



Casa Ybel Resort
2255 West Gulf Drive
Sanibel, FL 33957

AM14/000000

March 19, 2010

Dear Casa Ybel IJK Owner,

It is my privilege to invite you to the Annual Owners Meeting for Casa Ybel Beach & Racquet Club, Phase IJK Condominium Association, Inc. This year's Annual Owners Meeting will take place at 1:30 p.m. on Tuesday, April 20, 2010 at the Thistle Lodge, Casa Ybel Resort, Sanibel Island, Florida. To prepare you for this important gathering, enclosed is information about the following topics:

- Election of Candidate for Board of Directors
- Waiving of 2010 Statutory Reserves
- Ballot/Proxy Instructions
- Notice and Agenda for 2010 Annual Owners Meeting
- List of Candidates for Board of Directors
- Ballot/Proxy and Return Envelope

A quorum must be established to conduct business at the Annual Owners Meeting, so please complete and return your enclosed Ballot/Proxy promptly, regardless of whether you plan to attend the meeting.

Election of Candidate for Board of Directors

At this year's Annual Owners Meeting, one Board Member will be elected from the list of candidates presented in this mailing. Your Board of Directors and Hilton Grand Vacations thank each of the Owners who expressed a desire to serve on the Board. Your interest in the Association is vital.

As we prepare to elect board members, we extend our deepest gratitude to Ron Miller – President, Terry Williams – Vice President and Janette Reid – Secretary/Treasurer for their service on the Board. Their hard work and dedication to the best interests of Casa Ybel IJK Association are greatly valued.

Waiving of 2010 Statutory Reserves

Under Florida law, condominium associations are required to “fully fund” reserves for capital improvements and maintenance at statutory levels. The State also permits the waiver or reduction of this statutory requirement with an affirmative vote by the majority of Owners voting at the Annual Owners Meeting, either in person or by Proxy.

Your 2010 budget and related maintenance fee bill included an allocation deemed sufficient by your Board of Directors to fund reserves for your property, based on long-range cash flow projections. However, the allocation is \$63.63 per unit week less than the statutory requirement.

Your Board of Directors recommends that you vote FOR waiver of the statutory reserve requirement on the enclosed Ballot/Proxy. The State of Florida may require an additional reserve assessment unless a majority of the votes cast vote in favor of waiver or reduction.

Ballot/Proxy Instructions

We encourage all Owners to attend the Annual Owners Meeting. For those Owners unable to attend the meeting in person, you may submit a ballot/proxy. Your proxy allows you to appoint another person to vote on your behalf for such business other than the election of a director and statutory funding of reserves in the event you are unable to attend the meeting. You may appoint the secretary of the association (or if the secretary is unable to attend, any person the secretary designates), or you may appoint any other person who will be in attendance at the meeting as your proxy. If you appoint a proxy and later decide you will be able to attend the meeting in person, you may withdraw your proxy when you register at the meeting.

We are pleased to offer two options for submitting your proxy and casting your vote: (1) by mail using the enclosed return envelope or (2) online. To submit your Ballot/proxy and vote online, please log on to using PIN: and following the instructions.

Please read and review the ballot/proxy carefully. Your vote is important. If you are unable to attend the meeting, please submit your ballot/proxy via mail or online by noon on April 19, 2010 to ensure that you are represented at the meeting. If you choose to submit your ballot/proxy by mail, remember that in the case of multiple ownership, all Owners must sign the proxy to make it valid. When the ballot/proxy form is completed, please return it in the enclosed envelope.

2010 Resort Operating Highlights

To access information about your association, including minutes from the 2009 Annual Owners Meeting, board meeting minutes, condominium documents, financial, pre-arrival and board contact information, please visit your association's official website at www.casaybelresort.com. Click on the "Owners" link (the password is "paradise"). Or, visit the "News" page at www.hgvc.com/casaybelresort. Please feel free to contact me with any questions or feedback at 239-395-1876.

The staff and I look forward to another great year in 2010 and to making your vacation experiences memorable.

Sincerely,



Chris Cain
Interval Manager

Enclosures: Notice of Annual Meeting and Agenda with Candidates for Board of Directors on the back
Ballot/proxy with Voting Certificate on back
Return envelope

**NOTICE OF ANNUAL OWNERS MEETING
CASA YBEL BEACH & RACQUET CLUB PHASE IJK
CONDOMINIUM ASSOCIATION, INC.**

Tuesday, April 20, 2010, 1:30 p.m.

