Annual Meeting
2017

The Landings Association, Inc.
March 20, 2017
2016 Landings Association
President

Rex Templeton, Jr.
Agenda

- Call to Order
- Approve Minutes of 2016 Annual Meeting
- 2016 and 2017 Boards of Directors
- Volunteers of the Year
- 2016 Year in Review
- Update on Storm Restoration
- 2016 Financial Report
- Marketing Update
- 2017 Key Initiatives and Priorities
- Questions
Approval of the Minutes of the 2016 Annual Meeting
2016 Board of Directors

- Rex Templeton, Jr. - President
- Jim Rich - Vice President
- Joyce Marble - Treasurer
- Jerry Beets - Secretary
- Terry Breyman
- Rick Cunningham
- T.J. Hollis
- Nancy Pavey
- Hank Policinski
- Randy Stolt - Ex-Officio
Retiring Board Directors

Jerry Beets

Randy Stolt
2016
Volunteer of the Year
2016 Volunteer of the Year

Landings Bird Cam Implementation

- Funding
- Coalition Building
- Implementation

Great Publicity for The Landings!

Mal Welch
2016 Volunteer of the Year

- Skidaway Audubon Board member
- Two terms as Chair of Skidaway Audubon
- Founder of and energy behind our Sustainability Program, under the Audubon International Sustainability program:
  - Led the Archeological Exploration of several historic sites on the Island;
  - Led work to provide interpretive signage at Delegal Marina, the Sparrow Field and The Turtle Project at Sunset Park;
  - Led the work to create the Historical and Natural Sites Map of Skidaway Island.
2016 Volunteer Group of the Year
The Landings Community

- Pulled Together After Hermine and Matthew
- Neighbors Helped Neighbors
- Supported the Community Recovery
2016 Accomplishments

- Environmental Sustainability/Stewardship
- Development/Housing
- Technology
- Amenities, Activities, Programs, Services
- Governance and Decision Making
Environmental Sustainability/Stewardship

- Sustainability Committee Submitted Vision Plan to Audubon International
- Solar Panels Installed on Admin Roof with Real-Time Monitoring
- Landscape and Water Conservation Expo
- Eye on Water App Implemented
Development/Housing

- Revised Architectural Guidelines
- Master Plan Clarification Submitted
- Sprayfield Efficiency Reviewed
- Deck Renovation Expo
Technology

- Launched New Website
- Expanded Wi-Fi to Athletic Fields, Dog Park, Both Marinas
- Installed Live Webcams at Both Marinas
- Implemented SeeClickFix
- RFID Program Began
Amenities, Activities, Programs, Services

- Hired First Community Programs Manager
- Seasonal Cookouts
- Mac & Cheese Festival
- New Sunset Sips and Science on Tap
- Movie Nights
- Star Party
- Living Well Festival
- And More!
Governance and Decision Making

- Economic Impact Study
- Incorporation Feasibility Study
- Revised Architectural Guidelines
- Annual Elected Officials Roundtable
- Revised Bylaws
Governance and Decision Making

- Represented TLA on Such Issues as:
  - Roundabout
  - Village PUD and Indigo Hall Assisted Living Facility
  - Successful Property Tax Appeals
  - County Collection of Yard Debris – Palm Fronds and Bamboo
  - Tropical Storm Hermine and Hurricane Matthew
  - Incorporation Study
Update on Storm Restoration

Shari Haldeman – General Manager/COO
Storm Clean-up & Restoration

Two separate phases:

1. Cleanup of Common Property
   - Dangerous/Hazardous Tree Removal
   - Clean-up of downed trees
   - Stump Grinding

2. Restoration of Common Property
   - Grading
   - Seeding and Ground Cover
   - Replanting
2017 Contracted Tree Removal (through April)
County’s FEMA contractors removed ~ 40 large uprooted stumps from the rights-of-way.
Stump Removal/Grinding

TLA contractors continue grinding stumps on common property
Stump Removal/Grinding
Restoration Process

March 2017 through December 2018
Restoration Process

Progression:
1. Irrigated Areas (Gates, Marinas, parks, Tidewater Square)
2. Primary and Secondary Center Islands
3. Courtyards
4. Right of Way
5. Natural Areas
Restoration Process

Schedule:

1. Grading Feb - April
2. Bed Delineation March – April
3. Pinestraw April – May
4. Seeding May
5. Planting Nov – Dec (earlier in irrigated areas)
Grading (February – April)
Bed Delineation (March-April)
Pine Straw Installation
(April – May)

Landscape Contract:
Gates  ~ 3,000 bales, Spring and Fall
Primary Center Islands  ~11,000 bales
Secondary Center Islands  ~ 6,000 bales
Reestablishment of Turf (May)

Non-irrigated turf will be seeded. All center islands and R.O.W. will be fertilized two times during the growing season.
Replanting

