

# Pulse Survey



A SURVEY OF TIMESHARE AND VACATION  
OWNERSHIP RESORT COMPANIES

# 2021

# Q3



PREPARED BY  
**Deloitte.**



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To the Research Committee of  
ARDA International Foundation  
1201 15<sup>th</sup> Street NW, Suite 400  
Washington, DC 20005

Dear Members of the Committee:

Deloitte & Touche LLP (Deloitte & Touche) is pleased to submit the results of the *2021 Third Quarter Pulse Survey: A Survey of Timeshare & Vacation Ownership Resort Companies*. Our services were performed and this report was developed in accordance with our engagement letter dated April 6, 2021 and are subject to the terms and conditions included therein.

Our services were performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants. Accordingly, we are providing no opinion, attestation, or other form of assurance with respect to our work and we did not verify or audit any information provided to us.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available by the survey respondents through November 4, 2021. Accordingly, changes in circumstances after that date could affect the findings outlined in this report.

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*Deloitte & Touche LLP*

November 19, 2021



# Pulse Survey

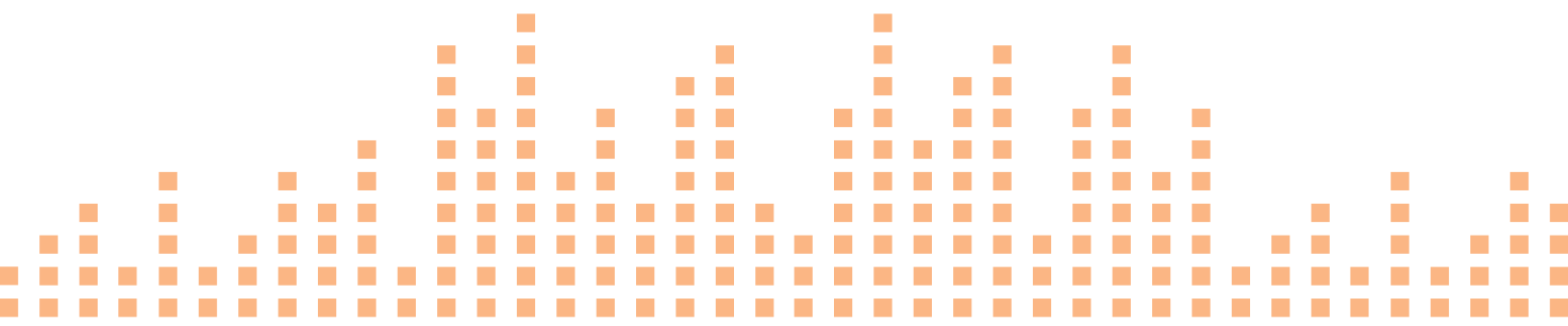
A SURVEY OF TIMESHARE AND VACATION OWNERSHIP RESORT COMPANIES

## 2021 Q3

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Although the information in this report has been obtained from sources that Deloitte & Touche LLP believes to be reliable, we do not guarantee its accuracy, and such information may be incomplete. This report is for information purposes only.





All opinions and estimates included in this report constitute our judgment as of November 4, 2021 and are subject to revision.






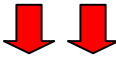









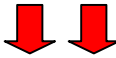

PREPARED BY  
**Deloitte.**

## 2021 Third Quarter Pulse Survey Overview and Key Findings

This survey is a summary of selected key metrics that provide an overview of the vacation timeshare industry in the United States. It is not a comment on any individual company, whose performance may vary from the information included in this study. To provide current information on the financial performance of the vacation timeshare industry, ARDA International Foundation engaged Deloitte & Touche LLP (Deloitte & Touche) to conduct the 2021 third quarter survey of U.S. timeshare companies that were in active sales during the third quarter of the year. The results herein include data from the time period of July 2021 to September 2021. The results cover a total of 14 responding companies for which a total of 13 respondents provided sales information reporting aggregate net originated sales of approximately \$1,573.5 million for the quarter ended September 30, 2021. The financial information contained in this survey includes September 30, 2021 QTD (Q3 2021 – QTD) compared to September 30, 2020 QTD (Q3 2020 – QTD). Note the respondent class may differ across survey results for the aforementioned period comparisons. The information also contains data as of June 30, 2021 (Q2 2021) compared to data as of September 30, 2021 (Q3 2021) as previously reported in the 2021 Second Quarter Pulse Survey. The timeshare industry began to experience significant COVID-19 impacts at the start of the second quarter of 2020 which began to subside within the third quarter of 2020, meaning Q3 2020 – QTD data reflects early recovery from COVID-19 impacts. The industry has seen these impacts further subside as evidenced in the Q3 2021 – QTD results. The trends associated with the performance indicators were developed based on quantitative factors. For example, each indicator that had a change of 10 percent or greater was denoted with a double green arrow or double red arrow. Indicators for which the change was less than 10 percent were denoted with a single green arrow or single red arrow.

Key Performance Indicators	Trend
<b>Sales Performance</b>	
<u>Net Originated Timeshare Sales (net of Sales Incentives and Rescissions) including Telesales</u> increased 75.8 percent from Q3 2020 - QTD to Q3 2021 - QTD, increasing from \$895.0 million to \$1,573.5 million.	 Increase
<u>Net Originated Timeshare Sales (including Telesales and Fee-for-service, excluding Rescissions and Fee-for-Service sold by others)</u> increased 81.5 percent from Q3 2020 - QTD to Q3 2021 - QTD, increasing from \$984.8 million to \$1,787.8 million.	 Increase
<b>Sales Metrics</b>	
<u>Weighted Average Transaction Value</u> decreased 8.0 percent from \$23,030 in Q3 2020 - QTD to \$21,184 in Q3 2021 – QTD (The simple average transaction value increased 2.6 percent from \$19,096 in Q3 2020 - QTD to \$19,596 in Q3 2021 - QTD).	 Decrease
<u>Weighted Average Rescission Rate</u> decreased 0.6 percentage points (or 4.7 percent) from 12.9 percent in Q3 2020 - QTD to 12.3 percent in Q3 2021 – QTD (The simple average rescission rate increased 1.6 percentage points, or 17.1 percent, from 9.4 percent in Q3 2020 - QTD to 11.0 percent in Q3 2021 - QTD).	 Decrease

<b>Weighted Average Volume Per Guest (VPG)</b> decreased 12.8 percent from \$4,375 to \$3,816 from Q3 2020 - QTD to Q3 2021 - QTD (The simple average VPG increased 2.5 percent from \$3,592 in Q3 2020 - QTD to \$3,682 in Q3 2021 - QTD).	 Decrease
<b>Tours</b> increased 85.6 percent from 241,418 to 448,177 tours from Q3 2020 - QTD to Q3 2021 - QTD.	 Increase
<b>Weighted Average Close Rate</b> increased 0.1 percentage points (or 0.5 percent) from 19.3 percent to 19.4 percent from Q3 2020 - QTD to Q3 2021 - QTD.	 Increase
<b>Portfolio Performance</b>	
<b>Currency</b> increased by 1.8 percentage points (or 2.1 percent), increasing from 86.6 percent as of Q3 2020 to 88.4 percent as of Q3 2021.	 Increase
<b>Delinquencies</b> greater than 60 days past due decreased by 1.5 percentage points (or 12.9 percent), decreasing from 11.6 percent as of Q3 2020 to 10.1 percent as of Q3 2021.	 Decrease
<b>Charge-Offs</b> decreased 3.1 percentage points (or 37.8 percent), decreasing from 8.2 percent to 5.1 percent from Q3 2020 - QTD to Q3 2021 - QTD.	 Decrease
<b>Consumer Finance Experience</b>	
<b>Interest Rates</b> increased 0.3 percentage points (or 2.1 percent) from 14.1 percent to 14.4 percent when comparing Q3 2020 - QTD to Q3 2021 - QTD.	 Increase
<b>Weighted Average Term</b> increased by 2.6 months (or 2.1 percent) from 121.5 months in Q3 2020 - QTD to 124.1 months in Q3 2021 - QTD.	 Increase
<b>Down Payments on non-upgrade sales</b> decreased 1.5 percentage points (or 7.9 percent), from 18.9 percent in Q3 2020 - QTD to 17.4 percent in Q3 2021 - QTD.	 Decrease
<b>Down Payments on upgrade sales</b> increased 2.1 percentage points (or 5.2 percent), increasing from 40.6 percent in Q3 2020 - QTD to 42.7 percent in Q3 2021 - QTD.	 Increase
<b>Other Metrics</b>	
<b>Weighted Average Occupancy</b> increased 27.2 percentage points (or 52.3 percent), increasing from 52.0 percent in Q3 2020 - QTD to 79.2 percent in Q3 2021 - QTD ( <u>including</u> rooms at resorts that were closed due to COVID-19).	 Increase
<b>Weighted Average Occupancy</b> increased 23.3 percentage points (or 41.3 percent) to 79.7 percent in Q3 2021 - QTD as compared to 56.4 percent in Q3 2020 - QTD ( <u>excluding</u> rooms at resorts that were closed due to COVID-19).	 Increase
<b>Capital Expenditures</b> increased 51.1 percent from Q3 2020 - QTD to Q3 2021 - QTD, increasing from \$103.4 million to \$156.3 million.	 Increase

Impact of COVID-19	
<p><b>Allowance for Loan Losses</b> – On average, respondents reported an additional 0.6 percent recorded due to the impact of COVID-19 as a percentage of the total allowance balance for Q3 2021 - QTD as compared to the additional 3.7 percent for Q3 2020 – QTD, or an 83.8 percent decrease, and the additional 0.6 percent for Q2 2021 – QTD, or no change.</p>	 <b>Decrease</b>
<p><b>Mortgage Deferment Program</b> – Seven companies offered mortgage deferment programs to owners to assist with loan payments as of Q3 2021. On average, 3.4 percent of owners took advantage of these programs as of Q3 2021. This increased from 2.5 percent (36.0 percent increase) of owners previously reported as of Q3 2020 and decreased from 3.7 percent (8.1 percent decrease) as of Q2 2021.</p>	 <b>Increase</b>

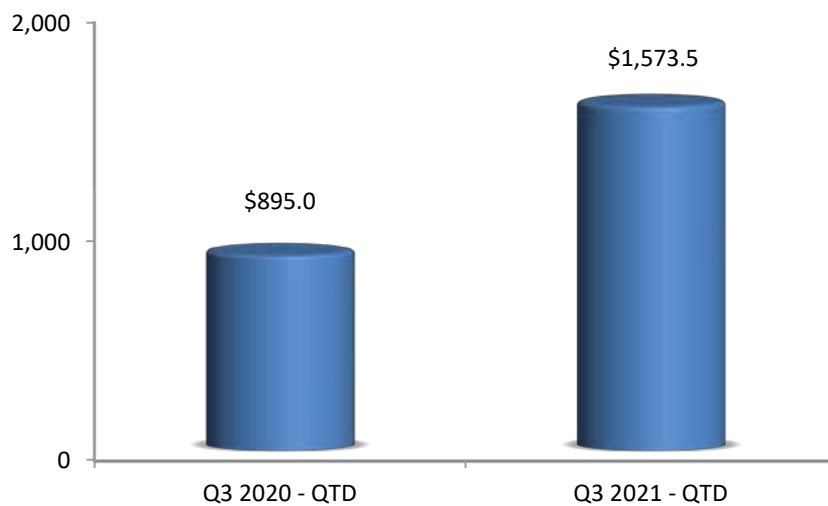
## Survey Results

The following summarizes the survey results.

