



February 15, 2011

Dear Tortuga Beach Club Owner,

It is my privilege to invite you to the Annual Owners Meeting for Tortuga Beach Club Condominium Association, Inc. This year's Annual Meeting will take place at 2:00 p.m. on Thursday, March 17, 2011 at Tortuga Beach Club. To prepare you for this important gathering, enclosed is information about the following topics:

- Ballot/Proxy Instructions
- Election of Candidates for Board of Directors
- Proposed Amendment to the condominium documents regarding Non-Judicial Foreclosure
- Waiving of 2011 Statutory Reserves

#### **Ballot/Proxy Instructions**

***A quorum must be established to conduct business at the Annual Owners Meeting.*** 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 election of directors, amending the condominium documents, and statutory funding of reserves) in the event you are unable to attend the meeting. You may appoint the Secretary of the Association (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.

Your vote is important. ***Regardless of whether you plan to attend the meeting,*** please submit your ballot/proxy to ensure that you are represented 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. **Save a stamp – vote online. To submit your ballot/proxy and vote online, follow the instructions on the ballot/proxy.** If voting online, make sure to do so by noon on March 16, 2011. 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.

#### **Election of Candidates for Board of Directors**

At this year's Annual Owners Meeting, three Board Members 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 Bonnie Dehn – President, Jim Burner – Vice President, Bob Buechel – Secretary/Treasurer and Directors John Hanson and Beryl Munson for their service on the Board. Their hard work and dedication to the best interests of Tortuga Beach Club are greatly valued.

#### **Proposed Amendment regarding Non-judicial Foreclosure**

Florida Statute 721.855 (Procedure for the trustee foreclosure of assessment liens) was passed in 2010. This statute allows for non-judicial foreclosure of timeshare units, which negates the need to involve a court in related legal proceedings and ultimately simplifies the foreclosure process while decreasing overall expense. In order for the Association to adopt this statute as part of its operations, ***your Board of Directors recommends a YES vote that the Association's condominium documents be amended to specifically provide for the use of the trustee foreclosure procedure.***

#### **Waiving of 2011 Statutory Reserves**

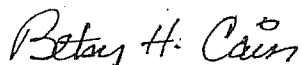
Under Florida law, condominium associations are required to “fully fund” reserves for capital improvements and maintenance at statutory levels. The State also permits the waiver or reduction of this statutory requirement with an affirmative vote by the majority of Owners voting at the Annual Owners Meeting, either in person or by proxy. Your 2011 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 \$105.22 per unit week less than the statutory requirement. ***Your Board of Directors recommends a YES vote to waive the statutory reserve funding requirement on the enclosed ballot/proxy.*** Without a majority vote for waiver, the State of Florida may require an additional reserve assessment of \$105.22 per unit week.

#### **2011 Resort Operating Highlights**

To access information about your association please visit the “News” page of your resort's website at [www.hgvc.com/tortugabeachclub](http://www.hgvc.com/tortugabeachclub). Please also feel free to contact me with any questions or feedback at 239-472-0400.

The staff and I look forward to another terrific year and to making your vacation experiences memorable.

Sincerely,



Betsy H. Cain  
Tortuga Beach Club Resort Manager

Enclosures: Notice and Agenda for 2011 Annual Owners Meeting  
Candidates for Board of Directors  
Proposed Amendment to Declaration of Condominium  
Ballot/Proxy and Return Envelope

**NOTICE OF ANNUAL OWNERS MEETING  
TORTUGA BEACH CLUB  
CONDOMINIUM ASSOCIATION, INC.**

**Thursday, March 17, 2011, 2:00 p.m.**

**Clubhouse, Tortuga Beach Club  
959 East Gulf Drive, Sanibel Island, Florida**

**AGENDA**

**Call to Order**

**Roll Call**

**Call for Outstanding Proxies**

**Approval of 2010 Annual Meeting Minutes**

**Old and Unfinished Business**

**New Business**

- Manager's Report
- Board of Directors' Report
- Financial Report
- Insurance Report
- Resales Update
- Rental Update
- Ratification of 2011 Budget

**General Discussion**

**Teller's Report**

- Proposed Amendment to Declaration of Condominium
- Statutory Funding of Reserves
- Election of Directors

**Adjournment**

**TORTUGA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.  
2011 BOARD OF DIRECTORS CANDIDATES**

**NAME:** Mr. James B. Burner

**HOME:** Naperville, Illinois

**UNIT/WEEK:** Unit 108, week 14; Unit 143, weeks 10 – 14; Unit 150, weeks 4-14

**COMMENTS:** I have served as Secretary/Treasurer, President and am currently Vice President of Tortuga's Board. I successfully negotiated three contracts with The Dunes Golf and Tennis Club. I earned an M.B.A. in Finance from Dartmouth College. Prior to my retirement from a major utility, I was the officer responsible for a 40-site facilities management operation. I am especially concerned that Tortuga is maintained as a premier resort, considering that it is over 25 years old.