**Thistle Lodge, Casa Ybel Resort
2255 West Gulf Drive, Sanibel Island, Florida**

AGENDA

Call to Order

Roll Call

Call for Outstanding Proxies

Approval of 2009 Special and Annual Meeting Minutes

Old and Unfinished Business

New Business

- Manager's Report
- Board of Directors' Report
- Financial Report
- Insurance Report
- Resales Update
- Ratification of 2010 Budget

General Discussion

Teller's Report

- Statutory Funding of Reserves
- Election of Director

Adjournment

2010 Board of Directors Candidates are on the reverse side

**CASA YBEL BEACH & RACQUET CLUB, PHASE IJK
2010 BOARD OF DIRECTORS CANDIDATES**

NAME: Mr. Eric Begun

HOME: Cherry Hill, New Jersey

UNIT/WEEK(S): 166J, weeks 18 and 19

COMMENTS: I am a senior business attorney and chief counsel at a \$4+ billion global manufacturing company formerly owned by DuPont. Prior to this, I was a partner at a 500+ attorney law firm. As a business attorney for 18 years, I have counseled clients on countless matters involving general business issues, legal and regulatory concerns, tax and finance issues, real estate contracts and issues, and labor and employment contracts, among others. I also am an adjunct professor at Rutgers University Law School and am a certified public accountant. I have served in several board/committee roles, including chairman of a university alumni chapter, member of a private school strategic planning committee, and chairman of a regional economic development committee. I would welcome the opportunity to serve the Casa Ybel IJK Owners and the Phase IJK Condominium Association as a member of the board of Directors for Phase IJK.

NAME: Dr. Larry P. Griffin

HOME: Louisville, Kentucky

UNIT/WEEK(S): 163J, weeks 21 and 22 and two weeks in Casa Ybel FGH

COMMENTS: Own/manage medical practice of Obstetrics and Gynecology. Director of American College of Obstetricians and Gynecologists. PIE Medical Insurance Company; Physician Practice Management Services. Chair of the Department of OB-GYN at St. Vincent Hospital and Health Care Center.

NAME: Mr. Terry C. Williams

HOME: Orange City, Florida

UNIT/WEEK(S): 157I, weeks 26 and 27; 163J, weeks 26 and 27; 171K, week 41 and one week at Sanibel Cottages

COMMENTS: I have been serving on Casa Ybel IJK Board Directors for seven years, three years during hurricanes, would like to see the improvements continue. engaged in residential property development management, own several businesses including commercial flooring office building management. I am bank director, a Rotarian and currently President of my homeowners association.

**CASA YBEL BEACH & RACQUET CLUB, PHASE IJK CONDOMINIUM ASSOCIATION, INC.
LIMITED PROXY/BALLOT**

2010 ANNUAL MEETING
Tuesday, April 20, 2010, 1:30 p.m.
Thistle Lodge, Casa Ybel Resort
2255 West Gulf Drive
Sanibel Island, Florida

Lead ID#:
Contract Number:

**Save a stamp - vote online. Log on to
using PIN:
and follow the instructions!**

EXECUTION OF PROXY (REQUIRED)

This proxy is revocable by the Owner(s) and is valid only for the meeting for which it is given and any lawful adjournment. In no event is the proxy valid for more than ninety (90) days from the date of the original meeting for which it is given.

_____ Signature of Owner	_____ Date	_____ Signature of Owner	_____ Date
_____ Signature of Owner	_____ Date	_____ Signature of Owner	_____ Date

Note: All parties listed on this proxy or voting owner authorized under the voting certificate section below must sign and date to be valid.

LIMITED AUTHORITY (OPTIONAL)

WAIVER OF STATUTORY RESERVES. In the 2010 budget, the reserve funding allocation is \$63.63 per unit week less than the statutory funding requirement. **WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.**

Your Board of Directors recommends that you vote "Yes" on this issue.

- Yes, I approve waiving of the statutory funding of the reserves.
- No, I do not approve waiving of the statutory funding of the reserves.

ELECTION OF DIRECTOR (OPTIONAL)

Please vote for one (1) candidate from the list below. Upon return of your ballot/proxy, your vote will be multiplied by the number of weeks you own.

I/we hereby cast my/our vote as follows:

- _____ Mr. Eric Begun
- _____ Dr. Larry P. Griffin
- _____ Mr. Terry C. Williams

APPOINT ALTERNATE PROXY (OPTIONAL)

Signing the Execution of Proxy above appoints the secretary of the association, or any Board Member in attendance that the secretary so designates in their absence, as your attorney-in-fact and proxyholder and directs them to cast your vote for such business and in accordance with any votes as indicated herein or as may come before the meeting or any adjournment thereof.