### 1(A). Timeshare sales volume increased in Q3 2021 - QTD when compared to Q3 2020 - QTD.

Companies provided data on a set of key sales indicators. In total, the 13 respondents that provided sales information reported approximately \$1,573.5 million in net originated timeshare sales<sup>1</sup> (including telesales) in Q3 2021 - QTD. This was a 75.8 percent increase in Q3 2021 - QTD when compared to Q3 2020 - QTD. The increase in sales is reflective of the timeshare industry recovering from the impacts of COVID-19. See summary of COVID-19 impacts on the timeshare industry at the COVID-19 Considerations section.

**Figure 1. Net originated sales including telesales (Millions)**



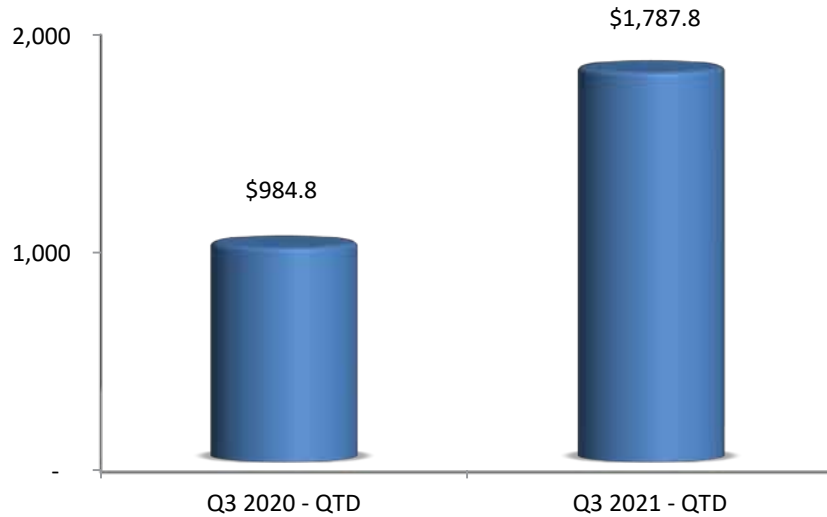
Source: Deloitte & Touche based on 13 company survey responses.

Fee-for-service arrangements have become an established feature within the industry over the last decade. Respondents were asked a question related to sales for non-owned timeshare inventory sold under fee-for-service agreements as well as sales for owned timeshare inventory sold by others under fee-for-service agreements. Of the 13 companies, four are selling and marketing timeshare on behalf of other developers. One company is engaging others to sell and market timeshare on their behalf. All four respondents providing fee-for-service increased fee-for-service operations in Q3 2021 – QTD compared to Q3 2020 – QTD. The respondent being provided fee-for-service increased fee-for-service operations for the same period. The net overall timeshare sales (total fee-for-service provided less total fee-for-service received) under these arrangements increased from \$89.9 million in Q3 2020 – QTD to \$214.4 million in Q3 2021 – QTD. When sales of respondents' non-owned timeshare inventory under fee-for-service arrangements (excluding fee-for-service sold by others) are combined with respondents' sales of

<sup>1</sup> Net originated sales refer to gross sales revenues net of incentives and rescissions, but before reduction of revenue for uncollectible accounts.

their own timeshare inventory, there was an increase of 81.5 percent in total net originated timeshare sales when compared to Q3 2020 – QTD.

**Figure 2. Net originated sales (including sales under fee-for-service arrangements, excluding fee-for-service sold by others) (Millions)**

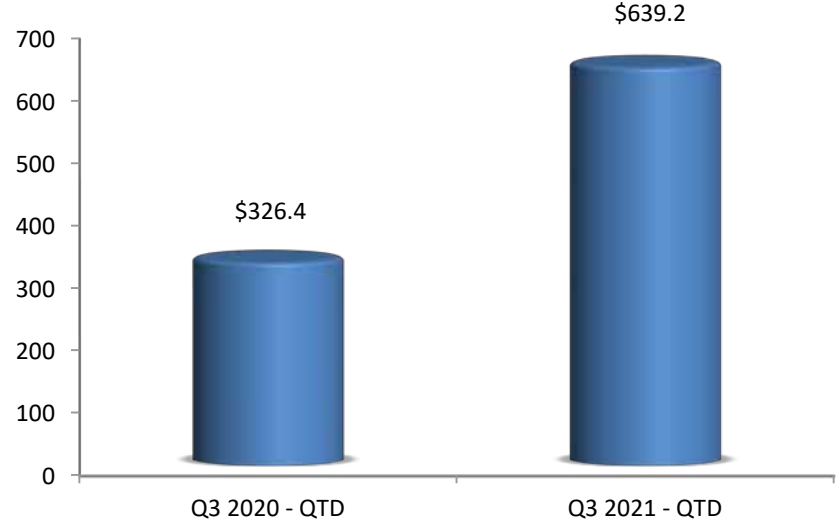


Source: Deloitte & Touche based on 13 company survey responses for net originated sales and 4 respondents reported providing fee-for-service arrangements, and 1 respondent reported being provided fee-for-service arrangements.

Respondents were asked to report the amount of net originated sales (including telesales) that were non existing owner and existing owner sales. The 12 respondent companies that provided new owner sales information reported approximately \$639.2 million in new owner net originated timeshare sales (including telesales) in Q3 2021 – QTD, which is a 95.8 percent increase from Q3 2020 – QTD, see *Figure 3* below. The 12 respondent companies that provided existing owner sales information reported approximately \$797.3 million in existing owner net originated timeshare sales (including telesales) in Q3 2021 – QTD which is a 49.6 percent increase from Q3 2020 – QTD. As a percentage of total net originated sales as reported by Companies that provided new owner and existing owner sales information, new owner sales make up 44.5 percent of the balance in Q3 2021 – QTD, which is an increase from Q3 2020 – QTD of 38.0 percent (see *Figure 4* below). Existing owner sales for Q3 2021 – QTD equals 55.5 percent of total net originated sales, which is a decrease from Q3 2020 – QTD of 62.0 percent.

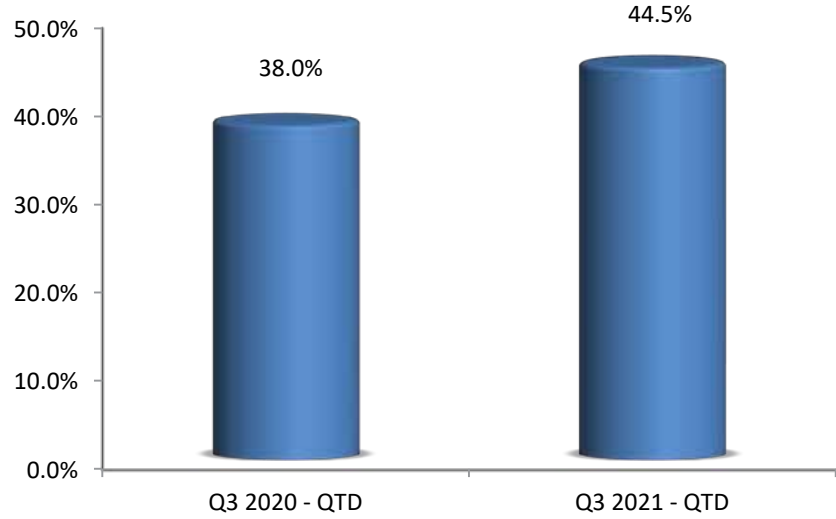
Note that the sum of the total new owner sales and existing owner sales differs from the total net originated sales due to the fact that one of the 13 respondents that provided net originated sales did not provide information related to new owner and existing owner sales.

**Figure 3. Net originated sales (including telesales) – New Owner (Millions)**



Source: Deloitte & Touche based on 12 company survey responses.

**Figure 4. Percentage of Total Net originated sales (including telesales) – New Owner**



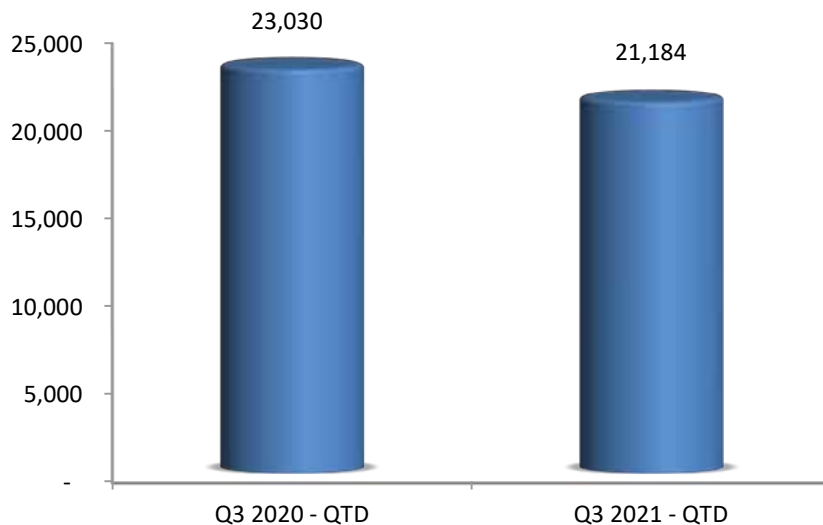
Source: Deloitte & Touche based on 12 company survey responses.