(November – December)

Non-irrigated areas to be planted in fall and winter months

- Selective planting
- Native trees and shrub material
- Site-specific
- Natural
Financial Report

Joyce Marble
2016 Treasurer
## Hermine & Matthew

**“The Numbers”**  
(as of 12/31/16)

Spent through Dec. 31, 2016:

- TLA: $1,657,334
- Landings Harbor: $69,183
- Delegal Creek: $58,392

**Total:** $1,784,909

Cash Used:

- Reallocation from Reserves: $500,000
- Budgeted Contingency Funds: $125,000
- Operations Funds: $1,159,909

**Total:** $1,784,909
## 2017 Budget and Assessment Allocation

### Assessment Allocation

<table>
<thead>
<tr>
<th></th>
<th>Operations</th>
<th>Capital Reserves</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2016 Budget</strong></td>
<td>$1,320</td>
<td>$410</td>
<td>$1,730</td>
</tr>
<tr>
<td><strong>2016 Year End Actual</strong></td>
<td>$1,433</td>
<td>$297</td>
<td>$1,730</td>
</tr>
<tr>
<td><strong>2017 Budget</strong></td>
<td>$1,510</td>
<td>$280</td>
<td>$1,790</td>
</tr>
<tr>
<td><strong>$200 Special Assessment for 2017 and 2018</strong></td>
<td></td>
<td>$400</td>
<td>$400</td>
</tr>
</tbody>
</table>
Community Restoration

- Center Islands
- Courtyards
- Parks
- Gates
- Mailboxes
- Storm Drains
- Marinas
# Association Operating Funds

## (in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</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>$6,334</td>
<td>$5,755</td>
<td>10.1%</td>
</tr>
<tr>
<td>Vehicle Registration &amp; Service Agreements</td>
<td>1,049</td>
<td>1,093</td>
<td>-4.0%</td>
</tr>
<tr>
<td>Marina</td>
<td>1,434</td>
<td>1,495</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Other income</td>
<td>630</td>
<td>687</td>
<td>-8.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$9,447</td>
<td>$9,030</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

| **Expenses**         |      |      |           |
| Operations           | 8,702 | 7,181 | 21.2%  |
| Depreciation         | 624  | 620  | 0.6%   |
| Marina               | 1,088 | 1,246 | -12.7% |
| Income taxes         | 3    | 3    | 0.0%   |
| **Total**            | 10,417 | 9,050 | 15.1%  |

**Excess of revenues over (under) expenses**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Excess</strong></td>
<td>($970)</td>
<td>($20)</td>
<td>-4750.0%</td>
</tr>
</tbody>
</table>
## Association Reserve Funds
*(in thousands)*

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Repairs <em>(roads, community paths, lagoons, storm drains)</em></td>
<td>$671</td>
<td>$830</td>
<td>-19.2%</td>
</tr>
<tr>
<td>All Other Capital Items</td>
<td>2,067</td>
<td>456</td>
<td>353.3%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>2,738</strong></td>
<td><strong>1,286</strong></td>
<td><strong>112.9%</strong></td>
</tr>
</tbody>
</table>

**Current Reserve Balance:**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,854</td>
<td>$6,544</td>
<td></td>
<td>-10.5%</td>
</tr>
</tbody>
</table>
# The Landings Company

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,659</td>
<td>$1,742</td>
<td>-4.8%</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brokerage commissions</td>
<td>$4,673</td>
<td>$5,283</td>
<td>-11.5%</td>
</tr>
<tr>
<td>Other</td>
<td>1,864</td>
<td>1,846</td>
<td>1.0%</td>
</tr>
<tr>
<td></td>
<td>6,537</td>
<td>7,129</td>
<td>-8.3%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct costs</td>
<td>4,590</td>
<td>4,863</td>
<td>-5.6%</td>
</tr>
<tr>
<td>Marketing expense</td>
<td>1,101</td>
<td>1,247</td>
<td>-11.7%</td>
</tr>
<tr>
<td>General and administrative expense</td>
<td>744</td>
<td>784</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>38</td>
<td>39</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Income tax benefit</td>
<td>21</td>
<td>89</td>
<td>-76.4%</td>
</tr>
<tr>
<td></td>
<td>6,494</td>
<td>7,022</td>
<td>-7.5%</td>
</tr>
<tr>
<td><strong>Net gain/loss</strong></td>
<td>$43</td>
<td>$107</td>
<td>-59.8%</td>
</tr>
</tbody>
</table>
## Consolidating Statements of Revenues and Expenses

