



# Desert Golf & Vacation Rentals

October, 2002

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## A Message From Desert Golf & Vacation Rentals...

We are pleased to present this newsletter to our valued property owners and partners. Updates, company information, contact numbers, new partnerships, and just about anything pertaining to our business will be shared with you every 3 months, and we encourage you to share any feedback and comments you may have with us.

While it is true that we have experienced tremendous growth in the past couple of years, we have not lost our focus of being the best choice for you in the property management business. All of our relationships, and most importantly Troon Golf Vacations, have all been designed to increase occupancy in our managed properties, resulting in a better bottom line return for you. Our research shows we have the best reputation in the business, and it is proven through our numerous affiliations and partnerships. During these ever changing economic times, it is vital to identify each and every opportunity available to improve your chances of success. We continue to form new alliances with proven winners in our industry, and because of these alliances our performance in the years to come will be second to none. Thank you all for your trust and support...we will not let you down.

—Fred Mercaldo, Managing Partner

## Desert Golf Expands Into Tucson Market

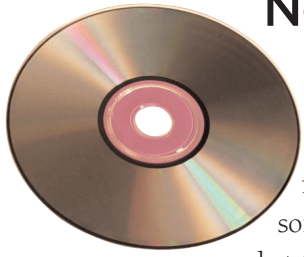
Desert Golf has partnered with Tucson Realty & Trust Co. Management Services, LLC ("Tucson Realty") to form a new entity:

### Desert Golf & Vacation Rentals – Tucson, LLC.

Tucson Realty has been in business since 1911, and was incorporated the year before Arizona became a state, making it Arizona's oldest real estate firm. With in excess of 125 employees, Tucson Realty manages over 3000 apartments, over 500 single family homes, and is the manager for 10 homeowners associations. Desert Golf is very proud of this new partnership, and we expect to enter the upcoming 2003 season with 75 properties in the Tucson market.

## Points of Interest - Inside

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## New Property Management Software Installed

Desert Golf & Vacation Rentals, in both our Scottsdale and Tucson locations, have purchased and installed what we feel is the best software program available in today's market to better serve our homeowner clients as well as our guests. The "Rental Network Software Corporation" (RNS) program is packed with features that will greatly benefit our real time online booking capabilities, our accounting functions, our marketing capabilities, and it will also allow you to log onto our website with your own PIN number to check your future bookings and/or reserve your unit for yourself!

**Some of the new functions we will be utilizing are:**

### General Benefits:

- Reservations integrated with accounting functions for streamlined rental operations.
- Complete integration with Microsoft Word, Excel, Access and Outlook.
- E-Mail capabilities for guests, owners, inquiries and vendors.
- Over 200+ report generators.

### Reservation Items:

- Six year, full color availability calendar (last year, current year, and four years into the future.)
- Criteria search process for finding availability based upon selections.
- Automatic rate calculations.
- Internet booking module.
- Past guest database for storing guest information for future marketing purposes.
- Up to 5 unique pictures per unit.

### Accounting Items:

- Daily deposit recording and automatic posting to checking account.
- Automated procedure for checks paid to guest for cancellations, refunds and security deposits.
- Owner statement routine, including e-mailing statements.
- Work order module for streamlining vendor repairs to units.

### Web Availability Module

The RNS Web Availability Module unites the RNS application and our [www.desert-golf.com](http://www.desert-golf.com) site to provide Internet users (potential guests, owners, agents, travel agents, realtors, tour operators, wholesalers, etc.) access to unit availability, pictures, rate calculations, and the ability to accept new rental reservations. A special section will be available for our property owners to monitor your rental usage, check future bookings, reserve your unit for personal use, etc.

Guest reservations from the website are complete, including notes, confirmation numbers, financial transactions, email addresses, etc.

All of our wholesale partners will be able to secure their bookings online, freeing our agents to spend additional time communicating with retail customers, thus increasing your rental income.

This advancement is sure to increase our productivity, and the features available to our property owners I'm sure will be appreciated. This system will also allow our sales representatives in our Scottsdale office to book Tucson reservations, and also allow our Tucson office to book Phoenix and Scottsdale reservations. Stay tuned for additional details on this new system by the end of the year.

