

PRESIDENT'S MESSAGE

Greetings from Highlands Inn Resort Condominium Association

Greetings and Happy New Year!

First, let me introduce ourselves; my name is Nancy Mulvihill, President, and Susan Clark, Vice President, and we are your owner representatives on the Board of Directors. We are here to help you with any comments, concerns, or ideas, so please always feel free to reach us by our email anytime. When we are on the property at different times of the year, we both attend the owners' meetings and socials, and we look forward to meeting you. We have been on the board as your representatives for a number of years, so it's always a pleasure to see a familiar smile or receive an email. We would like to take this opportunity to say thank you to all of the owners who continue to put their trust in us by re-electing us again for another term. We strive to make Highlands Inn a superior resort that all the owners are proud of. We encourage you to attend the weekly owners' meeting during your next stay.

Over this past year, there have been some great improvements to the property and the units. By now you have hopefully all had a chance to use or visit the fitness

center, located above the Groves area where the sales office was formally located. The sales office has moved to the main lobby and it has had a remodel itself. The spa in the "200s" and "300s" have been replaced with a new updated look. There is constant grooming, tree trimming, and plant upkeep maintaining the property for all to enjoy. Because of the age of the property, there is ongoing work to the exterior of the units as well.

The interiors of the units also have received improvements; the kitchens have had all the large appliances replaced. In addition, there have been upgrades to the bedding, bath linens, pillows for the sofa, and new window treatments. There is a plan to do some upgrades in the bathroom/shower area soon.

We are fortunate to have such a great staff, so diligent in making sure that all the best is taking place at the Highlands Inn and constantly striving to improve and make your stay perfect. J. P., your Resort Manager, facilitates the weekly owners' meeting discussing new and current information with the owners and answering any question the owners have. Once again, we encourage all owners to attend these weekly meetings.

Sincerely,

Nancy Mulvilhill Board of Directors, President nmulvihill@comcast.net Susan Clark
Board of Directors, Vice President
susclark@pacbell.net

CONTACT INFORMATION

120 Highlands Drive Carmel, California 93923 Phone: 831.620.1234 Fax: 831.626.1574

Sales Office Phone: 831.624.2201

GENERAL INFORMATION

Check In: 4:00 pm Check Out: 10:00 am

Property Website: hyattcarmelhighlands.com **Members Clubhouse:** hyattvacationclub.com





Updated 200s Spa

FROM THE RESORT MANAGER

Highlights and Happenings

As we embark on to the year 2012, it is difficult not to reflect back on last year and all of the accomplishments our staff has taken part in. In 2011, there were a number of exciting projects completed



which Nancy Mulvihill has noted in the "President's Message." Many of the year's projects/improvements were focused on the interior of the unit, and a few located in the public spaces of the property. Throughout the year and at our Annual Meeting in October of 2011, we have received overwhelming thanks and excitement for the items completed (especially the internet upgrades!).

As you all know, Highlands Inn is located at one of the most beautiful landscapes in the United States. With the property's rich history and our goal of maintaining to the standards of today, we are constantly working to ensure you are pleased with our product and service. Exceeding your expectations is what we are always driven to, being a replacement of an appliance in your unit, the cleanliness of your unit at check in, or the resolution of a problem if one were to arise.

Communication continues to be a top priority for us as well. Over the next year, you will see at least two of these Destination newsletters from the property, and two Corporate based communications. These are meant to keep you informed of your "home away from home" to make you feel connected. But please, never hesitate to contact me or the property with any questions that you may have. We are here for you and we enjoy hearing from you!

So, Happy New Year to you and enjoy this edition of Highlands Inn Destination. We are proud of our Resort and can't wait to share your time with you on your next visit!

Jonathan P. Doepke Resort Manager jdoepke@hyattvoi.com

SALES AND MARKETING

Greetings

Dear Friends, Happy New Year! I want to thank you all for a great 2011 at Highlands Inn in beautiful, Carmel, CA.



It is a delight seeing you, our owners, come back each year and sometimes multiple times throughout the year. You are the reason that Highlands Inn is such a great place to stay: your pride of ownership for the property and your letting other people know that they should join as well. As a reminder, we have a great referral program that could lead up to \$500 off of your maintenance fee for the year. In Fall of 2011, Hyatt Vacation Club changed its name to the Hyatt Residence Club including ownership, fractional ownership, and interval ownership opportunities.