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</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>$8,000</td>
<td>$7,514</td>
<td>6.5%</td>
</tr>
<tr>
<td>Association Reserves</td>
<td>1,324</td>
<td>1,634</td>
<td>-19.0%</td>
</tr>
<tr>
<td>Marinas</td>
<td>1,434</td>
<td>1,495</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Landings Company</td>
<td>6,537</td>
<td>7,129</td>
<td>-8.3%</td>
</tr>
<tr>
<td></td>
<td>17,295</td>
<td>17,772</td>
<td>-2.7%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Association Operating</td>
<td>8,704</td>
<td>7,184</td>
<td>21.2%</td>
</tr>
<tr>
<td>Association Reserves</td>
<td>671</td>
<td>830</td>
<td>-19.2%</td>
</tr>
<tr>
<td>Marinas</td>
<td>1,088</td>
<td>1,246</td>
<td>-12.7%</td>
</tr>
<tr>
<td>Landings Company</td>
<td>6,444</td>
<td>6,963</td>
<td>-7.5%</td>
</tr>
<tr>
<td></td>
<td>16,907</td>
<td>16,223</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>Excess of Revenue over Expenses</strong></td>
<td>$388</td>
<td>$1,549</td>
<td>-75.0%</td>
</tr>
</tbody>
</table>
# Consolidating Balance Sheets

## December 31, 2016

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</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>$ 8,774</td>
<td>$ 10,535</td>
<td>-16.7%</td>
</tr>
<tr>
<td>Property, plant &amp; equipment</td>
<td>7,341</td>
<td>6,512</td>
<td>12.7%</td>
</tr>
<tr>
<td>Other Assets</td>
<td>357</td>
<td>248</td>
<td>44.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 16,472</td>
<td>$ 17,295</td>
<td>-4.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Liabilities &amp; Equity</strong></th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other liabilities</td>
<td>757</td>
<td>1,306</td>
<td>-42.0%</td>
</tr>
<tr>
<td>Equity</td>
<td>15,715</td>
<td>15,989</td>
<td>-1.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 16,472</td>
<td>$ 17,295</td>
<td>-4.8%</td>
</tr>
</tbody>
</table>
The Landings Company Mission

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

- To this end, the Company uses funds from its operations to **conduct approximately $1m per year in national, regional, and local marketing programs** on behalf of the entire community.

- **Maintains a Welcome Center/Sales Office** for prospective purchasers.
2017 Board Members

Nick Sorvillo, Chairman
Anne Schafer, Secretary
Geof Silbert, Treasurer
Jim Overton
Nancy Pavey
Martin Walsh
Directors
Doug Marchand, Ex Officio
Imagine...
The Landings Company is Your Company

Our team of 33 professional real estate agents and 9 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!
# Year End Sales for 2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts Closed</td>
<td>$110m*</td>
<td>$117m</td>
<td>-5.9%</td>
</tr>
<tr>
<td>Units Closed</td>
<td>254*</td>
<td>261</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Home sales “touched”**</td>
<td>76%</td>
<td>77%</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

* We were on pace to exceed 2015 prior to Matthew.

** The Company worked with the buyer, seller or both
2016 Closings by Listing Real Estate Firm
268 Homes Closed

- The Landings Company: 179
- Berkshire Hathaway: 32
- Keller Williams: 21
- Celia Dunn Realty: 8
- Seabolt: 4
- ERA: 3
- Seaport Real Estate Group: 3
- Miscellaneous: 3
- Coldwell Banker: 2
- Prudential Coastal GA: 1
- Cora Bett Thomas Realty: 1
- Bellwether Realty: 1
- Skidaway Island Realty: 1
- Tidewater Realty: 1
- Century 21: 1
- Kevyn & Company: 1
- Better Homes & Gardens: 1
- Landmark 24 Realty: 1
- Mopper-Stapan/Kelly: 1
- Savannah R.E. Experts: 1
- Benchmark: 1
- Re/Max: 1

Note: Data collected from Savannah Multilist Corporation through 12-31-2016
2016 Closings of Homes $500k & Up
by Real Estate Firm
88 Homes Sold

Note: Data collected from Savannah Multilist Corporation through 12-31-16
The Landings Company Outperforms other Real Estate Firms

2016 RESULTS
HOME SALES AT THE LANDINGS

<table>
<thead>
<tr>
<th></th>
<th>THE LANDINGS COMPANY</th>
<th>OTHER REAL ESTATE FIRMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Home Price</td>
<td>$410,000</td>
<td>$386,389</td>
</tr>
<tr>
<td>Price Sold</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Price</td>
<td>$476,548</td>
<td>$456,003</td>
</tr>
<tr>
<td>Sold</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Data collected from Savannah Multilist Corporation through 12-31-2016
* Original price vs. sale price
Our lifestyle *IS* the draw...

Many buyers are told and/or decide not to focus on “the house” as much as getting here to enjoy our “camp for families & adults”. They are purchasing a *lifestyle* more than a house.

*We must* keep this lifestyle “balloon” in the air while constantly improving our Association & Club amenities along with developing new housing product and encouraging the update of that which has aged. If not...
We might find our tipping point... within the next 3 – 5 years. Making the right decisions now could position us for sustained, positive growth and rising home values or...