You may choose to appoint another person instead of the secretary of the association as your proxyholder. If you choose to appoint an alternate proxyholder, please indicate on the line below.

(print name of alternate proxyholder)

VOTING CERTIFICATE

1. If your Unit Week is **OWNED BY ONLY ONE PERSON, PLEASE DISREGARD THIS SECTION.**
2. If your Unit Week is **OWNED BY MORE THAN ONE PERSON**, the owners must designate one of them as the Voting Member. This section should be filled out and signed by all of the owners of the Unit Week and returned to the Association prior to the meeting.
3. If a Unit Week is **OWNED JOINTLY BY A HUSBAND AND WIFE**, the following three provisions are applicable:
 - (a) They may, but shall not be required to, designate a Voting Member.
 - (b) If they do not designate a Voting Member and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.
 - (c) Where they do not designate a Voting Member, and only one is present at a meeting, the person present may cast the Unit Week's vote, just as though he or she owned the Unit Week individually, and without establishing the concurrence of the absent person.
4. If a Unit Week is **OWNED BY A CORPORATION, LIMITED LIABILITY COMPANY, TRUST, PARTNERSHIP OR OTHER LEGAL ENTITY**, the officer, managing member, general partner, trustee or other authorized representative thereof entitled to cast the vote must be designated and this section signed by such entities authorized representative. This is to certify that the undersigned, constituting all of the record owners of of Casa Ybel Beach & Racquet Club, Phase IJK Condominium Association, Inc., have designated

(Please Print Name of Voting Member):

as their representative of the above referenced timeshare interest to cast all votes and to express all approvals that such owner may be entitled to cast or express at all meetings of the membership of the Association and for all other purposes provided by the Declaration of Condominium, Articles, By-Laws and other charter documents of the Casa Ybel Beach & Racquet Club, Phase IJK Condominium Association, Inc. This voting certificate is made pursuant to Article VII of the Declaration of Condominium and Article II, Section 5, of the By-Laws, and shall revoke all prior voting certificates. It shall be valid until revoked or suspended by a subsequent voting certificate or other written instrument.

Signature

Name

Title

Owner Name:
Lead Number#:
Contract Number:

CASA YBEL BEACH & RACQUET CLUB, PHASE IJK
SPECIAL OWNERS MEETING
April 27, 2009

The meeting was called to order at 1:30 p.m. by President Ron Miller upstairs in the Thistle Lodge at Casa Ybel Resort, Sanibel Island, Florida. All Board members were in attendance: Ron Miller, Janette Reid and Terry Williams. Attending from Hilton Grand Vacations Company (HGVC) were: Chris Cain – Interval Manager, Astra Kruger – Assistant to the Interval Manager, E. J. Nees – Director of Resort Operations, Sanibel/Captiva, Mary Lou Farrell – Vacation Counselor and Cindy Glasenapp – Administrative Assistant and acting Recording Secretary for this meeting. In attendance from Casa Ybel Hospitality were Froilan (JR) Ramirez – General Manager and Amy Speckman – Director of Resort Operations.

Mr. Miller welcomed the owners to the meeting and introduced the Board of Directors and management staff. A sign-in sheet was circulated for all owners present to sign in lieu of a roll call. There was a call for outstanding proxies. A quorum was established.

Mr. Miller noted that the purpose of this meeting was to approve amendments to the Articles of Incorporation and the By-Laws to establish a staggered, two-year term for Directors. Florida statutes changed and made Board terms one year unless the By-laws called for a staggered two-year term and the By-laws were ratified by a majority of all owners

TELLERS REPORT – At this time, it has been determined that a sufficient number of votes necessary to approve the proposed amendments to the Articles of Incorporation and By-Laws had not been received. We are short only by only a few votes. ***MOTION was made and seconded that the Special Meeting be adjourned and reconvened at 11:00 a.m. on Friday, May 29, 2009 for the purpose of obtaining more votes. It was further moved that the votes present be recorded and counted at the reconvened portion of the meeting on May 29, 2009.*** All voted in favor. **Motion carried unanimously.**

At 1:40 p.m., the meeting adjourned to 11:00 a.m. on Friday, May 29, 2009 at The Thistle Lodge, Casa Ybel Resort, Sanibel Island, Florida. The meeting reconvened at 11:00 a.m. on May 29, 2009.

