Economic Impact

2022

OF THE TIMESHARE INDUSTRY ON THE U.S. ECONOMY

2022 EDITION
PREPARED BY EY

AIF
Market Intelligence | Career Advancement

AIF

Market Intelligence

Career Advancement

2022 SPONSORS

The ARDA International Foundation gratefully acknowledges the sponsors whose financial contributions made this study possible.

PLATINUM SPONSORS

ROC RESORT OWNERS' COALITION

Disney Vacation Club

Hilton GRAND VACATIONS

Holiday Inn Club Vacations

interval

MARRIOTT VACATIONS WORLDWIDE

RCI

WESTGATE RESORTS

WYNDHAM DESTINATIONS

UNDERWRITER

arrivia

Concord

Western Alliance Bank

Current at time of printing

Economic Impact

OF THE TIMESHARE INDUSTRY
ON THE U.S. ECONOMY

EXECUTIVE SUMMARY 5

I. INTRODUCTION 7

II. SURVEY RESULTS 8

III. ECONOMIC AND FISCAL IMPACT ESTIMATION METHODOLOGY 12

VI. DETAILED ECONOMIC IMPACT RESULTS 16

V. DETAILED FISCAL IMPACTS 22

APPENDIX A
DETAILED FISCAL IMPACT TABLES 25

APPENDIX B
IMPLAN IMPACT MODELING METHODOLOGY 30

APPENDIX C
SURVEY 31

2022 EDITION
PREPARED BY EY

Building a better
working world

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

Market Intelligence
Career Advancement

Use of Information Provided by AIF:
The information provided by the ARDA International Foundation is intended to give the reader general information regarding the industry and it does not constitute legal or other professional advice. The information should not be relied upon in making any determinations about a specific matter or issue. If you require counsel on a specific matter or issue, please contact the appropriate professional.

The impact of the timeshare industry on the U.S. economy extends beyond the timeshare resorts with which customers are most familiar. The total economic contribution of the industry also includes the economic impacts of sales and marketing offices, corporate operations, the construction of new resorts and the renovation of existing resorts, and the significant impact of vacationers' expenditures during timeshare stays. This study estimates the comprehensive private- and public-sector benefits generated by the timeshare industry nationwide.

In addition to private-sector benefits, including jobs and income, the significant tax contributions of the industry are a source of revenue for federal, state, and local governments. The estimates described below show the timeshare industry produces significant amounts of individual income tax and employment tax at the federal level, and contributes significantly to property tax, sales tax, and occupancy tax revenue for state and local governments in the states where timeshare resorts are located.

The results within this report highlight the key economic and fiscal (tax) contributions of the timeshare industry to the U.S. economy. The benefits are summarized in terms of direct and indirect and induced economic and fiscal impacts and are presented for resort operations, sales and marketing, corporate operations, consumer spending, and construction. The direct impacts are generated through spending by the timeshare industry and its employees. The indirect and induced impacts are from increased activity among suppliers and higher spending by employees due to increased incomes.

As shown in Table 1 below, in 2021, the timeshare industry supported 441,215 jobs, $29.3 billion in labor income, $73.1 billion of output, and $10.7 billion in taxes.[1]

TABLE 1

ECONOMIC CONTRIBUTIONS OF THE U.S. TIMESHARE INDUSTRY, 2021

Billions of dollars; number of part- and full-time jobs

Impact	Direct	Indirect & Induced	2021 Total
Employment	187,993	253,222	441,215
Labor Income	$12.0	$17.3	$29.3
Output	$27.3	$45.7	$73.1
Taxes	$5.3	$5.4	$10.7

Note: Includes economic contributions related to resort operations, corporate office operations, sales office operations, consumer expenditures, and capital expenditures in 2021.

Source: *2022 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

1 Please note that the numbers in the tables and text of this report are rounded and may not appear to sum. Calculations referenced in the text were performed on precise numbers and will yield a slightly different result.

Employment: The timeshare industry directly supported employment of 187,993 people in 2021. This direct employment supported indirect and induced employment at suppliers and other businesses totaling 253,222 jobs. Combining direct and indirect and induced employment, the total employment contribution of the timeshare industry nationwide is estimated to be 441,215 jobs. For each direct job, an additional 1.35 jobs are supported in other industries due to the U.S. timeshare industry.