Twelve companies reported net originated sales excluding telesales as well as detailed information on the number of tours and the number of sales transactions. The companies reported that the aggregate number of tours<sup>2</sup> increased 85.6 percent, the aggregate number of sales transactions increased 85.5 percent, the weighted average transaction value decreased 8.0 percent, the weighted average VPG decreased 12.8 percent, and the weighted average close rate increased 0.5 percent.

Average transaction value is calculated as the dollar value of net originated sales divided by the number of sales transactions and excludes amounts such as closing costs that are not included in net originated sales. Responses are weighted by the dollar value of net originated sales (excluding telesales). It is a measure of the average purchase amount per buyer during a given period and is potentially influenced by numerous factors, including the mix of timeshare products sold. For example, in a given period, buyers may purchase a greater mix of one-bedroom units or biennials<sup>3</sup>, resorts may have fewer high season intervals available or new resorts may open for sales. As a result, the average transaction value may change even though there were no changes to existing pricing.

As a further reflection of the multiple factors that can impact this measure, the responses differed by company. Eight respondents reported average transaction value had decreased from Q3 2020 – QTD and four respondents reported the value had increased. *Figure 5* below illustrates the average transaction value calculated using a weighted average.

**Figure 5. Weighted average transaction value**



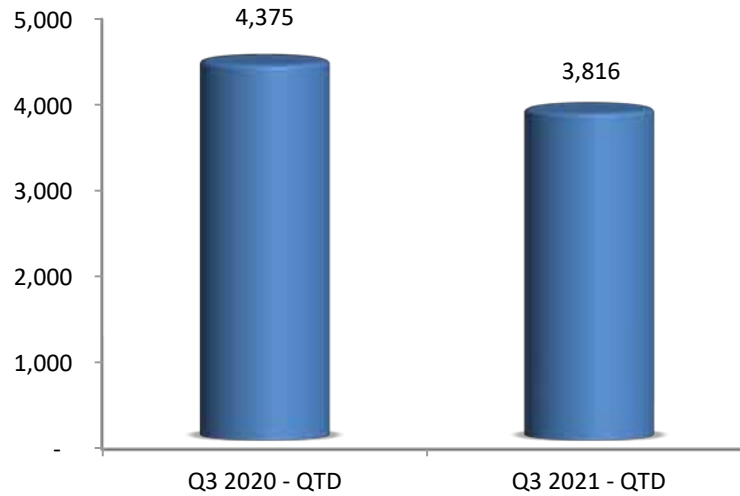
Source: Deloitte & Touche based on 12 company survey responses.

<sup>2</sup> This represents the number of tours taken by guests in the company’s efforts to sell timeshares, including all tours of sales prospects, whether they occur on-site or at an off-site sales center.

<sup>3</sup> Biennial products allow owners to use intervals every other year, instead of each year.

VPG<sup>4</sup>, a measure of sales efficiency, is calculated as net originated sales per tour, decreased by 12.8 percent from Q3 2020 – QTD to Q3 2021 – QTD.

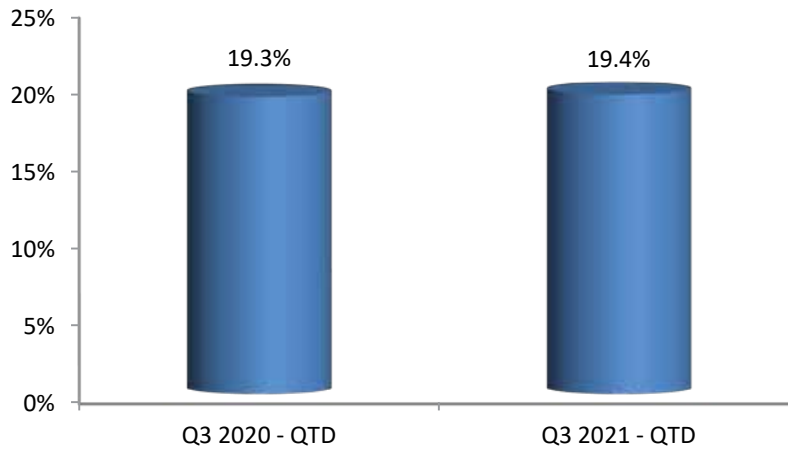
**Figure 6. Weighted average VPG**



Source: Deloitte & Touche based on 12 company survey responses.

The close rate, another measure of sales efficiency, is the number of sales transactions generated from tour flow, increased by 0.1 percentage points (0.5 percent) from Q3 2020 – QTD to Q3 2021 – QTD.

**Figure 7. Weighted average close rate**



Source: Deloitte & Touche based on 12 company survey responses.

<sup>4</sup> VPG is calculated as net originated sales excluding telesales, divided by the number of tours, responses are weighted by the dollar value of net originated sales (excluding telesales).

The averages reported above are weighted averages; however, we also disclose the simple averages for the close rate, VPG, and average transaction value herein, see *Figure 8* below. Note that metrics below were directionally the opposite under the weighted and simple average calculations with the exception of the close rate for which the simple average remained the same when comparing Q3 2020 to Q3 2021. Note the decrease in weighted averages for VPG and average transaction value were primarily driven by some of the larger companies in terms of net originated sales excluding telesales.

**Figure 8. Weighted and simple averages for selected sales metrics**

	Weighted Average Q3 2020	Weighted Average Q3 2021	Simple Average Q3 2020	Simple Average Q3 2021
<b>Third Quarter</b>				
Volume per guest	\$4,375	\$3,816	\$3,592	\$3,682
Average transaction value	\$23,030	\$21,184	\$19,096	\$19,596
Close rate	19.3%	19.4%	18.8%	18.8%

Source: Deloitte & Touche based on 12 company survey responses

Among the companies that provided key sales indicators, 13 provided rescission percentage information. The weighted average rescission rate<sup>5</sup> among those companies was 12.3 percent in Q3 2021 – QTD, which was a decrease of 0.6 percentage points from 12.9 percent for Q3 2020 – QTD. Five companies reported a decrease in rescissions between Q3 2020 – QTD and Q3 2021 – QTD and eight companies reported an increase in rescissions. The simple average rescission rate increased 1.6 percentage points from 9.4 percent to 11.0 percent from Q3 2020 – QTD to Q3 2021 – QTD. Note the simple average increase was primarily driven by one respondent. Further, respondents were asked to provide the rescission volume in dollars. For the 13 companies that provided this information for Q3 2020 – QTD and Q3 2021 – QTD, the total aggregate rescissions increased by 61.1 percent from \$156.4 million to \$251.9 million in Q3 2021 – QTD.

Respondents were asked a question related to rescission information on existing and new owner sales. For the 12 respondent companies that provided rescission information on new owner sales, the weighted average rescission rate increased from 25.0 percent in Q3 2020 – QTD to 26.8 percent in Q3 2021 – QTD. Further, 12 respondents provided rescission information on new owner sales in dollars resulting in an increase of 69.3 percent in the total aggregate rescission volume from approximately \$83.0 million to approximately \$140.6 million from Q3 2020 – QTD to Q3 2021 – QTD. For the 12 respondent companies that provided rescission information on existing owner sales, the weighted average rescission rate decreased from 16.4 percent in Q3 2020 – QTD to 15.7 percent in Q3 2021 – QTD. Further, 12 respondents provided rescission information on existing owner sales in dollars resulting in an increase of 31.0 percent in the total aggregate rescission volume from \$59.5 million to \$78.0 million from Q3 2020 – QTD to Q3 2021 – QTD.

Respondents were asked a question related to owner growth/(decline) rate over the prior year. For the 12 respondent companies that provided owner growth/(decline) rate data, the weighted average decline rate increased from 0.7 percent decline as of September 30, 2020 to 0.8 percent decline as of September 30, 2021.

Respondents were asked a question related to total rental revenue recognized. For the 13 respondent companies that provided rental revenue, the total rental revenue increased 104.6 percent from \$205.9 million in Q3 2020 – QTD to \$421.3 million in Q3 2021 – QTD.

<sup>5</sup> Measured as the dollar amount of rescissions as a portion of gross sales weighted by the dollar value of net originated sales.

## 2(A). Consumer timeshare loan portfolio delinquencies decreased when comparing as of 9/30/2020 and as of 9/30/2021.

The composition of receivables portfolios<sup>6</sup> was evaluated as of September 30, 2021 and compared to the composition as of September 30, 2020. The total aggregate receivables for the 13 companies that provided receivables data was \$12,218.1 million as of September 30, 2021, and \$12,733.1 million as of September 30, 2020.

Respondents reported that payments for 88.4 percent of the value of their loan portfolios were current (measured as fewer than 31 days past due) as of September 30, 2021, an increase of 1.8 percentage points from one year earlier. Further, as of September 30, 2021, 8.1 percent of consumer timeshare loan portfolios by dollar value were more than 120 days delinquent, a decrease of 0.9 percentage points compared to one year earlier.

**Figure 9a. Aging of consumer timeshare loan portfolios by survey respondents**

	September 30, 2020	September 30, 2021	Difference
Current	86.6%	88.4%	1.8%
31 to 60 days	1.8%	1.5%	-0.3%
61 to 90 days	1.3%	1.0%	-0.3%
91 to 120 days	1.3%	1.0%	-0.3%
More than 120 days	9.0%	8.1%	-0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

Source: Deloitte & Touche based on 12 company survey responses.