...cause us to continue towards a gradual decline into a tired club community with sliding home values, unattractive amenities and a challenging future.

We **must** move assertively now!
What can we do?

- Champion the recently passed upgrade to Club amenities
- Encourage and support the renovation of our current housing
- Advocate the TLA’s efforts to develop new, appropriate housing product to entice additional buyers
- Support the move of the Company office and subsequent development of 15-20 townhomes on its current land.
- Approve the care of and upgrades to TLA amenities
- Promote the Company with your referrals of friends & family and by choosing us to list your home – all of which creates marketing dollars.
They have to experience us!

Discovery Visits Surge in 2016

- 2005: 511
- 2006: 454
- 2007: 371
- 2008: 372
- 2009: 226
- 2010: 255
- 2011: 357
- 2012: 399
- 2013: 418
- 2014: 444
- 2015: 664
- 2016: 686

Discovery visits show a significant surge in 2016.
...And it translates directly to sales!

The Landings Company - Total Sides Closed
2006 - 2016
Looking Back and then Forward

2016 VERY SUCCESSFUL, CONSIDERING...

- Hermine & Matthew
- Discovery Visits increased by another 3.3%
- Added 2 new Agents for a total of 33
- 86% of the buyers joining as a golf member & working with a realty firm used The Company. We were 60% for athletic.
- Beat an Aggressive Budget

2017 CHALLENGES TO IMPROVE UPON 2016

- Enhance Website, Media Presence and Targeting
- Further Increase out of area Buyers
- More High Home Value Buyers
- Critical Need for Improved Inventory
- Continue to support Club Joins from new Buyers
- Meet or exceed an Aggressive Budget
2017 Early Indicators & Results
(in spite of Hermine/Matthew!)

- Incoming leads continue at a solid pace
- Discovery Visits were **up 11%** YTD February with nearly 100 couples/families visiting
- YTD February sales sides (buyer, seller or both represented by TLCo) goal was 62, we sold **68**
- On February 28, we had 80 Discovery Visit reservations, **up 14%** from last year
Our momentum is strong. We ask that when choosing to list your home, buy another property or when recommending The Landings to friends and family...

Help yourself, our community and our Club by choosing...

The Landings Company, YOUR company

Thank you for your continued support
2017 President’s Report

Jim Rich
2017 Board of Directors

- Jim Rich - President
- Hank Policinski - Vice President
- Joyce Marble - Treasurer
- Terry Breyman – Secretary
- Blake Caldwell
- Rick Cunningham
- Sam Hatcher
- T.J. Hollis
- Nancy Pavey
- Rex Templeton, Jr. - Ex-Officio
2017 Priorities

- Storm Restoration
- Development
- Water
- Incorporation Study
Incorporation: What it Isn’t

- No Change to The Landings, South Harbor, Modena, The Marshes
- Respective HOA’s still provide Security, Gates, Public Works, etc.
- No Change to School System
The Georgia State Study Concludes:

..."the proposed city of Skidaway Island is financially feasible"

“Based on this analysis the city of Skidaway Island should expect annual revenue of approximately $6.4 million and annual expenditures of $4.6 to $4.8 million”

Estimated Net Revenues Over Expenses per Georgia State Study is $1.6 – $1.8 Million
Incorporation Review

- 700 Residents Attended 2 Town Hall Meetings
- Placeholder City Charter and Enabling Legislation Introduced in GA House and Senate
- 80+ Residents Submitted Incorporation Study Committee Applications
- Study Over Next Several Months
Incorporation Review

Five Study Committees:
- Tax & Finance
- Police & Court
- Public Works/Engineering
- Planning, Zoning, Code Enforcement
- Governance & Administration (Council, Clerk, Finance, Legal, Emergency Management)

Provide recommendation by year-end whether to proceed with referendum on incorporation
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Quarter 2018</td>
<td>• State Legislation Approved</td>
</tr>
<tr>
<td>April 2018</td>
<td>• Governor Signs Bill</td>
</tr>
<tr>
<td>Nov 2018</td>
<td>• Island-Wide Vote</td>
</tr>
<tr>
<td>Mar 2019</td>
<td>• Island-Wide Election of Mayor and City Council</td>
</tr>
<tr>
<td>By Jul 2021</td>
<td>• Transition to City of Skidaway Island Complete</td>
</tr>
<tr>
<td>2022</td>
<td>• Participate in Local Option Sales Tax (L.O.S.T.) Negotiations</td>
</tr>
</tbody>
</table>
Summary

- Early Stages of a Lengthy and Detailed Process
- Nothing is Decided
- Chance for Us to Decide Our Future Governance Structure
- Much Work and Study Required
- Go/No Go decision by end of year
Questions?