

Tourist Attractions & Parks



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Themed Around All Things Water, Grand Panama Beach Resort is Simply Known as “Splash”

Welcome to Sterling Resorts' managed Grand Panama Beach Resort in Panama City, Fla., the ultimate water destination resort on Florida's northwest coast and simply known as “Splash.” Situated on 400 feet of sugar-white sand beach with direct access to the emerald green waters of the Gulf of Mexico, the 272-luxury unit (two 22-story towers of 136 units each) condominium resort with its own onsite water park opened with a big “Splash” in February 2007. With its five water attractions (see list on page 44), unique amenities and one of the top beaches in the world, “Splash is not just another tower in the sky,” said **Gene Murphy**, general manager. The water-themed design is prevalent throughout the resort including the signature “splat” icon.

Based in Destin, Fla., the Sterling Companies consist of Sterling Development, Sterling Realty and Sterling Resorts. Since its founding in 1993, the companies have developed more than 25 condominium resorts in Florida, Alabama and Mississippi with 1,600 units. More than 1,000 additional units are planned or under construction. In addition, Sterling manages nearly 5,500 units at more than 20 resorts and is a part owner in Bay Point Resort and Kelly Plantation, both in northeast Florida. Their other Panama

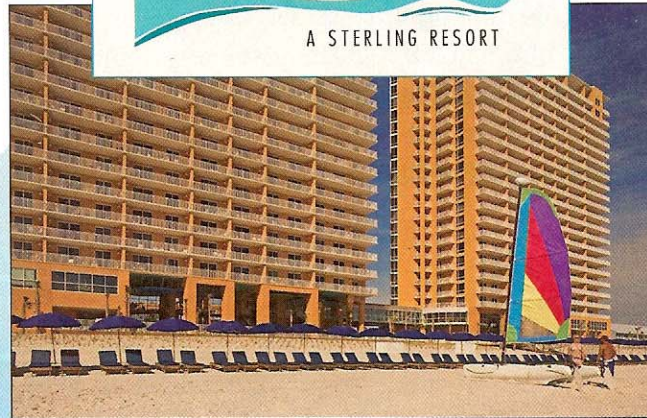
City Beach properties include Sterling Beach, Sterling Breeze (opening soon), Reflections at Bay Point, Grand Panama, Shores of Panama and Sterling Reef.

Sterling's mission is simple – “to provide the highest-quality vacation experience on the Gulf Coast.” According to the Sterling Companies' President/CEO **Garrett McNeil**,

“We wanted to build a destination geared toward families when we started planning Splash and to find out what motivated visitors in their travel choices. Even [with] the prevailing market conditions, Splash closed on all 272 units it offers and has had ‘off the charts’ rental demand since its opening. Ultimately, we see the opportunity to build Splashes in other markets.”

“Splash is so unique that it is easy to market. After our grand opening word of mouth spread so quickly,” said **Jayna Leach**, director of marketing. “I was able to work closely with travel journalists because we have a great showcase of amenities. Families feel that they can stay here longer because once here you really don't have to leave. It has been great seeing such high occupancy rates since we opened.”

The weekly rentals at Splash make up more than 50 percent of the total rentals. Since opening, this



A view of the two twin towers (272 condominiums) of the Panama City Beach Resort simply known as “Splash.”



Splash has maintained an above 80 percent occupancy rate (when counting the 10 percent of the units where the owners live in them). "Pool amenities are something that families always check out before they make their travel plans. This has become a number one indicator because the water attractions entertain the entire family all the time they are at their vacation destination. In addition, our pricing has been very affordable. As a part of being a Sterling guest, you receive discounts at the exclusive Sterling Club at Bay Point (featuring northwest Florida's only Nicklaus-designed golf course, new Serenity Spa, tennis, dining and water sports marina) that is only a 30 minute drive."

As to the future, Jayna said, "The future of Splash and of Panama City looks bright. We have another property called Sterling Breeze that is opening in March. The future is great for the waterpark industry because this is an activity that people really enjoy on their vacation. And we will all keep working hard to reach even higher occupancy rates!"

What makes Splash different? "Splash is very different from other resort properties," said Murphy, the general manager. "We are not just another tower on the beach with a pool. You can see the magnificent, 'Splash' icons at the top of each tower that state we are all about families with kids. The five waterpark features include 'Splash Zone,' a zero entrance to 1-foot-deep interactive play structure underneath one of the towers with water toys, four



An view of the interior of one of the 272 condominiums. The units range in size from 891 to 1,794 square feet and have one, two or three bedrooms. The condominiums include a full kitchen, washer, dryer, ceramic tile floors, floor-to-ceiling windows, king-size bed, refrigerator with icemaker, cable TV, VCR and a large private balcony with sweeping views of the Gulf of Mexico.

slides, a big 150-gallon splash bucket, which is a big deal for the kids, water geysers and a rain tree. Under the second tower is the lazy river ride." The occupancy rates during spring and summer (March-September) have been above 80 percent and we are drawing strongly from the Atlanta and Birmingham markets as well as Destin and places that have much larger waterparks. Even though we expected to be slower November-February, what has surprised me is that



"Splash Zone" is one of the resort's five water attractions. The attraction includes a zero entry to 1-foot-deep aqua play structure with 150-gallon dumping bucket, four water slides, spray toys, geysers and a rain tree in the signature "splat" shape.

