits by Year

- 2012: 9
- 2013: 26
- 2014: 34
New Construction Permitted by Phase
Additions/ Alterations

Alterations / Additions by Phase

- 2012: Marshwood 104, Plantation 109, Oakridge 58, Deer Creek 29, Midpoint 25, Marsh View 2, Moon River 1
- 2013: Marshwood 171, Plantation 195, Oakridge 88, Deer Creek 20, Midpoint 7, Marsh View 7, Moon River 0
- 2014: Marshwood 202, Plantation 230, Oakridge 89, Deer Creek 40, Midpoint 21, Marsh View 2, Moon River 7

Legend:
- Blue: Marshwood
- Orange: Plantation
- Green: Oakridge
- Yellow: Deer Creek
- Dark Blue: Midpoint
- Gray: Marsh View
- Purple: Moon River
Operational Trends

22% increase in property transfers processed
- 305 in 2013 to 372 in 2014

31% increase in total barcodes processed
- 4,095 in 2013 to 5,381 in 2014

11.3% increase in gate pass revenue
- $690,213 in 2013 to $770,229 in 2014

34% increase in chipping yard revenue
- $68,200 in 2013 to $91,300 in 2014
Technology Improvements

- Transition to New Property Owner Database
  - New Guest Pass App for Smartphones
  - Permanent & Temporary Guest Lists
- Improved Video Camera System
- Expansion of GIS database
- Working to Add Wi-Fi to More TLA Locations
Facility Improvements

Administration Building
- 22 years old
- Access, customer service & functionality

Athletic Field Restrooms
- Ramp, doors & fixtures

Sunset Pavilion at Delegal Marina
- Lift, doors & thresholds
Golf Cart Registration Program

- TLA Has Assumed Golf Cart Registration Duties from TLC
- Will Ensure All Carts Are Registered
- Part of Our Focus on Safety
- Random Numbers Going Forward
Waterfront Update

- Dredging Completed at Landings Harbor Under Budget
- New Wiggins Fork Lift will be Delivered Next Month
  - Capability to Lift Larger Boats
- Second Tarmac Extension
  - Old and Problematic Elevator won’t be needed
Waterfront Update

- Time to Replace Landings Harbor Dry Stacks and Floating Docks
  - Plan to Accommodate Larger Boats
  - Budgeted in Reserve in 2015 & 2016
- Reviewing Entire Landings Harbor Site for Improvements
2015 President’s Report

Randy Stolt
2015 Priorities

- Water Conservation
- Covenants Modernization
- Three-Year Assessment Vote
- New Strategic Plan
Water Conservation

- Water Withdrawal Permits Reset in 2017
- State Will Reduce Permitted Withdrawal Amounts
- Strategic Water Committee and Water Conservation Committee Reviewing Options
- TLA, Utilities, Inc, and Local Experts Involved
Covenants Modernization

- Vote Underway
- Will Strengthen Property Maintenance and Other Rules
- Will Allow New Enforcement Options
- Will Establish New Appeals Process
- Hope To End Vote Well Before June 30
Three-Year Assessment Vote

- “Homeowners Dues”
- Helps Fund All Departments and Capital Program
- Currently $1,670/Lot
- Begin Reviewing Needs and Options in a Few Months
- Vote Around October
New Strategic Plan

- Began Process Last February
- Data Driven Review
- Reviewed Internal and External Survey Results
- Extensive Focus Groups, including Residents, TLC and TLCo
- Benchmarked our Competitors
- Updated Vision and Set New Objectives
- Focused on a Six-Year Timeframe
New Strategic Plan Model

PHASE 1: Analyze Environment
1. Collect Internal and External Data
2. Acquire Resident and Stakeholder Input
3. Analyze Data and Environment

PHASE 2: Develop Desired Future
4. Create Vision for Future
5. Select Big Objectives
6. Identify Big Goals

PHASE 3: Complete Organization Strategic Plan
7. Create Draft Strategic Plan (including Strategies & Measures)
8. Determine Resource Needs and Solidify Plan
9. Approve Strategic Plan

PHASE 4: Cascade Strategic Plan through TLA
10. Develop/Align Department Goals and Work Plans
11. Implement and Monitor Performance
12. Evaluate Performance & Adjust as Needed
Our VISION is to be the most vibrant private residential community in the Southeast. We are stewards of the naturally beautiful coastal environment in which we live, work, and play and actively pursue economic, environmental, and social sustainability. We create and foster an active lifestyle, along with experiences and services that enhance our sense of community, security, and quality of life.
OBJECTIVE: Create and promote an environmentally sustainable community that encourages responsible enjoyment of our natural resources

- Water
- Audubon International Certification
- New Educational Programs
Housing

OBJECTIVE: Facilitate a fresh, diverse selection of housing for people at every stage of life who desire the “Landings Lifestyle”

- New Development
- Renovation
- Vision 2020 TLA/TLC/TLCo
OBJECTIVE: Research and leverage cutting edge technologies to enhance the safety, security, and quality of life for our residents

- Improve Community Technology
- Continuous Upgrade of TLA Technology
- Map Potential Future Technologies
**OBJECTIVE:** Develop and deliver an expanded array of amenities and services that complement those offered by the Club and promote an active lifestyle, create a strong sense of community, and are valued by our current and future residents.

- Enhance Current Amenities
- Establish New Amenities
Governance and Decision Making

OBJECTIVE: Build and implement partnerships and leadership strategies with major stakeholders that will ensure the future success of The Landings

- TLA/TLC/TLCo
- Georgia/Chatham County/Savannah
- The Village
Strategic Plan Next Steps

- Finalize Strategies and Measures
- Cascade Plan Throughout Organization
- Staff Development of Work Plans
- Quarterly Updates With the Board
Questions?