



**EQUITY ESTATES™**

*Appreciating Luxury Residences*

FOR IMMEDIATE RELEASE

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## **EQUITY ESTATES POSTS DECEMBER AS BEST MONTH ON RECORD; DOUBLES ENROLLMENT IN 2008**

### ***Equity-Based Business Model Sets Luxury Residence Fund Apart from Competitors***

**(Atlanta, GA) – Feb. 17, 2009** – Bucking the trend of a down economy and a sector wrought with financial woes, **Equity Estates LLC** announced today that it experienced record growth in the final month of 2008 by adding \$2.5 million in membership interests. Moreover, enrollment in 2008 grew 50 percent over 2007. The company is also harnessing the opportunities arising in today's slumping real estate market to add new destinations to its portfolio. Granting ownership, as well as membership perks and the ability to share in residence appreciation, are contributing to the firm's growth, according to the founders.

Founded in 2006 by entrepreneurs Adam Capes and Philip Mekelburg, Equity Estates operates as a luxury residence fund that is governed by an operating agreement with strict covenants. It offers superior vacations and luxury service and amenities similar to those enjoyed by thousands of destination club members, but presents a very different business model. Equity Estates offers an ownership interest to each member, earmarks 80 percent of all capital contributions for real estate purchases and provides full financial transparency, to name just a few of the key differences.

“We were intrigued early on by the wonderful vacation experience offered by destination clubs, but were troubled by the fact that someone else would enjoy the real estate appreciation – not those paying the hefty membership fees,” said Philip Mekelburg, CEO and managing member of Equity Estates. “Our due diligence and conservative approach have served us well. With happy owner members, new destinations and a favorable time to buy residences, we expect to see continued growth in 2009.”

Equity Estates structures its membership as an equity interest in ‘Equity Estates Fund 1, LLC’ which will ultimately have 300 owner member interests and 43 to 50 residences in 35 destinations around the world. The strict covenants, which include open books and little to no debt, call for the homes to be sold in 2021, at which time, the managers intend to return 100 percent of each owner members’ capital contribution plus 80 percent of the

profits. According to the firm's projections, this wealth preservation model could allow owner members a close to zero nightly cost to stay in these multimillion dollar homes with concierge support when you take into account the significant gain on their investment, after principal and annual dues are accounted for.

"Since the majority of our residences will be acquired over the next two to three years, possibly at market lows, the appreciation shared upon sell-off could result in owner member's actually getting paid to travel," shared Rob Vaka, vice president of investor relations.

Boasting beach, mountain and golf destinations, full owner members (\$375,000 capital contribution) receive 30 nights per year of usage and executive owner members (\$197,500 capital contribution) can stay 15 nights per year. Accommodations at the company's \$3 million-dollar-plus homes offer five-star amenities, arranged and monitored by Equity Estates' Personal Travel Concierge and onsite hosts. Current availability of the homes is at 75 percent and to ensure this access, the club will maintain a member-to-property ratio of 7:1. Unlike timeshare, fractional or destination clubs, 80 percent of owner member investments are deployed into real estate with the remaining 20 percent used for the company's efforts related to selling out the fund. Current annual dues run \$16,500 per full share and \$9,250 for executive shares.

"After a fairly exhaustive search for either a second home or a destination club option, my wife and I were drawn to the benefits of being owners in Equity Estates," said owner member Alec Fraser, a partner at Michael Best & Friedrich LLP of Milwaukee, Wisconsin. "Participating in the appreciation of a variety of homes and the attractive cost of entry were strong selling points, and the actual travel experiences we've enjoyed over the last 18 months have made us thrilled with our decision."

The newest addition to the Equity Estates portfolio is a luxurious ski-in/ski-out residence in the heart of Telluride Mountain Village in Colorado. This three-bedroom, 3.5-bath, 3,400 square-foot chalet offers stunning views of the valley and San Sofia Ridge which can be enjoyed from the expansive patio or Jacuzzi. Soon to be open to members is a five-bedroom, five-bath (plus two half baths) oceanfront residence in Hilton Head, S.C. The 4,400 square foot home has a spacious floor plan with three sitting decks, private elevator, swimming pool and hot tub. Other current locations include Grace Bay, Turks and Caicos; New York City; Naples, Fla.; Inlet Beach, Fla.; Deer Valley, Utah; and, Los Cabos, Mexico.

"As we build our diversified portfolio of residences for long-term financial gain and for our owner members' use, we couldn't ask for a better time," said Adam Capes, president and managing member of Equity Estates. "With spectacular properties at value prices, we believe our model of owning your vacations rather than renting them, is the smart way to go for families wanting to invest in quality time together."

### **About Equity Estates**

Equity Estates is a luxury residence fund designed to offer spectacular vacations in addition to a strong investment opportunity. Membership is structured as an equity interest in the real estate

owned by the fund and offers use of the fund's residences, in addition to any appreciation when the homes are sold. Strict guidelines, financial transparency, strong management and a commitment to service are hallmarks of this fast-growing company. Founded by managing members wanting to offer all the benefits of second home ownership with none of the hassles, Equity Estates is the smartest way to own and enjoy luxury vacation homes around the world. For more information visit [www.equityestatesfund.com](http://www.equityestatesfund.com) or call (800) 413-3340. For media inquiries, please contact Alana Morris at [Alana@vocapr.com](mailto:Alana@vocapr.com) or (303) 962.9163.

*This information is not an offer to sell a security, nor a solicitation of an offer to buy a security. Offers and sales of interests in Equity Estates Fund I, LLC will be made only through their Confidential Private Placement Memorandum to accredited investors.*

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