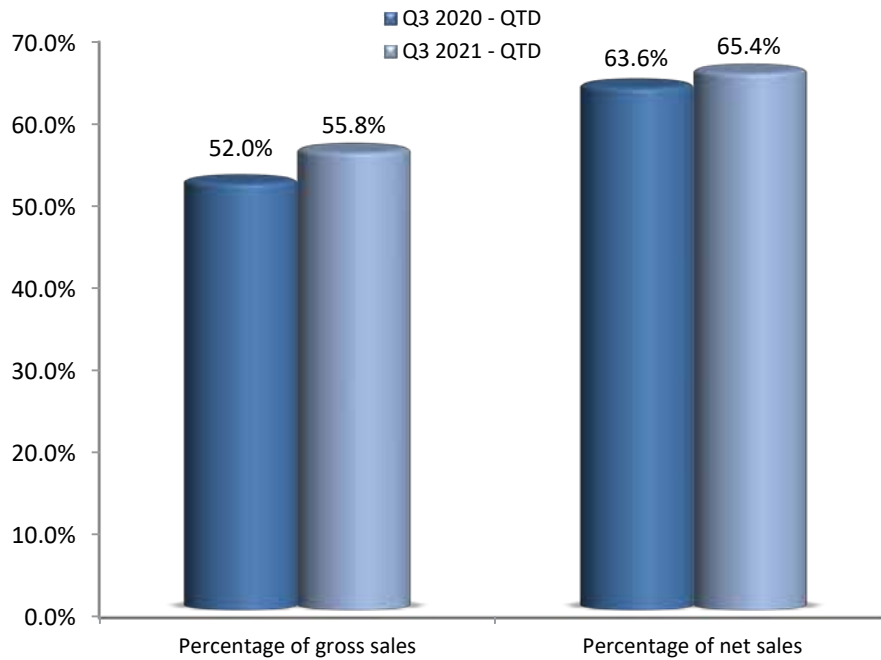
Respondents were asked to report a default rate measured as gross defaults charged against the allowance for uncollectible accounts during Q3 2021 – QTD, as a percentage of the gross outstanding portfolio balance at period-end. The weighted average default rate in Q3 2021 – QTD was 5.1 percent, which reflected a decrease of 3.1 percentage points, or 37.8 percent, as compared to one year earlier. Of the 12 respondents, nine respondents reported a decrease in the default rate when comparing Q3 2021 – QTD to Q3 2020 – QTD while three respondents reported an increase in the default rate.

The respondents were also asked to provide the weighted average FICO score at origination (weighted by the outstanding principal balance of the receivables) for loans within the portfolio at the end of Q3 2020 – QTD and Q3 2021 – QTD. Of the 12 respondents, three respondents reported an increase in the weighted average FICO score, five respondents reported a decrease, and four respondents reported no change. The result was a 0.1 percent decrease in the weighted average FICO score from 713 at Q3 2020 – QTD to 712 at Q3 2021 – QTD.

<sup>6</sup> Receivables portfolio is defined as the total portfolio of consumer timeshare loan receivables held and/or serviced by the company, including securitized and hypothecated receivables, and receivables for sales made in earlier years.

Respondents were also asked to report originations as a percentage of both gross sales and net sales. Note that gross sales for the purposes of the survey question are inclusive of upgrade contract selling prices while net sales are equal to gross sales less upgrade contract selling prices. Originations as a percentage of gross sales increased by 3.8 percentage points (or 7.3 percent) from 52.0 percent for Q3 2020 – QTD to 55.8 percent for Q3 2021 – QTD. Originations as a percentage of net sales increased by 1.8 percentage points (or 2.8 percent) from 63.6 percent for Q3 2020 – QTD to 65.4 percent for Q3 2021 – QTD.

**Figure 9b. Originations as a Percentage of Sales**



Source: Deloitte & Touche based on a minimum of 9 company survey responses.

**2(B). Consumer timeshare loan portfolios experienced an increase in currency when comparing as of 6/30/2021 and as of 9/30/2021.**

The composition of receivables portfolios was evaluated as of September 30, 2021 and compared to the composition as of June 30, 2021. The total aggregate receivables for the companies that provided receivables data was \$12,218.1 million as of September 30, 2021 and \$12,111.0 million as of June 30, 2021. Receivables portfolios showed a decrease in delinquencies greater than 60 days past due as of September 30, 2021, compared to one quarter earlier. Respondents reported that payments for 88.4 percent of the value of their loan portfolios were current (measured as fewer than 31 days past due) as of September 30, 2021, which was 0.7 percentage points higher than one quarter earlier. Further, 5.1 percent of consumer timeshare loan portfolios by dollar value were charged against the allowance in Q3 2021 - QTD, which was 2.8 percentage points lower compared to Q2 2021 – QTD.

**Figure 10. Aging of consumer timeshare loan portfolios by survey respondents**

	June 30, 2021	September 30, 2021	Increase/(Decrease)
Current	87.7%	88.4%	0.7%
31 to 60 days	1.3%	1.5%	0.2%
61 to 90 days	0.9%	1.0%	0.1%
91 to 120 days	1.0%	1.0%	0.0%
More than 120 days	9.1%	8.1%	-1.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

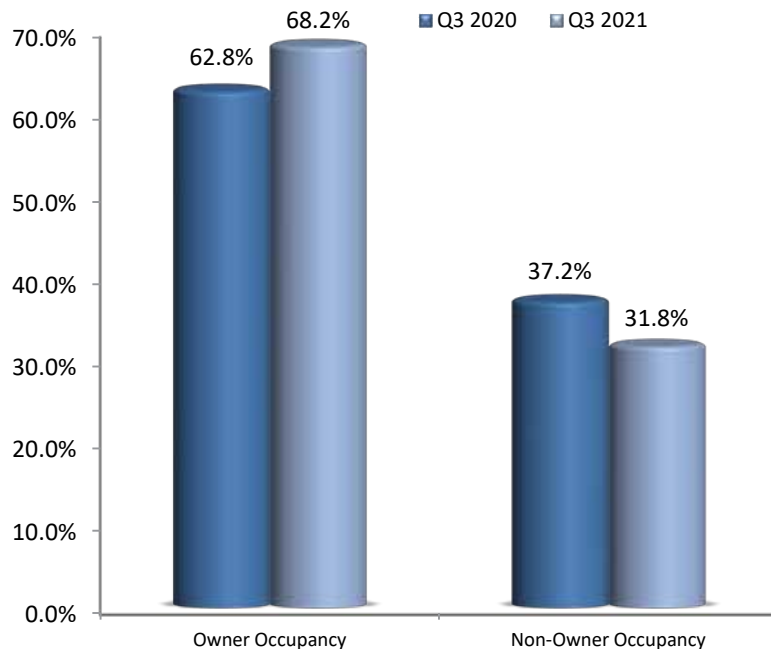
Source: Deloitte & Touche based on 12 company survey responses.

**3(A). Resort occupancy including rooms at resorts that were closed due to COVID-19 increased 27.2 percentage points (or 52.3 percent) as compared to Q3 2020 - QTD.**

Survey respondents were asked to provide information on timeshare unit occupancy. For the 14 companies that provided occupancy data, representing approximately 10.1 million available room nights in Q3 2021 – QTD, the average occupancy rate, including rooms at resorts that were closed due to COVID-19, increased 27.2 percentage points (or 52.3 percent) to 79.2 percent in Q3 2021 – QTD, compared to 52.0 percent in Q3 2020 – QTD. When excluding rooms in resorts that were closed due to COVID-19, the Q3 2021 – QTD occupancy rate was 79.7 percent as compared to 56.4 percent for Q3 2020 – QTD. Available room nights including rooms at resorts that were closed due to COVID-19 increased 35.4 percent from Q3 2020 – QTD to Q3 2021 – QTD, increasing from approximately 7.5 million room nights to approximately 10.1 million room nights. When excluding rooms in resorts that were closed due to COVID-19, there were 7.6 million available room nights reported for Q3 2021 – QTD as compared to 6.9 million available rooms night reported for Q3 2020 – QTD as reported by 13 companies.

Additionally, respondents were asked to report on the occupancy excluding rooms at resorts that were closed due to COVID-19 based on whether the occupants were or were not timeshare owners. The mix increased by 8.6 percent from Q3 2020 – QTD for owner occupancy and decreased by 14.5 percent for non-owner occupancy.

**Figure 11a. Occupancy by Sales Mix excluding rooms at resorts that were closed due to COVID-19**



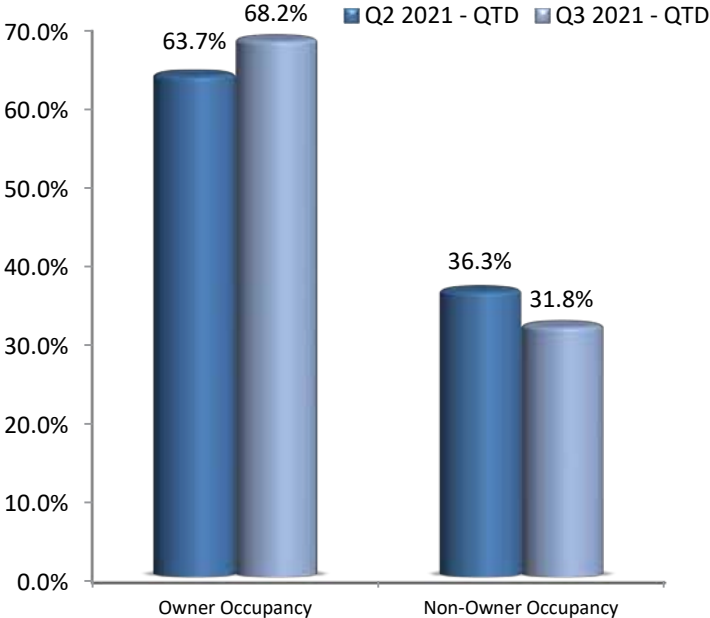
Source: Deloitte & Touche based on 13 company survey responses.

**3(B). Resort occupancy including rooms at resorts that were closed due to COVID-19 increased 0.2 percentage points (or 0.3 percent) as compared to Q2 2021 – QTD.**

Survey respondents were asked to provide information on timeshare unit occupancy. For the 14 companies that provided occupancy data, representing approximately 10.1 million available room nights in Q3 2021 – QTD, the average occupancy rate, including rooms at resorts that were closed due to COVID-19, increased 0.2 percentage points (or 0.3 percent) to 79.2 percent Q3 2021 – QTD, compared to 79.0 percent in Q2 2021 – QTD as previously reported. When excluding rooms in resorts that were closed due to COVID-19, the Q3 2021 – QTD occupancy rate was 79.7, which is a decrease of 1.9 percentage points (or 2.3 percent) as compared to 81.6 percent in Q2 2021 – QTD as previously reported.