## Sponsorship of Tostitos Fiesta Bowl National Championship 2003

Desert Golf is partnering with Troon Golf Vacations in providing funding for sponsorship rights for this years National Championship game being played in Tempe on January 3rd, 2003. In addition to being able to offer packages with tickets to both the Fiesta Bowl and the Insight.com Bowl (December 26th 2002 at Bank One Ballpark), we will be advertised on the official website as the VIP Golf Package Provider. This advertising will begin October 1st, and is expected to not only bring to us many tee-time advance reservations, but lodging opportunities as well. The time period of these events are between December 20th and January 5th, historically very slow times for our lodging and golf operations, and we are very optimistic that this sponsorship combined with our aggressive marketing through travel agents, tour operators, and once the teams are announced our advertising in each school's alumni news and local press will yield successful results.

Desert Golf & Vacation Rentals

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## Troon Golf Reservation Center

Hospitality Tee Times has just completed its first 18 months of a multi year contract with Troon Golf to provide a national central reservation center for Troon golf courses. All telephone calls for the designated facilities across the country are redirected into our Scottsdale reservation center for handling. Our staff of forty agents assist callers with rate information, driving directions, course conditions, and most importantly make tee time reservations for 19 Troon golf courses. Callers requiring specific golf course assistance such as golf lessons or merchandise information are immediately transferred to the golf shop.

The Troon Golf Reservation Center operates out of our Scottsdale office and provides customer service 13 hours a day – 7 days a week. Call volume on a daily basis is

currently 1900 calls and the reservation center makes on average 1100 tee time bookings a day on Troon Golf Courses. In total we will make 400,000 tee time reservations on Troon Golf courses this year.

The Troon Golf Reservation Center continues to expand on a monthly basis and is a driving force in the growth of our company. The reservation center handles all calls for information and tee time reservations for not only the eight Troon valley courses but an additional eleven Troon golf courses throughout the United States. The recent addition of the 36-hole facility at The Revere at Anthem in Las Vegas, Horseshoe Bay Golf Club in Egg Harbor Wisconsin, and the new Troon Golf facility in Round Rock Texas just 12 miles north of Austin Texas are the latest additions in this ever growing national reservation center.

**Troon Courses served include:**

### Phoenix/Scottsdale

Troon North Monument Course
Troon North Pinnacle Course
Legend Trail
Talking Stick North Course
Talking Stick South Course
Kierland Golf Club
Whirlwind Devil's Claw
Whirlwind Cattail –Opening Oct 14 2002

### National Troon Golf Clubs

Carmel Valley GC	Carmel CA
Eagle Glen GC	Corona CA
Fish Creek GC	Montgomery TX
Horseshoe Bay GC	Egg Harbor WI
Monarch Beach Links	Dana Point CA
Revere at Anthem-Lexington	Las Vegas NV
Revere at Anthem-Concord	Las Vegas NV
Shadow Lakes Golf Club	Bentwood CA
Teravista Golf Club	Round Rock TX
The Legacy Golf Club	Bradenton FL
The Ridge at Castle Pines North	Castle Rock CO

The reservation center, which opened in late 2000 made over 300,000 tee time reservations in its first year of operation and is on track to reach a half a million tee times in 2003.

The Troon Golf Reservation Center is another business activity that provides an ever expanding business base for Hospitality Tee Times and Desert Golf & Vacation Rentals.

### TROON GOLF VACATIONS®

We are entering into our third full season with our Troon Golf Vacations ("TGV") brand partnership with Troon Golf. TGV provides accommodation and golf reservation services for many of the golf packages booked into Scottsdale each year. Many of these packages result in increased revenue for our Desert Golf homeowners, as our properties are featured in each quote we do. TGV also books vacation packages into other Troon Golf destinations, most notably Cabo San Lucas, Mexico. TGV has become the largest provider of tee times to the Scottsdale area Troon courses, having provided over 15,000 retail rounds of golf this past season. Our exclusive relationship with Troon Golf has given us a huge edge over all of our competition in the golf vacation and accommodation business, as our ability to secure preferred guaranteed tee times 120 days in advance is many times the determining factor in which company the guest chooses. Please visit our website, [www.troongolfvacations.com](http://www.troongolfvacations.com) for further details.