**NAME:** Mrs. Bonnie Dehn

**HOME:** Andover, Minnesota

**UNIT/WEEK:** Unit 156, weeks 1 - 4; Unit 119, week 3; Unit 121, week 43

**COMMENTS:** We own an herb and specialty crop farm in Minnesota. As a small business owner, I know how to budget. As an employer I have compromised. As an owner at Tortuga Beach Club I recognize the desire to keep our resort in tip top shape, all the while not spending frivolously. I would like to continue serving the owners of Tortuga Beach Club because I believe our resort is the BEST and the most charming and would like to keep it that way. Boards served: MFVGA-VP, CMVGA – Pres., Andover P&Z, Andover City Council and Homegrown Initiative Task Force (Mayor Rybeck's office – City of MPLS, MN) plus many more.

**NAME:** Mr. Hans DeVaughn

**HOME:** Sanford, Florida

**UNIT/WEEK:** Unit 131, week 4; Unit 115, week 23; Unit 152, weeks 39 & 40 as well as additional weeks on Sanibel and Captiva and other oceanfront resorts.

**COMMENTS:** I am a retired engineer. I am currently serving on the board of directors at 2 HGVC-managed island resorts and at a self-managed resort on the east coast of Florida. I feel that the knowledge and experience that I have gained from owning and actively participating at a variety of different resorts will be a real asset to this association. Some of my major accomplishments at other resorts include initiating and volunteering my services to install and support resort-wide Internet access, cost reducing phone and Internet service by almost \$400 per month, and inspecting and preparing punch-list items during different phases of Hurricane Charley reconstruction. I am interested in working with management to maintain the beauty and charm of the resort while, at the same time, controlling maintenance fees.

**NAME:** Mr. Jay K. Ganatra

**HOME:** West Bloomfield, Michigan

**UNIT/WEEK:** Unit 144, week 51; Unit 152, week 52

**COMMENTS:** I am an ex-GM domestic & international executive and manage international businesses in Japan, Korea, Congo, Russia and India. I am past President of the Detroit Rotary, board member and Treasurer of World Medical Relief, and board member and CEO of several international organizations. Presently I am CEO International Consultant.

**NAME:** Mr. John Hanson

**HOME:** Apple Valley, Minnesota

**UNIT/WEEK:** Unit 125, weeks 10, 11, 12, 13, 44

**COMMENTS:** I am currently a member of Tortuga's Board of Directors and previously served as President. Prior to retirement, I served as a Vice President of an energy company with responsibility for Human Resources and Facilities Management. I currently serve on two other boards with experience as a board member of several industry and service boards.

**NAME:** Mr. George Kempf

**HOME:** Cincinnati, Ohio

**UNIT/WEEK:** Unit 111, week 21; Unit 127, weeks 41 & 42

**COMMENTS:** I am a retired electrician supervisor from Duke Energy, 36 years. I served 10 years on the K of C Board, ranging from ceremonial team, activities directing, etc. I am a lifetime member of the Boy Scouts of America, and enjoy camping, fishing and hunting with my grandsons. I retired also from nursing home building maintenance.

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**PROPOSED AMENDMENT  
DECLARATION OF CONDOMINIUM  
TORTUGA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.**

Additions indicated by underlining.

Deletions indicated by ~~striking through~~.

**Article XIV, Assessments**

The Association, through its Board of Directors, shall have the power to fix and determine from time to time the sum or sums necessary and adequate to provide for the Common Expenses of the Condominium Property, such other Assessments as are specifically provided for in this Declaration and Exhibits attached hereto and the maintenance fee. The procedure for the determination of all such assessments and the maintenance fee shall be as set forth in the By-Laws of the Association and this Declaration, and the Exhibits attached hereto.

The common expenses shall be assessed against each Condominium Parcel Owner as provided for in Article VIII, of this Declaration.