We also want to remind you of our Tuesday Wine Tasting that has been a huge success. Not only do we have our very own Matt Huffman on the guitar but occasionally our owner George Prozan accompanies him on the piano. Thanks George! Next time you are visiting us, please stop by the lobby and join me for a cup of coffee. We look forward to seeing you again in 2012 in spectacular Carmel!

Giselle Wager Director of Sales and Marketing gwager@hyattvoi.com



New Fitness Center

MONTEREY COUNTY AGRICULTURE

Monterey County is well-known for its abundance of rich farm land and agriculture. Locally there are many large and small farms which are responsible for the growth of crops such as strawberries, leaf lettuce, head lettuce, broccoli, nursery stock, celery, spring mix, spinach, and miscellaneous vegetables. Add to that the many farmers who have turned to growing grapes for wine production and it truly can be said, with pride, "from farm to table" when serving up fresh, delicious foods from the local bounty.

For anyone interested in seeing how some of these farms work, or what they have to offer, there are a few options for touring some local agricultural sites. Our concierge can assist you with directions and reservations.

AG TOURS

Ag Venture Tours & Consulting specializes in wine tasting, sightseeing and agricultural education tours of the Monterey Bay region of California. Wine tasting tours visit either the Monterey Wine Country (Salinas Valley, Carmel Valley) or the Santa Cruz Mountains. Sightseeing tours include the Monterey Peninsula (Monterey, Pacific Grove, Pebble Beach, Carmel) or Big Sur. Agricultural education tours feature the world famous Salinas Valley. Their tours can be customized to your interests, offering both half and full day excursions. Their guides are friendly and knowledgeable with extensive backgrounds in the agriculture and the wine industry.

EARTHBOUND FARM

Earthbound Farm is located in Carmel Valley and started more than 25 years ago with a mission to produce the purest foods possible. A short distance from their 2.5-acre backyard garden and roadside stand where they began, their Farm Stand offers fresh organic produce and organic flowers — organic food, gourmet groceries and unique gifts are also available.

Their Organic Kitchen, which was only the 3rd certified organic kitchen in the US, offers food prepared with certified organic ingredients (the only exceptions being what isn't available organically, such as baking soda and salt) according to strict USDA National Organic Program standards.

Explore the grounds or participate in their Cut-Your-Own Herb Garden, Chamomile Aromatherapy Walking Labyrinth and Kids' Garden. A variety of special events are held during the local growing season.





THE FARM

Owned by a local packing company, The Farm has been farming in the Salinas Valley since the 1930s.

The Farm offers visitors the opportunity to learn about agriculture from those who know it best, the field workers. They have created a place where families, tourists, and others can meet agriculture.

The Farm is a unique agricultural showcase. It consists of an agricultural education center, demonstration farm, produce stand and recreation area. Visitors can learn about real farming and meet professional farmers to find out how vegetables are produced. From planting to harvest, they are excited to share their knowledge about agriculture with the public.

They offer a great variety of fresh fruits, vegetables, and fresh-cut flowers at their produce stand. Much of this produce is grown on the premises and is certified organic. Custom tours are available upon request and are tailored to your interest level. There is a calendar of special events throughout the year.

WINE TASTING

And don't forget the wine tasting opportunities available, particularly in nearby Carmel Valley. Monterey County wines are gaining a solid reputation for being of good quality and many are receiving rates in the 90s. Check with our concierge for information about available wine tasting tours.

LOCATIONS AND INFORMATION:

Ag Venture Tours & Consulting

831-761-8463 / evan@agventuretours.com ноикs: Half day 1–4:30pm, full day 10am–4pm

Earthbound Farms

7250 Carmel Valley Road (just 3.5 miles east of Hwy 1) Carmel, CA / 831-625-6219

HOURS: Farm Stand open year-round Mon.—Sat. 8am—6:30pm, Sun. 9am-6pm

The Farm

For directions visit www.thefarm-salinasvalley.com 831-455-2575

HOURS: Produce Stand: Mon.-Sat. 10am-6pm

THINGS TO DO

PENINSULA EVENTS

With year-round mild weather and an inspirational landscape, the Central Coast's calendar is booked with exciting events 12 months a year. Winter and Spring bring a wide variety of cultural events from fine food and the arts to golf tournaments and marathons.