Additionally, respondents were asked to report on the occupancy excluding rooms at resorts that were closed due to COVID-19 based on whether the occupants were or were not timeshare owners. The mix increased from Q2 2021 – QTD for owner occupancy by 7.1 percent and decreased by 12.4 percent for non-owner occupancy.

**Figure 11b. Occupancy by Sales Mix excluding rooms at resorts that were closed due to COVID-19**



Source: Deloitte & Touche based on a minimum of 12 company survey responses.

**4. Average down payment on upgrade sales, average term, average interest rate, and FICO score at origination increased in Q3 2021 while average down payment on non-upgrade sales decreased as compared to Q3 2020.**

Information on the characteristics of new financing provided to consumers at the point of sale was collected and aggregated to compare to Q3 2020 – QTD.<sup>7</sup> The average interest rate on new consumer loans in Q3 2021 – QTD was 14.4 percent, which is a 0.3 percentage point increase from Q3 2020 – QTD. The Q3 2021 – QTD average loan term was 124.1 months, which is an increase of 2.6 months from 121.5 in Q3 2020 – QTD. The average FICO score for financed sales increased from 711 in Q3 2020 – QTD to 713 in Q3 2021 – QTD.

Respondents were asked to provide the average down payment on upgrade sales separate from non-upgrade sales. As a result, down payments on upgrade sales are typically higher than on non-upgrade sales, and a change in the mix of upgrade and non-upgrade sales could impact the overall average down payment. For the 12 respondents that provided non-upgrade down payment data, the average down payment on non-upgrade sales decreased to 17.4 percent of the stated sales price on financed sales in Q3 2021 – QTD compared to 18.9 percent in Q3 2020 – QTD. For the 11 respondents that provided existing owner down payment data, the average down payment on upgrade sales, which includes the value of equity in the owners’ existing vacation ownership interests, was 42.7 percent in Q3 2021 – QTD, an increase of 2.1 percentage points from Q3 2020 – QTD.

**Figure 12. Characteristics of consumer timeshare loan financing**

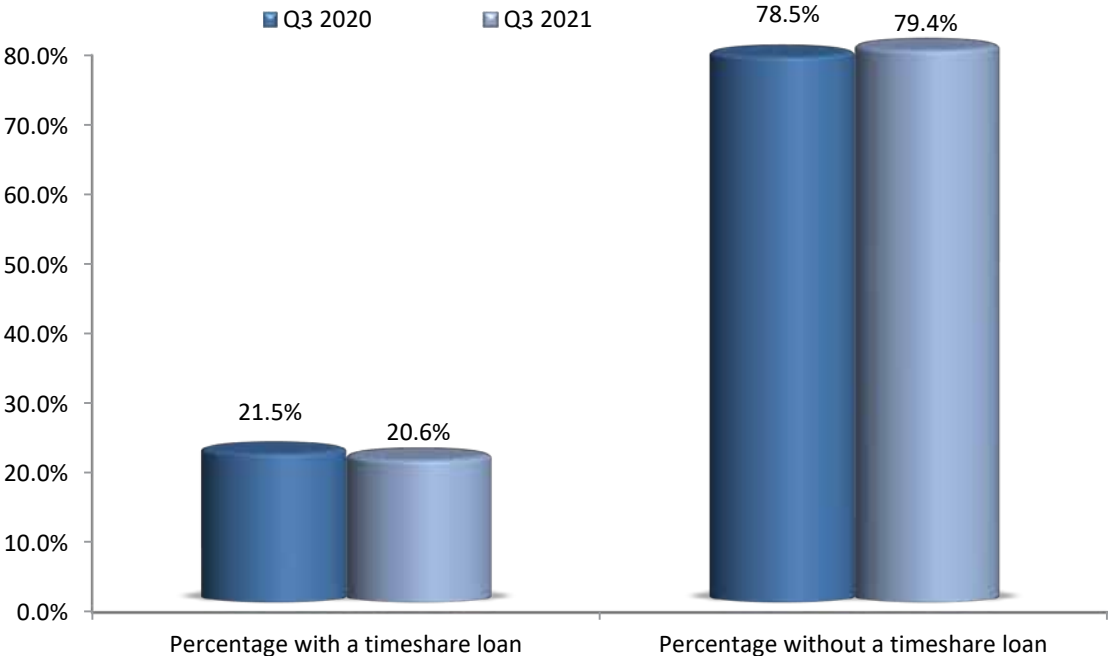
Third Quarter	2020	2021	Difference
Average:			
Interest rate (annual)	14.1%	14.4%	0.3%
Term (months)	121.5	124.1	2.6 months
Down payment on non-upgrade sales (% of price)	18.9%	17.4%	-1.5%
Down payment on upgrade sales (% of price)	40.6%	42.7%	2.1%
FICO Score at origination (new sales)	711	713	2

Source: Deloitte & Touche based on a minimum of 11 company survey responses.

<sup>7</sup> To calculate the average interest rate, down payment, and term, responses were weighted by the dollar value of net originated sales (including telesales).

Respondents were also asked to provide the percentage of owners with a timeshare loan as well as owners without a timeshare loan. As of Q3 2021, 20.6 percent of owners had a timeshare loan while 79.4 percent of owners did not have a timeshare loan. This reflects a 0.9 percentage point decrease for owners with a timeshare loan and a 0.9 percentage point increase for owners without a timeshare loan when compared to Q3 2020 as seen in *Figure 13* below.

**Figure 13. Owner loan status**

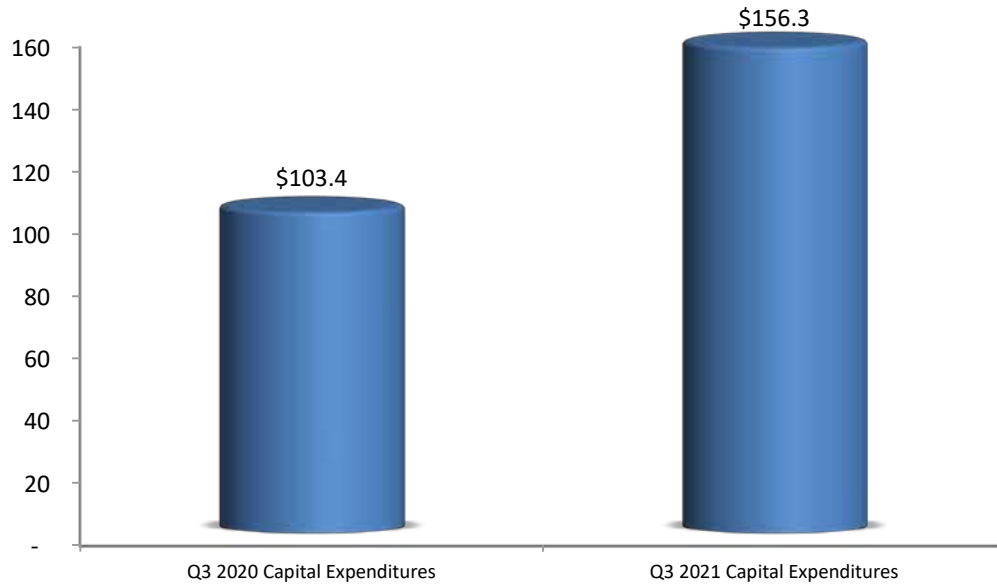


Source: Deloitte & Touche based on 10 company survey responses.

## 5. Capital expenditures related to timeshare inventory increased overall in Q3 2021 – QTD when compared to Q3 2020 – QTD.

Survey respondents were asked to provide total capital expenditures related to timeshare inventory projects (including turn-key, just-in-time inventory purchases, and buy-backs from property owner associations). Overall, capital expenditures increased 51.1 percent in Q3 2021 – QTD compared to Q3 2020 – QTD. Six respondents reported a decrease in capital expenditures related to timeshare inventory, four respondents reported an increase, and two respondents reported no change.

Figure 14. Capital Expenditures (Millions)



Source: Deloitte & Touche based on 12 company survey responses.

## 6. Impact of COVID-19

Participants were asked specific questions related to the impact of COVID-19 on the Company, which included questions around resort closures, employee furloughs, and the allowance for loan loss.

Twelve respondents reported total resort closures due to COVID-19 as of September 30, 2021 ranged from a minimum of no resorts closed to a maximum of nine resorts as compared to a minimum of no resorts closed and a maximum of 185 resorts as of September 30, 2020. The average number of resorts closed due to COVID-19 is 2 resorts as of September 30, 2021 as compared to 23 resorts as previously reported as of September 30, 2020. The average number of resorts reopened is 41 resorts as of September 30, 2021 as compared to 36 resorts as previously reported as of September 30, 2020.

Eleven respondents reported total sales center closures due to COVID-19 as of September 30, 2021 ranged from a minimum of no sales centers closed to a maximum of seven sales centers as compared to a minimum of no sales centers closed and a maximum of 123 sales centers as of September 30, 2020. The average number of sales centers closed due to COVID-19 is 2 sales centers as of September 30, 2021 as compared to 22 sales centers as previously reported as of September 30, 2020. The same respondents reported a minimum of no sales centers to a maximum of 117 sales centers of those that closed have since reopened as of September 30, 2021. The average number of sales centers reopened is 29 sales centers as of September 30, 2021 as compared to 22 sales centers as previously reported as of September 30, 2020.

