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## What's Next in Luxury Travel

### ***Private Escapes Destination Clubs Leads Destination Club Category, Offering Two First and Only Products to Members Worldwide***

**(FORT COLLINS, COLORADO) – May 10, 2005** – There's a new option for luxury travelers looking for unprecedented access to the finest destinations around the world. Enticing members with jet-set glamour and a network of global resort properties, destination clubs are a new hybrid that has remained under the travel sector's radar. According to Oregon-based Ragatz Associates, the industry is now booming with membership sales surpassing \$450 million in 2004 alone, and forecasts for the next three years exceeding \$1 billion. For those looking to travel wherever they want, whenever they want, without the hassle, expense or limitations of timeshares or second home ownership, Private Escapes Destination Clubs offers two smart, first and only luxury travel experiences: Private Escapes and Private Escapes Platinum.

Private Escapes Destination Clubs sets itself apart from other travel clubs by embracing an intimate member-to-property structure that ensures a favorable occupancy and availability ratio, and offering members exceptional personal attention and service. Launched in 2004, Private Escapes is the *first and only* destination club with entry fees under six figures, while Private Escapes Platinum is the *first and only* destination club to give its members a return on their investment through annual club credit distribution. Both clubs offer virtually unlimited travel to resort residences around the globe.

"Private Escapes Destination Clubs has set a new standard in the emerging destination club sector," said President and Co-Founder Richard Keith. "With the inherent lifestyle amenities of destination club membership including seamless, five-star service and preferred access to luxury resorts around the world, we are pleased to offer two exceptional clubs that cater exclusively to its members, providing them with a lifetime of unforgettable travel experiences."

Destination clubs provide greater access and availability to worldwide resort properties. Private Escapes Destination Clubs are based on a member-to-property ratio of approximately six members per one property, similar to a country club model where occupancy is designed never to approach 100 percent. In fact, occupancy levels are often 50 percent or less. This low occupancy model inherently provides Private Escapes Destination Clubs' members more flexibility and the ability to secure their destination of choice during preferred travel windows.

Members of both clubs, which cap at 400 each, enjoy only the finest travel experiences in up to 70 luxury, award-winning destinations in 25 beach, city, mountain, golf and family amusement-oriented locations worldwide. Current destinations available run the gamut from the Kohala Coast of Hawaii and Dangriga, Belize to New York, New York; Beaver Creek, Colorado; and Kiawah Island, South Carolina; among several others. Additional benefits of membership include access to La Buscadora by Private Escapes, an 80-foot yacht docked in the British Virgin Islands, entrée to the clubs' share of flight hours through its fractional jet provider partners, and use of The **Continued...**

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Private Escapes Suite at London Outpost in the United Kingdom and the cottage at Les Bordes in the Loire Valley of France for only \$75 a night.

Private Escapes Destination Clubs filled a market niche as evidenced by the doubling of initial membership goals in the first year. Based on the success of the Private Escapes' product, which provided the first affordable alternative to destination club membership, the founders created the concept for Private Escapes Platinum to fill a substantial void in the marketplace with a unique product that offers credit distribution incentive. Private Escapes offers its members access to elegant and charming properties averaging \$650,000 with incomparable service and amenities for a fully-refundable membership entrance fee of \$95,000 and annual dues of \$7,200. Private Escapes Platinum provides access to million dollar-plus homes for a fully-refundable membership entrance fee of \$190,000 with annual dues of \$10,500.

Private Escapes Platinum will annually distribute 18 percent of the appreciation from the resort real estate holdings to members. These tax-free club credits may be applied to a portion of annual dues, nightly fees, golf course fees, ski passes, spa services, airline tickets, private air travel, limousines and more. Credits are subject to the appreciation within the real estate portfolio, where properties will be subject to an annual appraisal process. The Club is projecting year over year appreciation in the real estate portfolio to range from eight to 12 percent per year. Credits are paid based on membership entry date. Thus, the sooner a member joins, the more lucrative the benefit as early membership has the advantage of early credit yield and a smaller pool of shareholders.

Private Escapes Destination Clubs has established a seamless reciprocity model to benefit members of both Clubs. Members are allotted seven nights per year to use the properties of the reciprocal club. Private Escapes' core members will pay increased nightly fees for use of Platinum properties, a benefit to members who may want to upgrade to a Platinum property due to location and available amenities, or to accommodate a larger party in a destination where both Private Escapes Platinum and core properties exist. Similarly, Platinum members may enjoy the use of Private Escapes properties, should a home reside in a destination where a Platinum property currently does not exist, or to accommodate a larger party.

Since its inception, several prominent people have joined Private Escapes Destination Clubs, most notably **Steve Young**, a member of Private Escapes Platinum. Young led an illustrious career as former NFL quarterback for the San Francisco 49ers and will join another elite club when inducted into the NFL Hall of Fame this August.

"My family and I were looking for a travel option that fit our needs—we're active and love exploring new areas—Private Escapes Destination Clubs fit the bill perfectly because of its residences all over the world and stellar locations," said Young. "We debated buying another vacation home but this option was far too limiting—my family wants to travel where they want, when they want. Private Escapes Destination Clubs has a track record of success, and I know their homes will provide locations and experiences that will create wonderful memories for my wife and our sons."

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### **SUPERIOR SERVICE**

From the initial reservation phone call, members will enjoy Private Escapes Destination Clubs' superior service to ensure that every need is met throughout the journey. Members of both clubs have full access to Escape Planners who take care of every detail from plane tickets and ground transportation to daily activities and restaurant reservations. Upon arriving at the destination, the Local Host acts as an on-site concierge, giving the member an insider's view of the location and taking care of their every need, including babysitters and tee times.

"We pride ourselves on making the Private Escapes and Private Escapes Platinum members' vacations hassle-free and memorable," said Ed Powers, co-founder and executive vice president of operations for Private Escapes Destination Clubs. "No detail is overlooked and personal requests are encouraged. Every step of the vacation is handled in advance to ensure our members have a stress-free vacation."

### **AMBIANCE AND AMENITIES**

Marquis properties, superior quality, plush décor and top-of-the-line amenities are standard features throughout every Private Escapes Destination Club residence. Emphasizing the local attributes of each property, the design team, headed by Private Escapes Destination Clubs Co-Founder and Executive Vice President of Real Estate and Finance, Kären Siwek, purchases the majority of furniture and accents in each local town and decorates each destination with original artwork from local artists. Platinum members are treated to fresh flowers upon their arrival and Aveda™ bath and skin care products, and all members will appreciate the monogrammed towels and linens. Fully-appointed homes include luxurious Peacock Alley™ fine linens, terrycloth robes, state of the art plasma screen and theatre surround sound system, DVD player, Sony Playstation™ and Xbox™.

"In customizing each destination, our goal is to remain true to the locale, using one-of-a-kind accents and furniture from local artisans, while incorporating the luxurious amenities for which Private Escapes Destination Clubs is known," said Siwek.

### **About Private Escapes Destination Clubs**

Incorporated in October 2003, Private Escapes Destination Clubs includes independently owned and operated affiliates Private Escapes LLC, the first and only affordable travel Destination Club, and Private Escapes Platinum LLC, the first and only travel Destination Club with upside to the investment. Based in Fort Collins, Colorado, each Club will ultimately own up to 70 properties in 25 destinations worldwide, capping their membership at 400 each. For more information on Private Escapes Destination Clubs, contact (866) 536-4700 or visit [www.privateescapes.com](http://www.privateescapes.com).

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