Labor Income: The total income contribution of the timeshare industry is estimated to be $29.3 billion in 2021, including an estimated direct income impact of $12.0 billion and an indirect and induced impact of $17.3 billion. Labor income includes employee compensation (wages plus benefits) and income to proprietors. The total impact of the U.S. timeshare industry on labor income was $2.44 for each dollar of direct income.

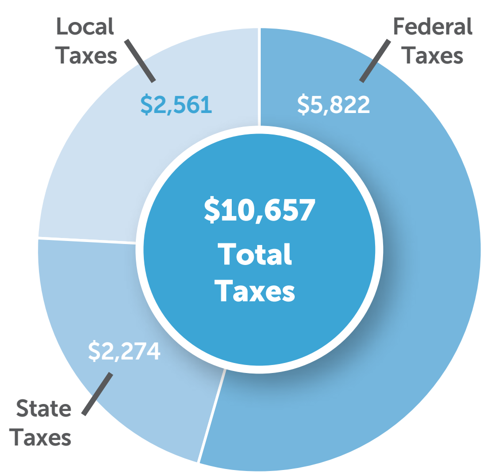
Economic Output: The timeshare industry's direct impact on U.S. economic output (measured by revenues) was $27.3 billion in 2021. The indirect and induced output supported by the timeshare industry was $45.7 billion, resulting in a total economic output contribution of $73.1 billion. The total impact on U.S. economic output is $2.67 for each dollar of direct output.

Taxes: The U.S. timeshare industry generated $10.7 billion in total taxes. Figure 1 shows the breakdown of total tax impact by level of government. The fiscal impacts of the timeshare industry's operations, owner and visitor vacation spending, and construction and renovation of resorts and commercial spaces are shown in more detail in the "Detailed Fiscal Impact Results" section of the report, by level of government and type of taxes. In 2021, the timeshare industry generated an estimated $5.8 billion in federal taxes, $2.3 billion in state taxes, and $2.6 billion in local taxes.

FIGURE 1

TOTAL TAX CONTRIBUTIONS OF THE U.S. TIMESHARE INDUSTRY, 2021

Millions of dollars



Note: Includes estimated direct, indirect, and induced taxes paid as a result of the U.S. timeshare industry in 2021.

Source: *2022 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis.

Introduction

CHAPTER ONE

The timeshare industry provides joint ownership or leases of vacation property that combine the benefits of hotel-like amenities with the security and consistency of home-ownership. There were approximately 203,810 units in 1,549 timeshare resorts in the United States in 2021. This study excludes fractional resorts, Private Residence Clubs, and Destination Clubs. In 2021, sales volume totaled $8.1 billion, decreasing by 23% from 2019. Approximately 334,570 timeshare intervals were sold at an average price of $24,140. The number of intervals sold declined by 27% since 2019, while the average price increased by over 5%. In 2021, timeshare occupancy rate was 73.1%, a six-percentage point decrease since 2019. The U.S. timeshare occupancy rate remains significantly higher than the hotel industry's occupancy rate in 2021, which was 56.4%.[2] Timeshare operations directly employed more than 187,993 people in 48 states in 2021, a decrease of 35.9% or 105,393 jobs since 2019. Impacts on overall employment (including indirect and included) saw a smaller decrease at 27.9%.

This report, prepared by Ernst & Young LLP (EY) and commissioned by ARDA International Foundation (AIF), documents the significant economic and fiscal impact[3] made by the timeshare industry in 2021 nationwide.

The economic contribution of the timeshare industry for 2021 contracted as compared to 2019, the data year covered by the previous version of this report, due in large part to the COVID-19 pandemic and economic and market conditions that followed. In addition to employment, declines also occurred across the other economic and fiscal benefits presented in this report. Labor income fell 20.8%, consistent with the contraction in employment. Whereas economic output and taxes fell by 25.0% and 16.1%, respectively.[4] Even with the contraction in 2021, the timeshare industry continues to contribute to the U.S. economy with $73.1 billion in economic output and over $10.7 billion in total tax revenue across federal, state and local governments.

2 *STR-TRI Monthly Hotel Review: December 2021*, Smith Travel Research. Please note this occupancy rate is based on Smith's Total Room Inventory (TRI) calculation which includes rooms taken offline due to COVID-19.