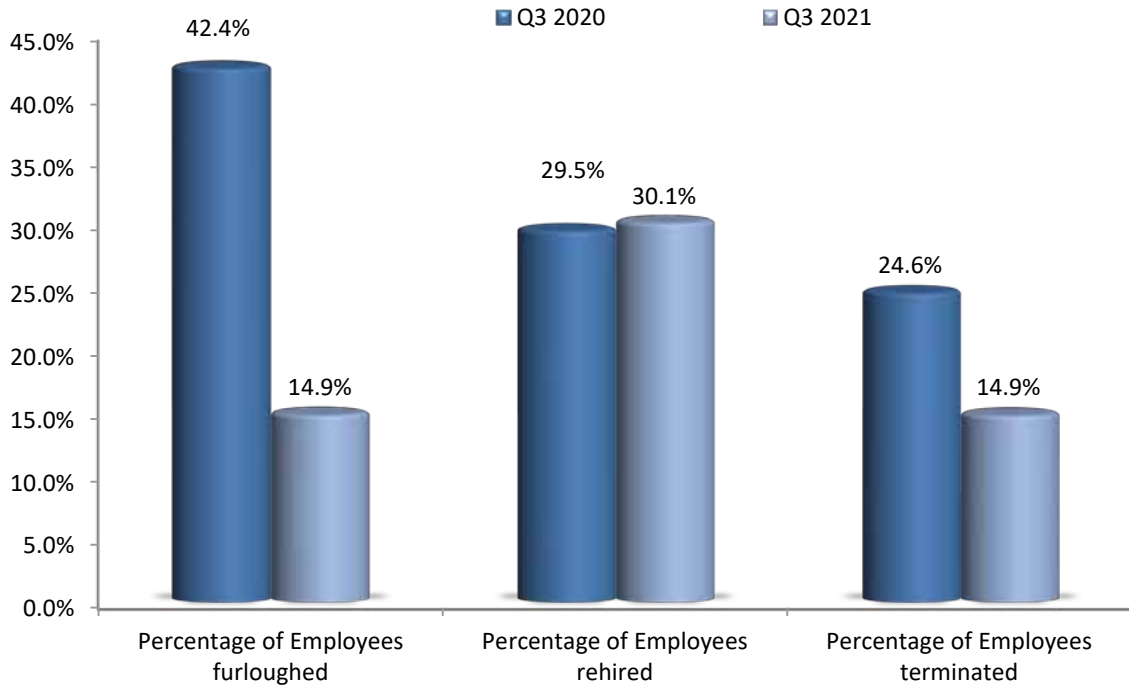
**Figure 15. Impact on Resorts and Sales Centers due to COVID-19**

Third Quarter	Closed		Reopened		Percentage of Total Closed		Percentage of Total Reopened	
	2020	2021	2020	2021	2020	2021	2020	2021
<b>Resorts</b>								
Minimum	0	0	3	0	0.0%	0.0%	62.5%	0.0%
Maximum	185	9	178	221	100.0%	100.0%	100.0%	100.0%
Simple Average	23	2	36	41	51.3%	16.0%	86.5%	87.5%
<b>Sales Centers</b>								
Minimum	0	0	1	0	0.0%	0.0%	55.0%	0.0%
Maximum	123	7	98	117	100.0%	100.0%	100.0%	100.0%
Simple Average	22	2	22	29	70.3%	21.0%	90.2%	79.0%

Source: Deloitte & Touche based on a minimum of 11 company survey responses.

Ten respondents reported data around the impact on employment due to COVID-19. On average, 14.9 percent of total employees were furloughed as of September 30, 2021 since February 29, 2020 (prior to COVID-19). We defined a furloughed employee as one who was temporarily laid off from work. As of September 30, 2021, 30.1 percent of total employees had been rehired. An average of 14.9 percent of total employees were permanently terminated. See comparison of these metrics to that as of September 30, 2020 as previously reported in *Figure 16* below. The sum of percentage of employees rehired and terminated is greater than the percentage of employees furloughed for Q3 2021 as employees may have been directly terminated without being furloughed.

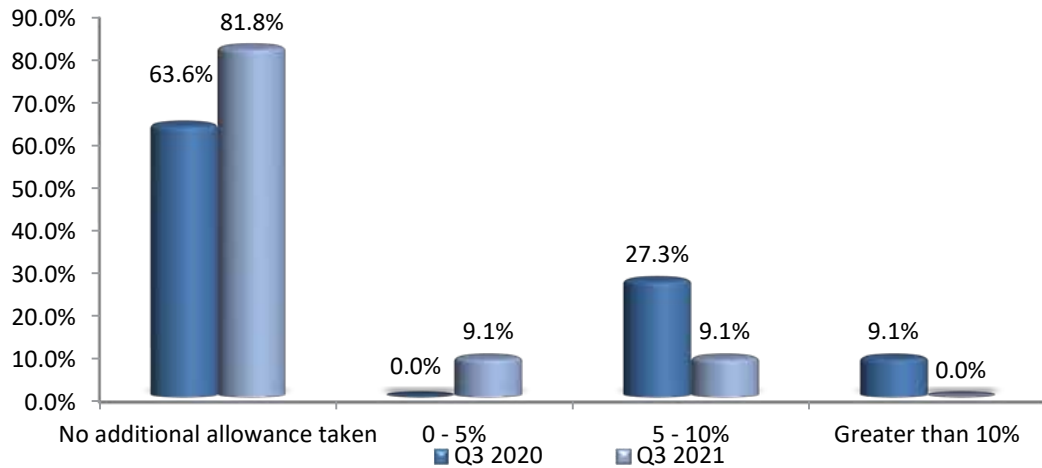
**Figure 16. Impact on Employment due to COVID-19**



Source: Deloitte & Touche based on 10 company survey responses.

Of the 11 companies who responded to the impact of COVID-19 on the Allowance for Loan Losses, 81.8 percent reported no additional allowance was taken as of Q3 2021 as compared to 63.6 percent as of Q3 2020. As of Q3 2021, 9.1 percent reported that the impact was greater than zero and less than 5 percent of the total Allowance balance as compared to 0 percent as reported as of Q3 2020. The simple average of Additional Allowance for Loan Losses recorded due to COVID-19 as a percentage of total Allowance for all respondents was 0.6 percent for Q3 2021 – QTD as compared to 3.7 percent for Q3 2020 – QTD and 0.6 percent for Q2 2021 as previously reported.

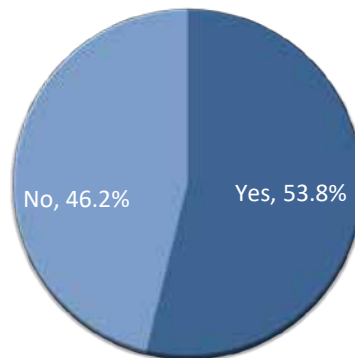
**Figure 17. Additional Allowance for Loan Losses recorded due to COVID-19 as a percentage of total Allowance**



Source: Deloitte & Touche based on 11 company survey responses.

Approximately 53.8 percent of the respondents reported that they offered a mortgage deferment program to owners due to the impacts of COVID-19 as of September 30, 2021. Three companies had a similar program in which they offered owners a payment deferral up to three months. Specific repayment terms varied by company, for example, some programs deferred the payments to the end of the loan while other programs increased the owner’s monthly payment after the deferment period in order to catch up on the loan.

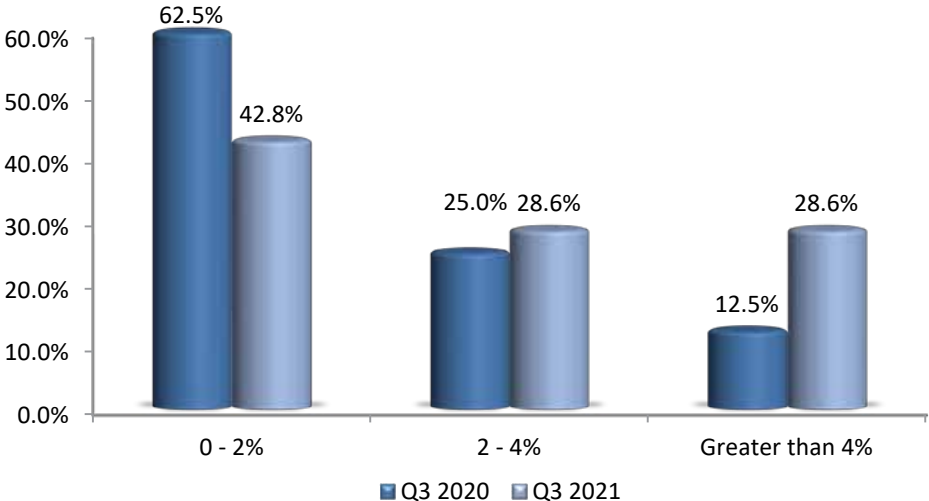
**Figure 18a. Mortgage Deferment Offered to Owners due to COVID-19**



Source: Deloitte & Touche based on 13 company survey responses.

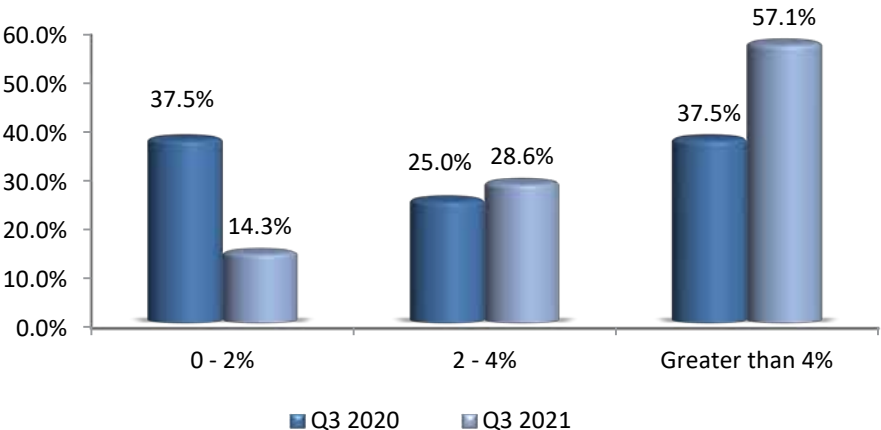
As reported by seven companies, only a small percentage of owners took advantage of the mortgage deferral programs as of September 30, 2021. Approximately 42.8 percent of respondents reported that less than two percent of timeshare owners deferred mortgage payments as of September 30, 2021 as compared to 62.5 percent as of September 30, 2020. Of the seven respondents that responded, 57.1 percent said that the deferred mortgage payments comprised of greater than 4 percent of the total portfolio balance. The simple average number of owners who took advantage of the program as a percentage of total owners for all respondents was 3.4 percent as of September 30, 2021 as compared to 2.5 percent as of September 30, 2020 and 3.7 percent as of June 30, 2021. The simple average dollar value impact of the deferment program as a percentage of total portfolio for all respondents was 4.8 percent as of September 30, 2021 as compared to 3.7 percent as of September 30, 2020.

**Figure 18b. Owners who took advantage of the program as a percentage of total owners**



Source: Deloitte & Touche based on 7 company survey responses.