Hospitality  
**TeeTimes**

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[Golf Courses](#)

[Accommodations](#)

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## Marriott Golf Partnership

On June 10 2002, Hospitality Tee Times, our golf tee time division, launched its second national tee time reservation center in partnership with Marriott. The Marriott Golf reservation center handles all calls from golfers wishing to play a Marriott Golf Course in the Phoenix/Scottsdale area. Currently Marriott courses include the 36 hole Camelback Golf Club facility, Wildfire Golf Club well known for its Palmer course and most recently the new Faldo Course, and Mountain Shadows Golf Club.

With the opening of the new JW Marriott Desert Ridge Hotel, the largest hotel in Arizona, the demand for Marriott Golf will be greater than ever. The JW Marriott Desert Ridge Resort and Spa is a 1031 room resort scheduled for opening in November 2002. The Marriott Palmer course has been open for 5 years, the Faldo course since February 2002. The new hotel is being built in the center of this 36 hole facility and will certainly drive substantial rounds to both golf courses.

Our Marriott Golf Reservation Center also has golf reservations directed to it from the 6 national Marriott Hotel Reservation centers located throughout the United States as well as the local Marriott Hotel Reservation Center which handles reservations for the 42 Marriott hotel properties located in the Valley.

The second stage of the Marriott Golf Partnership will launch on October 15, 2002. In conjunction with our Hospitality Tee Time net rate programs at a large number of Valley golf courses, Marriott Golf and Hospitality Tee Times will open the "one-stop" Marriott Golf Desk. This desk is designed to accommodate the Marriott hotel guest arriving in the Valley and wanting to play golf. Upon completion of their hotel reservations they will be forwarded to the Golf Desk where they can make tee time reservations to play golf not only at Marriott Golf courses but at any other courses that participate in the Marriott and Hospitality Tee Times Partner program.

## We would like to introduce some new key personnel with our company...



### Receptionist/Front Desk Manager Kris Derdenger

For the last three years Kris Derdenger has been playing professional golf on the Futures Tour, Ladies European Tour and Players West Tour. Prior to her stint as a professional athlete, Kris was an instructor at two Troon Golf Properties - Troon North G.C. and Eagle Ridge G.C. in Galena, IL. She is almost a native of Arizona (having lived here since 1979) and a University of Arizona alumna. We are grooming Kris over the next 12 months to move into a marketing position in our company.

### Lance Parsons, Supervisor of Quality Control

Lance began working with our company in the Troon Golf Reservation Center, and his attention to detail has led to him being promoted to his current position. Lance is responsible for walking all of the properties after guests have departed, and also walking the properties after the cleanings and maid service has taken place ensuring perfect conditions for our next guests. Lance takes inventory in each unit, and schedules and monitors all maintenance activity for each property. After graduating from San Diego State University, Lance has held numerous positions with property management and golf vacation companies in the Scottsdale market. Lance also has his sights set on moving into our marketing division.



### Kelly Mercado,

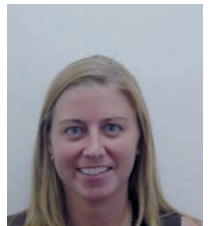
### Licensed Real Estate Agent, Homeowner Relations



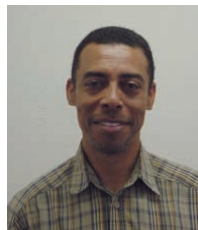
Kelly, after graduating from Arizona State with a degree in Supply Chain Management, and after spending one year working with Banner Health System, decided it was time to join her father at Desert Golf. Kelly has received her Real Estate license, and is available to all of our homeowners for their real estate needs. Kelly is also the person to contact with any questions you may have regarding your property...her many years of successful experience in customer service is proving to be a great asset in her current position.

### Carey Burnworth, Sales Manager, Desert Golf & Vacation Rentals

We are very pleased to announce the addition of Carey to our company. For the past 4 years, Carey served as Reservations Manager at Resort Suites of Scottsdale. Her talent and ability will have an immediate positive impact in just about every department in Desert Golf. Individuals with the experience and competency and professionalism that Carey possesses rarely become available in our industry, and we are very fortunate that she has joined our team.



### Edward Hall, Manager, Maintenance Department



Eddie has over 10 years of homebuilding and residential maintenance experience, and he possesses the ability to either perform or contract and supervise all of our homeowners maintenance needs. In the short time Eddie has been with us, he has handled all of the tasks associated with this very demanding position expertly, and with a smile. We hope to have our relationship with Eddie for a long time to come.