3 By "economic impact" we mean the employment, income, output supported by the activities of the timeshare industry.

4 The percentage decline in fiscal contributions does not account for any impacts that may have occurred from changes to taxing regimes.

Survey Results

The economic and fiscal impact analysis presented in this study relies on primary data collected through two national surveys, described below. Data collected through the surveys were supplemented with other public and proprietary information to present an estimate of the overall size of the timeshare industry's economic contribution in the United States in 2021.

State of the Vacation Timeshare Industry and *Economic Impact Survey*

One of the primary data source surveys for the economic and fiscal impacts is a survey of timeshare resorts, developers, and management companies. This survey was conducted by EY for the AIF in early 2022. The survey combined both State of the Industry questions and Economic Impact questions in one master survey. The State of the Industry data collected in this survey is summarized in the 2022 edition of AIF's report *State of the Vacation Timeshare Industry: United States Study*, which provides an overview of key metrics of the U.S. timeshare industry such as total sales volume, average maintenance fees, and average sales price. EY also reviews resort, development organization, and management company websites, previous AIF research, and other industry sources to conduct this data analysis. The survey data is extrapolated to reflect the entire timeshare industry in the United States, excluding fractional resorts, Private Residence Clubs, and Destination Clubs.

All identified timeshare resorts and exchange companies in the U.S. were sent a survey questionnaire. Of the 1,549 identified timeshare resorts, 822 responded — a 53% response rate. Of these 822 responding resorts, 742 belong to a family of ten or more resorts, while 80 belong to a family of less than ten resorts, and of these 64 were single site resorts.[5]

EY uses these responses as the basis for most of the detailed estimates presented in this study. In some cases, the survey results are supplemented with public information, such as corporate income tax information from the *IRS Statistics of Income* and economic data from the Bureau of Economic Analysis.

As described above, the estimated economic impact of the timeshare industry is primarily based on the industry data collected in the surveys. The data from these surveys used in the estimation of the economic and fiscal impacts is summarized in the following pages. Table 2 presents an overall summary of the industry's expenditures and operations. The data presented in this section are translated into direct economic impacts, as described in the following section on economic and fiscal impact estimation methodology.

TABLE 2

DIRECT INDUSTRY OPERATIONS SURVEY DATA, 2021

Millions of dollars; number of part- and full-time jobs

	Employment	Employee Compensation	Economic Output
Resort Operations	87,220	$4,614	$13,270
Corporate Headquarters	30,937	$2,584	$4,959
Sales & Marketing	37,053	$3,394	$5,171
Total	**155,210**	**$10,592**	**$23,400**

Note: Does not include off-site vacation expenditures and capital expenditure data.

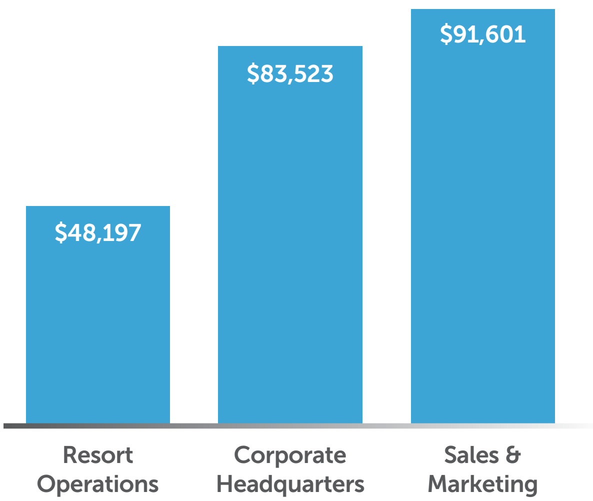
Source: *2022 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey* and EY analysis.

5 List of timeshare resorts maintained and provided by AIF.

FIGURE 2

AVERAGE ANNUAL COMPENSATION BY INDUSTRY FUNCTION, 2021

Including payroll taxes and other benefits



Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*.

TABLE 3

INDUSTRY OPERATIONS SURVEY DATA PER UNIT AND RESORT

	Per Unit	Per Resort
Resort Employees	0.24	56
Total Employees[1]	0.76	100
Resort Revenue	$65,110	$8,566,973
Resort Labor Cost	$22,639	$2,978,811

1 Includes headquarters and sales & marketing employees.

Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*.