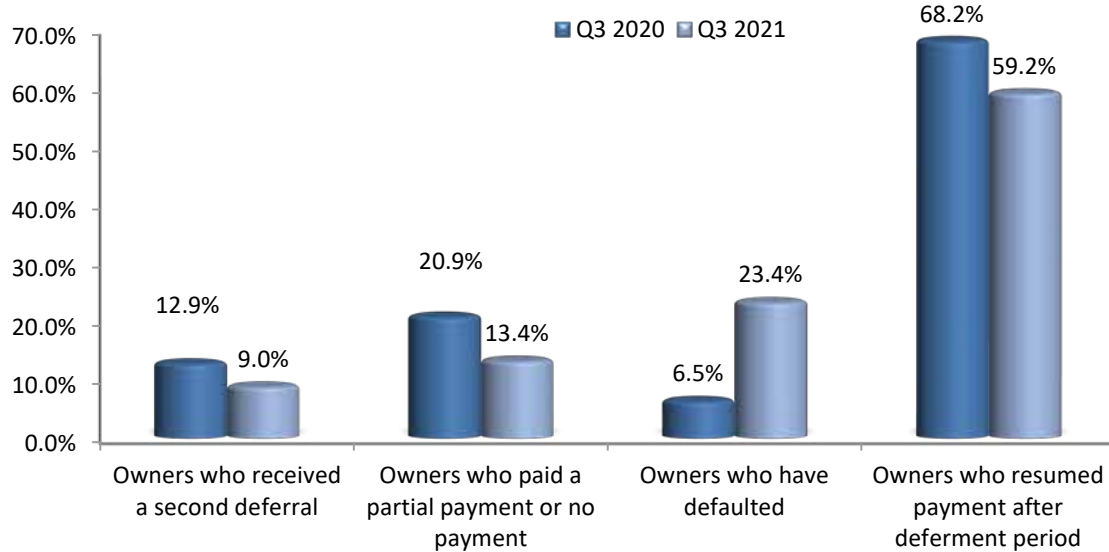
**Figure 18c. Dollar value impact of the deferment program as a percentage of total portfolio**



Source: Deloitte & Touche based on 7 company survey responses.

Of the companies who offered owners a mortgage deferral program, we gathered further data on the owners who took advantage of the mortgage deferral program as seen in *Figure 18d* below. On average, 9.0 percent of the owners who took advantage of the mortgage deferral program received a second deferral, 13.4 percent paid a partial payment or no payment, 23.4 percent have defaulted, and 59.2 percent have resumed payment after deferment period as of September 30, 2021. This compares to 12.9 percent of the owners who took advantage of the mortgage deferral program received a second deferral, 20.9 percent paid a partial payment or no payment, 6.5 percent have defaulted, and 68.2 percent have resumed payment after deferment period as of September 30, 2020. Note the percentages sum to greater than 100 percent as owners may fall into more than one category.

**Figure 18d. Simple Average of Owners as a percentage of total owners with a mortgage deferment**



Source: Deloitte & Touche based on 7 company survey responses.

Considering the receivables portfolios of only the loans of owners who took advantage of a mortgage deferral program, respondents reported that payments for 74.0 percent of the value of their loan portfolios were current (measured as fewer than 31 days past due) as of September 30, 2021 as compared to 75.8 percent as of September 30, 2020. Further, 20.3 percent of consumer timeshare loan portfolios by dollar value were more than 120 days delinquent as of September 30, 2021 as compared to 2.3 percent as of September 30, 2020.

**Figure 18e. Aging of consumer timeshare loan portfolios with a mortgage deferment**

	September 30, 2020	September 30, 2021
Current	75.8%	74.0%
31 to 60 days	11.6%	3.0%
61 to 90 days	8.0%	1.6%
91 to 120 days	2.3%	1.1%
More than 120 days	2.3%	20.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Deloitte & Touche based on 6 company survey responses

The following table shows the quarterly survey results in aggregate.

ARDA International Foundation – Three Months Ended September 2021 Pulse Survey

**\*\*Three Months September 2021 Results\*\***

	<u>Three Months September 30 2020</u>	<u>Three Months September 30 2021</u>	<u>Increase/ (Decrease)</u>	<u>Increase/ (Decrease) Percent</u>	<u>Survey Responses</u>
<b>General Characteristics</b>					
1. Ownership status (public or private)	Public: 38% Private: 62%	Public: 54% Private: 46%			13
2. Are fee-for-service activities being provided by another developer on your behalf?		Yes: 8% No: 92%			13

**Receivables Portfolio**

The following questions refer to the portfolio of receivables (total held and/or serviced receivables, including securitized and/or hypothecated receivables), including receivables for sales made in earlier years.

3. Gross outstanding portfolio balance, at period end (in dollars)	\$12,733,128,460	\$12,218,133,215	(\$514,995,245)	-4.0%	13
4. At period end, on a contractual basis what percentage of the dollar amount of this portfolio was:					
Current (current or fewer than 31 days delinquent)	86.6%	88.4%	1.8%	2.1%	12
Between 31 to 60 days delinquent	1.8%	1.5%	-0.3%	-16.7%	12
Between 61 to 90 days delinquent	1.3%	1.0%	-0.3%	-23.1%	12
Between 91 to 120 days delinquent	1.3%	1.0%	-0.3%	-23.1%	12
More than 120 days delinquent	9.0%	8.1%	-0.9%	-10.0%	12
<b>Total should equal 100%</b>	100.0%	100.0%			
5. Gross defaults (total amount charged against the allowance for uncollectible accounts during period as a percentage of gross outstanding portfolio balance at period end)	8.2%	5.1%	-3.1%	-37.8%	12
6. Average FICO score at origination (on loans in the portfolio at quarter-end, weighted by outstanding principal balance)	713	712	-1	-0.1%	12

**Inventory**

7. Total capital expenditures related to timeshare inventory	\$103,440,791	\$156,343,325	\$52,902,534	51.1%	12
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**Resort Occupancy**

8a/8b. Timeshare occupancy mix by type. Report based on physical occupancy, meaning actual guest check-in occurred. (including rooms at resorts that were closed due to COVID-19)

Occupied (owner or owners' guest, exchange guest, renter, and marketing guest)	52.0%	79.2%	27.2%	52.3%	14
Vacant - please do not include any inventory taken offline due to natural disasters (i.e. hurricanes, fires, etc.) or regular maintenance	48.0%	20.8%	-27.2%	-56.7%	14
Total should equal 100%					

8c/8d. Timeshare occupancy mix by type. Report based on physical occupancy, meaning actual guest check-in occurred. (excluding rooms at resorts that were closed due to COVID-19)

Occupied (owner or owners' guest, exchange guest, renter, and marketing guest)

Vacant - please do not include any inventory taken offline due to natural disasters (i.e. hurricanes, fires, etc.) or regular maintenance

8e/8f. Market Segment occupancy as of September 30 (Excluding rooms at resorts that were closed due to COVID-19)

Owner Occupancy

Non-Owner Occupancy

9. Total available room nights during period (This will be used to calculate the weighted average occupancy rate for the response set.)

a/c. including rooms at resorts that were closed due to COVID-19

b/d. excluding rooms at resorts that were closed due to COVID-19

56.4%	79.7%	23.3%	41.3%	12
43.5%	20.2%	-23.3%	-53.6%	12
62.8%	68.2%	5.4%	8.6%	13
37.2%	31.8%	-5.4%	-14.5%	13
7,494,292	10,145,803	2,651,511	35.4%	14
6,870,285	7,645,637	775,352	11.3%	13

### Selected Sales Metrics (Including telesales and home sits)

Sales metrics. Include telesales in the following responses.

10. Net originated sales (net of sales incentives and rescissions) (in dollars)

11. Net originated sales (net of sales incentives and rescissions) that were new owner sales (in dollars):

12. Net originated sales (net of sales incentives and rescissions) that were existing owner sales (in dollars):

13. Weighted average rescissions %

13. Rescissions \$

14a. Weighted average rescissions that were new owner sales %

14a. Rescissions that were new owner sales \$

14b. Weighted average rescissions that were existing owner sales %

14b. Rescissions that were existing owner sales \$

15. Owner growth rate over prior year

\$894,950,376	\$1,573,467,231	\$678,516,856	75.8%	13
\$326,435,168	\$639,157,750	\$312,722,582	95.8%	12
\$532,763,835	\$797,259,812	\$264,495,977	49.6%	12
12.9%	12.3%	-0.6%	-4.7%	13
\$156,376,841	\$251,939,490	\$95,562,648	61.1%	13
25.0%	26.8%	1.8%	7.2%	12
\$83,028,288	\$140,598,930	\$57,570,642	69.3%	12
16.4%	15.7%	-0.7%	-4.3%	12
\$59,526,186	\$77,962,519	\$18,436,333	31.0%	12
-0.7%	-0.8%	-0.1%	-14.3%	12

### Selected Sales Metrics (Excluding telesales)

Sales metrics. Exclude telesales from the following responses. Include sales to existing owners and other in-house guests.

16. Number of tours. Represents the number of tours taken by guests in the company's efforts to sell timeshares. Include all tours of sales prospects, whether they occur on-site or at an off-site sales center.

17. Number of sales transactions (exclude rescissions) (Transactions should include: week sales, EOY sales, multiple-week sales, upgrades (that count as zero weeks), points sales, and reloads (which should be part of all categories above, except upgrades). Transactions should not include sales of Sampler programs.)