TELLER'S REPORT: There were 487 unit weeks represented, both in person and by proxy, out of a possible 900 unit weeks, which represented 54% owner response.

AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BY-LAWS: There were 461 votes to approve the proposed amendments to the Articles of Incorporation and the By-laws and 15 votes against. Approval requires a majority vote - 459 votes, therefore, a staggered, two-year term has been established as of this meeting, unless the law changes to allow a three-year term.

Meeting adjourned at 11:02 a.m.

**CASA YBEL BEACH & RACQUET CLUB, PHASE IJK
ANNUAL MEETING
April 27, 2009**

The meeting was called to order at 1:45 p.m. by President Ron Miller upstairs in the Thistle Lodge at Casa Ybel Resort, Sanibel Island, Florida. All Board members were in attendance: Ron Miller, Janette Reid and Terry Williams. Attending from Hilton Grand Vacations Company (HGVC) were: Chris Cain – Interval Manager, Astra Kruger – Assistant to the Interval Manager, E. J. Nees – Director of Resort Operations, Sanibel/Captiva, Mary Lou Farrell – Vacation Counselor and Cindy Glasenapp – Administrative Assistant and acting Recording Secretary for this meeting. Also in attendance from Casa Ybel Hospitality were Froilan (JR) Ramirez – General Manager of Casa Ybel Resort and Amy Speckman – Director of Resort Operations.

Mr. Miller welcomed the owners to the meeting and introduced the Board of Directors and management staff. A sign-in sheet was circulated for all owners present to sign in lieu of a roll call. There was a call for outstanding proxies. A quorum was established.

APPROVAL – PREVIOUS MINUTES – The minutes of the 2008 Annual Meeting were sent to all owners in the newsletter during 2008 and were also included in the agenda packet distributed at the meeting. ***MOTION was made and seconded to approve the minutes of the 2008 Annual Meeting as presented.*** All voted in favor. **Motion carried.**

MANAGER’S REPORT – Chris Cain

Chris thanked the owners for coming to the meeting. He reported that projects completed since the last annual meeting include installing new handrails on the front and back of the buildings, replacing rotted wood, painting the exteriors of the buildings, new exterior lighting and signage, new gulf-side stairway decking and a new beach boardwalk. Inside the units, sliding glass doors and windows have been replaced. All the windows and doors are now hurricane rated.

The Association participated in two resort-wide projects during the past year. The first was repaving the parking areas and driveways, installing new curbing and brick pavers in the entrance and at the registration office. The second project was adding wireless Internet access to the resort.

Chris thanked JR and Amy and the resort’s team, indicating that they have a great staff in place. He also thanked his staff, Astra Kruger and Janet Parks, Mary Lou Farrell and Rita Slaughter in the sales office, and HGVC’s regional staff for their efforts over the past year. Chris thanked the Board for being very proactive and supportive.

An owner stated that the grounds look lovely; everything looks splendid!

BOARD OF DIRECTORS REPORT – Ron Miller

Mr. Miller stated that our buildings are as close to being brand new as they can be. This year we’ll be painting the units on the inside, replacing the stained patio coating with tile, and putting new TVs in the living rooms and master bedrooms. In addition, due to numerous complaints on the sofas, they’ll be replaced as quickly as can be done. Mr. Williams added that the Board plans to replace the sofa with a three-cushion sofa, maintaining the basic color scheme by using the same fabric. Mary Lou suggested getting the longest sofa possible and to consider getting another chair in there. Mr. Miller noted that the Board will be looking into that.

Mr. Miller thanked Chris and management for their support.

An owner asked if there were plans to enhance the landscaping around the retention pond at the front of the resort. JR Ramirez, General Manager of the Resort, explained that they've planted the area with ferns and mahoe trees, but it will take a few years to mature and get that lush look we had prior to the hurricane. The retention pond water level is very low which makes that area look a little barren at this time.

Mr. Williams related that the Board toured our property and he was very impressed with the workmanship on the walkway out to the beach. It looks great, and the outside of the buildings look great. The Board has also asked that the eastern end of our property be cleaned out and spruced up.

Mr. Williams thanked Mr. Miller for his service as President.

FINANCIAL REPORT – E. J. Nees

In accordance with Florida statutes, an audit of the 2008 financial statements was conducted. The Board of Directors engaged the firm of Myers, Brettholtz & Company, P.A., an independent certified public accounting firm in Fort Myers, to prepare the audit. The Board met with John Lopez, a partner in the firm, this morning to review the audit. A clean opinion was issued. An audit is not mailed to each owner due to mailing costs, but will be available within a few weeks upon request to the Interval Manager.