Resort Operations Activities: Data describing the annual operations of timeshares include employment, employee compensation, detailed operating expenditures, revenue information including maintenance fees for the timeshare intervals owned (averaging $1,118 per interval), and rental income. Economic output is the broadest measure of economic activity and includes all expenditures and payments to factors of production (labor and capital). In 2021, the direct economic output of timeshare resort operations was estimated to be $13.3 billion, which included maintenance fee revenue of $9.5 billion, rental income of $2.2 billion, and revenue from on-site consumer spending of $1.6 billion. Statistics are provided on a per unit/per resort basis in Table 3. Timeshare resort operations employed an estimated 87,220 employees, with average compensation of $48,197 annually per employee (see Figure 2), resulting in $4.6 billion of employee compensation.

Corporate Activities: In 2021, the corporate operations of timeshare developers, operators, and exchange companies employed an estimated 30,937 employees, with average compensation of $83,523 annually per employee, resulting in $2.6 billion of employee compensation. Purchases from other firms, which are part of direct output, such as financial services, utilities, office supplies, and other operating expenditures, totaled $2.0 billion. Please refer to the methodology section of this report for additional details.

Sales and Marketing Activities: In 2021, timeshare sales and marketing activities employed an estimated 37,053 employees, with average compensation of $91,601 annually per employee, yielding $3.4 billion of employee compensation. Purchases from other firms totaled $1.6 billion.

Capital Expenditures for New Construction and Renovation Activities: As shown in Table 4, new resort construction expenditures totaled $13 million and resort renovations totaled $450 million in 2021. There were no expenditures related to the construction of new corporate and sales operations, however renovations totaled $34 million in 2021. The construction and renovation expenditures include both structures and tangible personal property.

TABLE 4
CAPITAL EXPENDITURES IN THE TIMESHARE INDUSTRY, 2021
Millions of dollars

Capital Expenditures	Direct Spending
Resort Capital Expenditures	$463
New Construction	$13
Renovation	$450
Sales and Corporate Capital Expenditures	$34
New Construction	$0
Renovation	$34
Total Capital Expenditures	**$498**

Note: Renovation costs include costs related to renovation, furniture, fixtures, equipment, and other capital expenditures. New construction costs include expenses related to the purchase of land, construction, furniture, fixtures, and equipment, and other capital expenditures.

Source: *2022 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey* and EY analysis.

Consumer Survey

AIF commissioned Leger, a market research company, to collect data via a survey on vacation expenditures by timeshare owners and visitors during their U.S. timeshare vacations in 2021. This survey, summarized in Table 5, is the second primary data sourced used to estimate the impact of timeshare vacationer spending on the U.S. economy.

Consumer Spending by Timeshare Vacationers: Spending by timeshare owners and guests during timeshare stays was estimated at $6.14 billion in 2021, down 45.7% from pre-pandemic numbers in 2019. Approximately $1.57 billion was spent on-site at resorts, while $4.56 billion was spent off-site in the communities where the timeshare resorts are located. The total vacationer expenditure was estimated based on average per-party expenditures from the *2022 Shared Vacation Ownership Owners Survey*. The average per-party expenditure is then multiplied by the estimated 3.04 million vacation travel parties, which is calculated by the number of intervals available (number of units multiplied by fifty-one weeks) multiplied by the occupancy rate, and adjusted for the number of units occupied per party, as reported in the state of the industry, economic impact and owner surveys.[6]

6 This approach assumes that timeshare owners and other visitors to timeshare resorts have the same spending characteristics.

TABLE 5

DETAILED VACATION EXPENDITURE SPENDING DATA[1]

Vacation Spending Data	Average per Party			Total Off-site Spending ($ billion)
	On-site Spending	Off-site Spending	Total Spending	
Air Transportation Services	—	$428	$428	$1.30
Entertainment and Recreation	$103	$100	$203	$0.30
Hotels and Motel Services, Inc. Casino Hotels[2]	$237	$207	$444	$0.63
Restaurant, Bar, and Drinking Place Services	$74	$95	$169	$0.29
Clothing and Clothing Accessories	$75	$99	$173	$0.30
Groceries	$83	$88	$171	$0.27
Ground Transit	—	$60	$60	$0.18
Gasoline Stations	—	$110	$110	$0.33
Miscellaneous	$38	$35	$73	$0.11
Rental Cars	—	$126	$126	$0.38
Theme Parks & Museums	$58	$81	$138	$0.25
Fitness & Sports	$87	$74	$161	$0.23
Total	**$754**	**$1,502**	**$2,256**	**$4.56**
Average Spending Per Person[3]	**$193**	**$385**	**$578**	

1 Does not include gambling wins and losses.

2 Hotel and motel on-site expenditures are captured by the *2022 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey* as rental revenue and are not included in "on-site spending" referenced throughout the text.

