

**5/24/2007 (9 a.m.) – South Seas Island Resort Update**

On May 22, 2007, a fire damaged some units at The Cottages at South Seas Island Resort. At this time, units 1501-1506 are not accessible to Owners and guests at this resort.

Once the fire was discovered, all Owners and guests were evacuated safely and no injuries occurred. However, Unit 1503 (which was unoccupied at the time) was completely destroyed and the other five units sustained some fire, smoke and water damage.

Hilton Grand Vacations is working closely with Captiva Fire Department officials to determine the cause of the fire. We are also working to ensure the structural integrity of the entire six-unit building. Owners of units in the affected building will continue to receive communication from Hilton Grand Vacations as further details develop.

Thank you for your patience and understanding in the aftermath of this unfortunate event.