In 2008, total Operating revenues were \$511,900; total Operating expenses were \$572,272 resulting in a deficiency of revenues over expenses of (60,372). The Board budgeted a deficiency of \$63,000 (\$70/unit week) to return surplus funds to the owners. The beginning Operating Fund balance on January 1, 2008 was \$64,641, and at December 31, 2008 was \$4,269.

Reserve funds at December 31, 2008 were: \$5,101 – Interior; \$18,367 – Roof; \$35,179 – Painting; \$1,143 – Paving; and \$57,155 – Capital Improvements, for a total of \$117,945.

INSURANCE REPORT – E. J. Nees

The Hilton Grand Vacations Company master property insurance program, which renewed June 1, 2008, provides coverage for the Association. The program is a layered structure comprised of multiple insurance carriers with a \$150,000,000 limit, per occurrence and in annual aggregate. This limit provides full replacement value coverage. Evidence of Property Insurance was included in the agenda packet distributed at this meeting. Generally, the program insures against perils resulting in direct physical loss or damage to the real and/or personal property at the resort for "All Risks" including flood, earthquake, and named windstorm. In addition, the policy extends coverage for landscaping, debris removal, code upgrades and for reimbursement of maintenance fees and taxes for an insurable loss with certain qualifications. Deductibles under the policy are determined for any one occurrence of an insurable event and vary depending on the type of peril experienced at the resort property. Again, generally all insurable losses will have a \$25,000 deductible, with the exception of named windstorm, earthquake, and flood. Earthquake and flood deductibles are 2% and 5% respectively of the values. Named windstorm deductibles are 5% of the value at the time of loss. Your association also has a deductible buy down feature for named windstorm losses which reduces the deductible to \$100,000. This deductible is shared among Casa Ybel FGH, Casa Ybel IJK and Sanibel Cottages based on their percentage of damage. In addition to property coverage, Hilton maintains for each Association insurance policies for general liability, terrorism and Directors & Officers coverage. Limits and deductibles are stated in the Certificate of Insurance included in the agenda packet distributed at this meeting.

RESALES REPORT – Mary Lou Farrell

In 2008, 26 IJK weeks were sold through Grand Vacations Realty for a total sales volume of \$383,750. The average sales price was \$14,760. Year-to-date 2009, 14 IJK weeks have been sold through Grand Vacations Realty for a volume of \$405,750, an average sales price of \$28,982. The listing price range is \$7,000 - \$42,000. If you're interested in buying more weeks or selling your weeks, see Mary Lou or Rita. Also, consider the HGVCclub if you're interested in exchanging your week.

2009 BUDGET – A copy of the 2009 budget was sent to each owner with their maintenance fee statement. A copy was also included in the agenda packet distributed at the meeting. ***MOTION was made and seconded to ratify the 2009 Budget as presented by the Board of Directors.*** All voted in favor. **Motion carried.**

GENERAL DISCUSSION:

An owner asked who is responsible for marketing the resort as a whole. Mr. Ramirez replied that Casa Ybel Hospitality does the general marketing of the resort and for rentals. HGVC markets for sales. The resort's plans to maximize Casa Ybel on the summer market will target Florida residents with a certain household income, promoting "staycations", and partnering with the local Visitor and Convention Bureau.

Mr. Miller advised that all of the boards on the resort have an annual meeting with the resort's management to put together a unified strategic plan about the direction of the resort.

TELLER'S REPORT – Astra Kruger

There were 462 unit weeks represented, both in person and by proxy, out of a possible 900 unit weeks, which represented 51% owner response.

WAIVER OF STATUTORY FUNDING OF RESERVES: There were 426 votes to waive statutory funding of reserves and 28 votes against waiving statutory funding. Statutory funding requirements were waived, therefore the reserve funding will remain at the level approved in the 2009 budget.

ELECTION: There were three candidates seeking election to fill the one seat available on the Board of Directors. The candidate receiving the highest number of votes was Ron Miller. The current Board of Directors is: Ron Miller, Janette Reid and Terry Williams. Astra congratulated Mr. Miller on his re-election and thanked the owners on their participation in the election and the meeting.

There being no further business, ***MOTION was made and seconded to adjourn.*** All voted in favor. **Motion carried. Meeting adjourned at 2:05 p.m.**