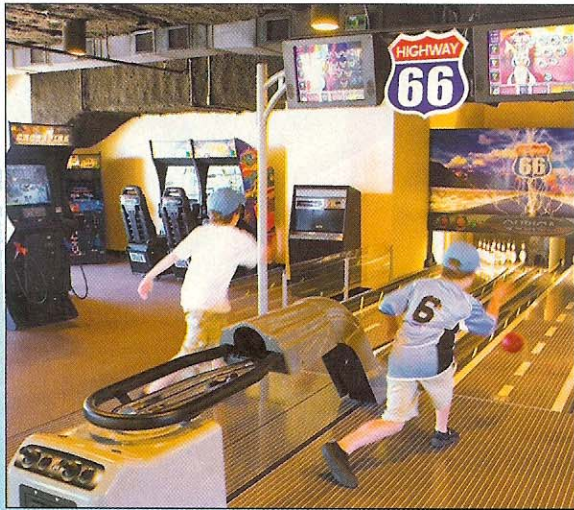
a majority of our rentals are for a full week rather than just a long weekend or weekend stay. Each unit is individually owned but only 10 percent of the owners live here. The other 90 percent of the one, two or three bedroom condos are rented out. Our rates range from \$250-\$350 per night to \$1200-\$1600 per week.

Can you list the special amenities? Murphy also reported that, "Almost all of the amenities are free to resort guests. That is with the exception of food/beverage, arcade games, and the beach rental jet skis, paddleboats and parasail ride. Other free amenities include our popular 'Dive-In Theater' where we show popular G-rated movies on weekends and provide inner tubes for free, a fitness center, unlimited DVD rentals, Gilchrist & Soames bath products, and Wolfgang Puck's first-morning breakfast. And



there is also Tami the Turtle and Freddy the Frog, our two very popular mascots!"

Have investors made money on the condominiums they purchased? "With our exceptionally high occupancy rates that answer would be 'yes.' The prices of the condos has stayed the same this past year and that is remarkable in the present Florida housing market and even the national housing market. Our new airport is scheduled to open in 2010 that will expand our guest market. Sterling's next resort, Sterling Breeze, is located two minutes from here. It will consist of luxury rentals that are more 'upscale' but kids are welcome."



Two of the guests are out of the water and enjoying playing "Highway 66," a very popular mini-bowling game.

List of "Splash" Attractions and Amenities

- Lazy River.
- Two unique pool environments.
- "Splash Zone" Aqua Play Structure with dumping bucket, water slides and spray toys.
- "Dive in" movie theater.
- 400 feet of sugar-white sand beach on the emerald green waters of the Gulf of Mexico.
- Poolside bar and grill.
- Fitness facility.
- Alvin's Island Surf Shop.
- Mini-Bowling and games.
- Onsite rental management staff.
- Exclusive access to the Sterling Club at Bay Point's golf, tennis, spa, dining and water sports marina.
- Beach services and kids' programs including rental of jet skis, paddle boats and parasail.

It appears that Sterling Resorts has found a magic formula to combine a waterpark with a resort and keep the investors, the banks and the guests happy. That is winning in my book. Thanks to Jayna for providing the excellent pictures and interview, Gene Murphy for his interview, and Gail Jernigan for making it all happen and providing all of the background information. ☺

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Frank Seninsky is president of the Alpha-Omega Group of companies, which includes a consulting agency, Amusement Entertainment Management, LLC (AEM) and a nationwide revenue sharing equipment provider, Alpha-BET Entertainment; all are headquartered in East Brunswick, New Jersey. During his 38 years in the leisure entertainment industry, Seninsky has presented nearly 300 seminars and penned more than 1200 articles. He has served as president of the Amusement and Music Operators Association (AMOA) and is a past president of the International Association for the Leisure & Entertainment Industry (IALEI).

Alpha-Omega President Frank Seninsky possesses extensive business and engineering credentials. He worked toward an MBA degree at Newark College of Engineering, now New Jersey Institute of Technology, and completed a multi-year Executive Development Program under the aegis of Notre Dame University's School of Business (1986-1990). He graduated Summa Cum Laude from Stevens Institute of Technology with a B.E. in Engineering & Computers in 1971.

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