January

21 Whalefest Monterey Old Fisherman's Wharf, Monterey

Whalefest Monterey will be held at Old Fisherman's Wharf near the Custom House on Saturday, from 9:00 am to 10:00 pm. Whalefest is held during the migration of the gray whales. Free event for all ages. For more information: www.montereywharf.com

February

6-12 AT&T Pebble Beach National Pro-Am

Choppy seas and stormy vistas make February on the Peninsula one of the most dramatic times of year and it brings out one of the most popular golf tournaments. The AT&T Pebble Beach National Pro-Am is a 72-hole, PGA Tour golf championship dating back to the 1930s when Bing Crosby gathered a few friends to raise money for charity and have a little fun. For more information about players and public attendance, visit www.attpbgolf.com.

11 Valentines Passport River Road Wine Trail, Monterey

Celebrate your love with wine tastings and special food pairings from fourteen artisan vintners along Monterey's River Road Wine Trail. Visit www.riverroadwinetrail.com

March

2–4 Dixieland Monterey, Portola Hotel & Spa and Monterey Conference Center

Dixieland Monterey festival is a weekend of traditional jazz and swing. Eight performance stages operate offering big band swing, traditional jazz, Gypsy jazz, and more for the true jazz connoisseur. For more information and tickets call 831-675-0298 or visit dixieland-monterey.com



The AT&T Pro Am Pebble Beach



The American LeMans Monterey at Mazda Raceway Laguna Seca

April

April 12-15 Pebble Beach Food & Wine

Held in various locations in Pebble Beach, this event features over 60 celebrity chefs and 250 wineries at lunches, dinners, cooking demonstrations, and wine tastings. Past featured chefs include notaries like Jacques Pépin, Wolfgang Puck and Charles Trotter. For more information on tickets, venues and events, visit www.pebblebeachfoodandwine.com.

May

11–12 American LeMans Monterey 18–20 Ferrari Racing Days, Mazda Raceway Laguna Seca

The American LeMans Series and Ferrari Racing Days return to Mazda Raceway Laguna Seca in May. The LeMans Series, with its hi-tech sports racing cars, offers non-stop race excitement and the Ferrari Racing Days offers three full days of racing with the Ferrari 458 Challenge along with historic Formula 1 cars and Corse Clienti programs. Tickets are available online at www.mazdaraceway.com

June

22-24 Monterey Bay Blues Festival

Celebrating its 27th year, this world-famous blues festival takes over the Monterey Fairgrounds for a weekend that is packed with music. Proceeds benefit the Monterey Bay Blues Festivals music educational programs. Past performers include James Brown, Little Richard, Buddy Guy, Etta James, Lenny Williams, Jesse James, Teeny Tucker, and many more legendary performers. Call 831-394-2652 or visit www.montereyblues.com

July

7–8 Scottish Games & Celtic Festival Monterey County Toro Park

Now in its 45th year, the award-winning Annual Monterey Scottish Games and Celtic Festival brings the music, dance and athletic events of Scotland and Ireland to Monterey County. Featuring fun activities for the whole family, this event offers a variety of live Celtic entertainment with the thrilling massed pipe bands on parade, and Highland and Irish dancers. For more information visit www.montereyscotgames.com

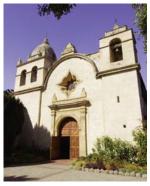
CARMEL AND BEYOND

CARMEL-BY-THE-SEA AND CARMEL MISSION SAN CARLOS BORREMEO DE CARMELO

Carmel is believed to have first been inhabited by the Esselen-speaking Native American people. In 1770, Father Junipero Serra relocated Mission San Carlos Borromeo de Carmelo from the nearby settlement of Monterey to its present site in Carmel because of conflicts between the Monterey Presidio soldiers and native Indians. Fr. Serra oversaw the building of several structures on the Mission site until his death in 1784. Building continued under the guidance of Fr. Lasuén and the stone church that stands today was erected on the site of the original adobe church.

After California became a part of Mexico, the Mexican government closed the Mission. The padres and indians were forced to leave and the Mission fell prey to vandalism and decay. California won its independence from Mexico in 1846 and the Mission was returned to the Catholic Church. Restoration of the Mission began in 1884 and continues to this day with the layout of the buildings much like it was in the 1800s.





Carmel Mission circa 1910 and Carmel Mission after restoration.

THE ARTISTS' COLONY

The village of Carmel was established in 1902 when James Frank Devendorf and Frank Powers, on behalf of the Carmel Development Company, filed a new subdivision map of the core village. The Carmel post office opened in that same year.

In 1905, Carmel began to attract musicians, writers, painters, and poets and encouraged them to settle in by offering home lots for ten dollars down, with little or no interest, and whatever they could afford to pay monthly.