Assessments, installments, maintenance fees and holdover charges as defined in Article XVI, E, that are unpaid for over ten (10) days after due date shall bear interest at the maximum rate permitted by law, from due date until paid, and at the sole discretion of the Board of Directors, a late charge of \$25.00, or such amount as is specified in the Rules and Regulations adopted by the Board of Directors, shall be due and payable. Regular assessments shall be due and payable monthly on the first of each month and monthly bills for same shall not be mailed or delivered to Unit Owners. Maintenance fees for Units committed to Interval Ownership shall be due and payable on the first day of January, April, July and October in advance, unless otherwise ordered by the Board of Directors.

The Association shall have a lien on each Condominium Parcel for unpaid assessments, maintenance fees and holdover charges together with interest thereon, against the Unit Owner of such Condominium Parcel, together with a lien on all tangible personal property located within said Unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees incurred by the Association incident to the collection of such assessments, maintenance fees and holdover charges or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the Unit Owner and secured by such lien. The Board of Directors, may take such action as it deems necessary to collect assessments, maintenance fees and holdover charges by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if deemed in its best interests. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. If a timeshare owner fails to make timely payments of timeshare plan common expenses, ad valorem taxes, or special assessments, an assessment lien against the timeshare owner's timeshare interest may be foreclosed in accordance with a judicial foreclosure procedure or a trustee foreclosure procedure, either of which may result in the loss of the timeshare owner's timeshare interest. If the managing entity initiates a trustee foreclosure procedure, the timeshare owner shall have the option to object pursuant to Florida law, and in such event the managing entity may thereafter proceed only by filing a judicial foreclosure action. The Association, shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment, maintenance fee or holdover charges lien, and to apply as a cash credit against its bid, all sums due, as provided herein, covered by the

lien enforced. In case of such foreclosure the Unit Owner shall be required to pay a reasonable rental for the Condominium Parcel for the period of time said Parcel is occupied by the Unit Owner or anyone by, through or under said Unit Owner, and Plaintiff, in such foreclosure, shall be entitled to the appointment of a Receiver to collect same from the Unit Owner and/or Occupant.

In the case of lien against an Owner of Unit Weeks in a Unit committed to Interval Ownership, said lien shall be limited to the Unit Weeks owned by said Owner and shall not encumber the Property, real or personal, of any other Owner of Unit Weeks in said Unit.

Where the Mortgagee of an Institutional First Mortgage of record, or other Purchaser of a Condominium Unit, obtains title to a Condominium Parcel as a result of foreclosure of the Institutional First Mortgage, or when an Institutional First Mortgagee of record accepts a Deed to said Condominium Parcel in lieu of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the shares of common expenses, or assessment by the Association pertaining to such Condominium Parcel, or chargeable to the former Unit Owner of such Parcel, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu of foreclosure, unless the share is secured by a claim of lien for assessments that is recorded prior to the recording of the foreclosed mortgage. Such unpaid share of common expenses, or assessments shall be deemed to be common expenses collectible from all of the Unit Owners, including such acquirer, his successors and assigns.

Any person who acquires an interest in a Unit, except through foreclosure of an Institutional First Mortgage of record, or by virtue of an Institutional First Mortgagee accepting a deed to a Condominium Parcel or Unit Week in lieu of foreclosure, as specifically provided hereinabove including, without limitation, persons acquiring title by operation of law, including Purchasers at judicial sales, shall not be entitled to occupancy of the Unit or enjoyment of the Common Elements until such time as all unpaid assessments, maintenance fees and holdover charges due and owing by the former Unit Owners have been paid. The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments, maintenance fees, or holdover charges to the Developer, or to any Unit Owner or group of Unit Owners, or to any third party.



**ANNUAL WAIVER OF STATUTORY FUNDING OF RESERVES (OPTIONAL)** – In the 2011 budget, the reserve funding allocation is \$105.22 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 statutory funding of the reserves.

**NO,** I do not approve waiving statutory funding of the reserves.

### 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 Unit/week(s) \_\_\_\_\_ of Tortuga Beach Club 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 and By-Laws of the Association. This Certificate is made pursuant to Article VII of the Declaration of Condominium and shall revoke all prior Certificates. This Voting Certificate shall be valid until revoked or suspended by a subsequent Voting Certificate or other written instrument.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Name*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Date*