Weighted average close rate (excludes sales that are canceled through rescission, calculated based on formula)

18. Net originated sales (gross sales less incentives and rescissions) excluding telesales

Weighted average volume per guest ("VPG"). Represents timeshare sales revenue per guest and is calculated by dividing net originated sales, excluding telesales and home sits, by the number of tours. (calculated based on formula)

Weighted average transaction value (this is calculated based on net originated sales and excludes any charges not reflected in net originated sales, such as closing costs)

241,418	448,177	206,759	85.6%	12
45,408	84,219	38,811	85.5%	12
19.3%	19.4%	0.1%	0.5%	12
\$867,122,608	\$1,650,339,388	\$783,216,780	90.3%	12
\$4,375	\$3,816	(\$559)	-12.8%	12
\$23,030	\$21,184	(\$1,846)	-8.0%	12

19. Total net originated sales (gross sales less incentives and rescissions) for non-owned timeshare inventory sold under fee-for-service agreements	\$90,323,979	\$215,595,510	\$125,271,531	138.7%	4
20. Total net originated sales (gross sales less incentives and rescissions) for owned timeshare inventory sold by others under fee-for-service agreements	\$454,294	\$1,219,810	\$765,516	168.5%	1
Total net originated sales (excluding rescissions, including fee-for-service, excluding fee-for-service sold by others)	\$984,820,061	\$1,787,842,931	\$803,022,870	81.5%	13
21. Total Rental Revenue	\$205,927,768	\$421,313,379	\$215,385,611	104.6%	13

### Consumer Financing

The following items refer to new financing provided to consumers during the period. For upgrade sales, use the characteristics of the new loan. For example, if an owner with \$4,000 of equity and \$6,000 principal balance outstanding on an existing loan purchases an upgrade vacation ownership interest with a stated sales price of \$20,000, and uses the equity in their existing interval as the down payment, resulting in a new loan with a principal balance of \$16,000, use the interest rate and term of that \$16,000 loan.

22. Weighted average interest rate.	14.1%	14.4%	0.3%	2.1%	13
22. Weighted average term (in months).	121.5	124.1	2.6	2.1%	13
Average down payment.					
24. Average down payment on non-upgrade sales	18.9%	17.4%	-1.5%	-7.9%	12
25. Average down payment on upgrade sales	40.6%	42.7%	2.1%	5.2%	11
26. Weighted -average FICO score (on new loans, weighted by original principal balance, exclude buyers without FICO scores)	711	713	2	0.3%	12
27a. Originations as a percentage of gross sales. The gross sales amount inclusive of upgrade contract selling prices.	52.0%	55.8%	3.8%	7.3%	9
27b. Originations as a percentage of net sales. The net sales should equal gross sales less upgrade contract selling prices.	63.6%	65.4%	1.8%	2.8%	10
28a. Percentage of owners with a timeshare loan.	21.5%	20.6%	-0.9%	-4.2%	10
28b. Percentage of owners without a timeshare loan.	78.5%	79.4%	0.9%	1.1%	10

### Impact of COVID-19

For the following questions regarding Resorts and Sales Centers that have closed, please respond with the total number, including those that have since reopened as of September 30, 2021.

For the following questions regarding employees who have been furloughed, please respond with the total number, including those who have been since rehired as of September 30, 2021. We are defining a furloughed employee as a one who is temporarily laid off from work.

29a. Impact on Resorts due to COVID-19					
Number of Resorts closed	23	2	-21	-92.8%	12
Number of Resorts reopened	36	41	5	13.7%	12
29b. Impact on Resorts due to COVID-19 as a percentage of total resorts as of February 29, 2020 (pre-COVID-19)					
Percentage of Resorts closed	51.3%	16.0%	-35.3%	-68.8%	12
Percentage of Resorts reopened	86.5%	87.5%	1.0%	1.2%	12
30a. Impact on Sales Centers due to COVID-19					
Number of Sales Centers closed	22	2	(20)	-90.6%	11
Number of Sales Centers reopened	22	29	7	29.2%	11

30b. Impact on Sales Centers due to COVID-19 as a percentage of total sales centers as of February 29, 2020 (pre-COVID-19)

Percentage of Sales Centers closed	70.3%	21.0%	-49.3%	-70.1%	11
Percentage of Sales Centers reopened	90.2%	79.0%	-11.2%	-12.4%	11

31. Impact on Employment due to COVID-19. Please consider full time and part time employees when answering this question. The response should be recorded as a percentage of total employees as of February 29, 2020 (pre-COVID-19).

Number of Employees furloughed	42.4%	14.9%	-27.5%	-64.9%	10
Number of Employees rehired	29.5%	30.1%	0.6%	2.0%	10
Number of Employees terminated	24.6%	14.9%	-9.7%	-39.4%	10

32. Additional Allowance for Loan Losses recorded due to COVID-19 as a percentage of total Allowance recorded for the three months ended September 30, 2021

	3.7%	0.6%	-3.1%	-83.8%	11
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33. Was a mortgage deferment program offered to owners due to COVID-19?

	Yes: 53.8%				13
	No: 46.2%				

Average number of owners who took advantage of the program as a percentage of total owners.

	2.5%	3.4%	0.9%	36.0%	7
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The average dollar value impact of the deferment program as a percentage of total portfolio.

	3.7%	4.8%	1.1%	29.7%	7
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34. Please report the following data as a percentage of total owners who took advantage of a mortgage deferment program as of September 30, 2021:

Percentage of owners who received a second deferral	12.9%	9.0%	-3.9%	-30.2%	7
Percentage of owners who paid a partial payment or no payment	20.9%	13.4%	-7.5%	-35.9%	7
Percentage of owners who have defaulted	6.5%	23.4%	16.9%	260.0%	7
Percentage of owners who resumed payment after deferment period	68.2%	59.2%	-9.0%	-13.2%	7
<b>Total should equal at least 100%</b>	108.5%	105.0%			

35. At period end September 30, 2021, considering only the loans of owners who took advantage of the mortgage deferment program, what percentage of the dollar amount of this portfolio was

Current (current or fewer than 31 days delinquent)	75.8%	74.0%	-1.8%	-2.4%	6
Between 31 to 60 days delinquent	11.6%	3.0%	-8.6%	-74.1%	6
Between 61 to 90 days delinquent	8.0%	1.6%	-6.4%	-80.0%	6
Between 91 to 120 days delinquent	2.3%	1.1%	-1.2%	-52.2%	6
More than 120 days delinquent	2.3%	20.3%	18.0%	782.6%	6
<b>Total should equal 100%</b>	100.0%	100.0%			

## Method

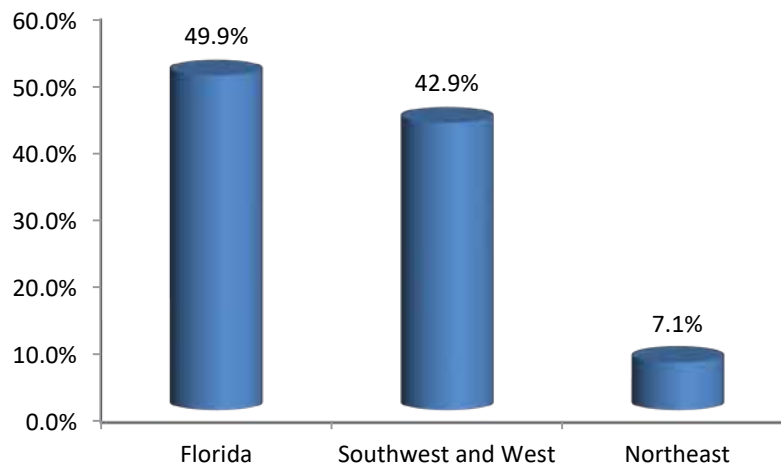
The 2021 Third Quarter Pulse Survey was conducted by Deloitte & Touche on the behalf of ARDA International Foundation. The purpose of the research was to compile current data and to provide a current perspective on the timeshare industry's financial performance.

Deloitte & Touche developed the survey instrument in connection with input from ARDA International Foundation and industry participants. Deloitte & Touche distributed the survey directly to 266 timeshare and vacation ownership companies on October 11, 2021. The survey collection efforts focused on companies generating the largest volume of timeshare sales and companies that participate as board members of the American Resort Development Association (ARDA). Deloitte & Touche followed up with the companies by telephone and e-mail to encourage responses. Deloitte & Touche ended the survey collection effort on November 4, 2021. By November 4, 2021, 14 companies, or 5.3 percent of those surveyed, responded.

During the data analysis phase, Deloitte & Touche contacted several of the respondents with follow-up questions about specific answers they provided. Responses to some questions that were left blank or were unusual were ultimately excluded from the analysis. Though a total of 14 responses were collected, most questions were not answered by all 14 respondent companies as indicated in the "survey responses" column on the "Aggregate Results" tables.

The response base includes major companies in the U.S. timeshare sector. The 13 respondents that provided sales information reported aggregate Q3 2021 – QTD net originated sales, including telesales and excluding fee-for-service arrangements, of \$1,573.5 million. Seven of the 14 companies are publicly traded companies as of September 30, 2021, and three of the 14 are affiliated with major hotel brands. The survey is focused on the U.S. considering the location of companies' headquarters provides an indication of the geographic regions represented by the response base. Many of the U.S. respondents are based in the Southeast, including seven in Florida, though companies in the Northeast region, and Southwest and West region also responded.<sup>8</sup> No respondents were based in the Southeast (except for Florida), Midwest or Canada.

**Figure 19. Distribution of companies by headquarters location, 2021**



Source: Deloitte & Touche based on 14 company survey responses.

<sup>8</sup> Regional definitions: Florida (FL); Northeast (CT, DC, DE, KY, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV); Midwest (IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI); Southeast (AL, AR, GA, LA, MS, NC, SC, TN); and Southwest and West (AK, AZ, CA, CO, HI, ID, MT, NM, NV, OK, OR, TX, UT, WA, WY).

To effectively interpret the survey results it is important to understand that the survey is not a projection as it is not based on a random sample of companies, nor is it a census of all companies. The survey is based on responses from participating companies that account for a predominance of industry sales, and this is one of the reasons it is seen as a valuable resource.

The companies that participated in this survey are not identical to those that participated in prior editions of the Pulse Survey or of the Financial Performance Survey, which is an annual survey conducted on behalf of the ARDA International Foundation. The most recent previous Pulse Survey reported on activity for the three months ended June 30, 2021. The current Pulse Survey functions similarly as a timely source of information on several key statistics, with a focus on the three months ended September 30, 2021. Due to the relatively large size of some of the companies participating, the changing composition of the response base can materially impact the results reported in this version compared to previous editions. Also, the timeshare industry experiences changes in activity levels during different seasons of the year. It is not accurate to compare the Q3 2020 – QTD and Q3 2021 – QTD results presented in this edition with results shown in reports of earlier periods without understanding that the response base and reporting period have changed.

Unless otherwise noted specifically as simple averages, all averages in this report are weighted averages. For example, responses to questions related to sales topics, such as VPG, are weighted by net originated sales volume.

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