After the 1906 San Francisco earthquake, even more creatives flocked to the area to join the artists' colony. Carmel continues to be a mecca for artists and there is an abundance of art galleries featuring fine art, photography, sculpture and more.



Carmel-by-the-Sea circa 1794

POINT LOBOS STATE RESERVE

Point Lobos, located a short drive south of the village of Carmel, has played an important role in the area's history.

In 1861, Portuguese whalers from the Azore Islands arrived at Point Lobos and settled in at Whalers Cove to hunt the Gray whales that migrated along the California coast between mid-December and May. In the 1880s, demand for whale oil slacked off and the local whaling industry suffered. A brief revival occurred in 1897 when a Japanese company set up business, but didn't last.

Today Point Lobos State Reserve includes the Whaling Station Museum at Whalers Cove, the only on-site whaling museum on the west coast. Point Lobos was also used as a site for abalone harvesting, coal mining, granite quarries, and for "secret" military operations during World War II. Due to the foresight of race-track architect and real-estate developer Alexander M. Allan and his wife, Satie, who began the process of securing and preserving Point Lobos, the State of California was able to acquire the preserve and, by 1992, make it part of the Monterey National Marine Sanctuary, the nation's largest marine sanctuary.

Once called the "greatest meeting of land and sea", this "crown jewel of the state park system" offers the visitor a chance to experience diving unmatched on the California coast, great hiking, perfect picnic spots, vistas and wildlife.



The Whaling Station Museum at Point Lobos



Big Sur Coastline

MEMBER SPOTLIGHT

Meet Owners Bill Vincy and Rusty Epps

Invited to stay a few days and listen to a sales pitch, we were determined NOT to buy. But as soon as we opened the door and walked into our unit I told Rusty.



"We might be in trouble." We soon realized that one week at the Highlands Inn wasn't enough and purchased our second week. We now own three and a half weeks.

Living in the Bay Area we travel a lot. While we love traveling, it has validated that we live in a incredible area. The Monterey/Carmel/Big Sur region is one of the most spectacular and interesting areas in the world. For us the Highlands Inn is close enough for easy access yet far enough away to be a vacation. We absolutely love the Highlands landscape and often hike at Point Lobos. The Inn itself is just magical – day or night – with the main lodge always beckoning with it's many services and views. The rooms are so large and comfy with every imaginable appointment. It's so reassuring to just pack some clothes and know that "home away from home" awaits loaded with dishes, dimmer switches, and a good wine opener.

The Highlands Inn truly is our second home and we love to explore the area using the Inn as our touchstone for discovery. Nepenthe and Big Sur are to the south. Day tripping and wine tasting up the Carmel Valley. Endless hiking in an incomparably rich landscape. Scuba diving, kayaking, and the Aquarium – it's all here. And if our calculations are correct, we'll have eaten at every restaurant by the year 2032 – maybe!

Yet our greatest discovery has been the people. It has been the personal relationships forged that have made our Highlands Inn experiences the most rewarding. The people who work at The Inn are the best. They always warmly welcome us and treat us like family. That is what makes the Highlands Inn our home. Plus we've made many friends in the area. We been invited to their homes and parties, learned the rich history of the area, and found a true sense of community of which we are so grateful to be a part. We absolutely love it here.

EMPLOYEE SPOTLIGHT

Jose Hernandez 2011 Employee of the Year

Please join us in congratulating Jose Hernandez of our Engineering Department in earning the Employee of the Year Award for 2011! Jose has been with the property now for



four years and has excelled in all facets of his duties. Not only has Jose proven he is a team player in all departments, he has received many accolades from owners and guests confirming he has everyone's best interest in mind. Continuing to learn, our ever-changing industry has kept Jose on his toes, and he is always eager to build his knowledge. Whether it is learning the internet system in the rooms, coffee makers in the restaurants or the air conditioners on the roof, Jose is ready for the call. In the past year, we experienced major electrical updates with our utilities company and Jose was right in the middle of the operation ensuring all departments were taken care of and operative. It is employee's like Jose that make Highlands Inn one of the most special places on earth!

2012 WINEMAKER SERIES

Pacific's Edge Winemaker Series in the Legendary Wine Room

Announcing the first six wineries for 2012.

An exceptional evening of wine and food pairings.

Thursday, February 2 – Siduri/Novy Thursday, March 15 – Hall/Roessler Thursday, April 19 – Justin Vineyards Thursday, May 3 – Pride Mountain Thursday, June 21 – A Farewell to Foie

Visit www.pacificsedge.com for more details