3 Average travel party size is 3.9 people.

Source: *2022 U.S. Shared Vacation Ownership Owners Survey*, prepared by Leger for AIF.

On average, each traveling party spent $2,256 per vacation. Table 5 shows the distribution of total spending by timeshare vacationers across major categories of expenditures. Based on an average travel party size of 3.9 people, the average total spending per person is $578. Note that only the off-site expenditures are included in the estimates of the economic impact of vacation expenditures. On-site spending by timeshare owners and visitors at timeshare resorts is captured separately in the impact of timeshare resort operations, shown in Table 2 on page 8 of this report.

Timeshare Conversions

Timeshares are occasionally converted into other types of vacations. The stability of owning a timeshare is maintained, but a different type of experience is created when an owner is able to convert their timeshare for a cruise, car rental, or a hotel stay. In 2021, over 47,161 of these timeshare conversion transactions were reported. These transactions are not included in the estimated total economic impact of the timeshare industry on the U.S. economy.

Economic and Fiscal Impact Estimation Methodology

CHAPTER THREE

The annual operations of timeshare resorts, corporate operations, sales and marketing, vacation expenditures, and new construction or renovations of both timeshare and operations facilities result in significant output (sales), employment, income, and taxes in the U.S. economy. This section describes the methodology behind the estimated economic and fiscal impact of the U.S. timeshare industry based on the survey data presented and summarized in Tables 2 through 5 of the report.

Economic Impact Methodology

Using a customized economic model of the U.S. economy, developed by IMPLAN Group LLC, this analysis estimated the direct, indirect, and induced economic impacts of the timeshare industry. The survey data discussed in previous pages are used to generate the direct impacts which serve as inputs into the IMPLAN model for the indirect and induced contributions. Detailed information on the IMPLAN model can be found in Appendix B.

FIGURE 3

OVERVIEW OF THE TIMESHARE INDUSTRY OPERATIONS' ECONOMIC IMPACT

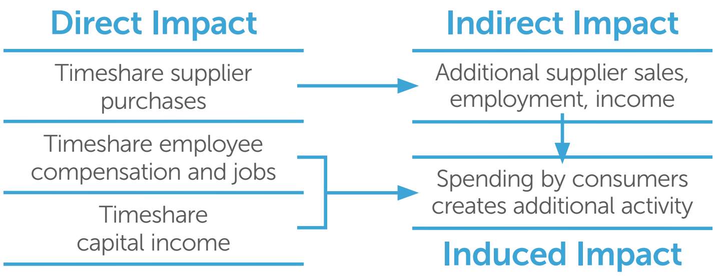


Figure 3 presents a high-level illustration of the channels through which the timeshare industry's operations translate into total economic impacts. As shown in the figure, the timeshare industry's direct operations create purchases from suppliers, employee compensation, and other forms of capital income. These various payments to factors of production (labor and capital) and suppliers create additional indirect economic impacts. As shown below, the industry's supplier purchases result in higher levels of additional sales, employment, and income by suppliers. This impact on suppliers is known as the "indirect" economic impact. Also shown below is the re-spending of employee compensation and other types of income by employees and owners of the timeshare industry, which creates additional spending by consumers at restaurants, retailers, and other businesses that sell to consumers. The impact from additional consumer spending is often referred to as the "induced" economic impact.

Direct Impacts

The estimated direct impact of each timeshare industry activity is measured as the additional output, personal income, or employment connected directly to the industry's operation. The direct public-sector benefits include increased federal, state, and local taxes, such as sales and use taxes, property taxes, occupancy taxes, individual and corporate income taxes paid directly by the timeshare industry, owners of timeshares, and timeshare industry employees. All data were collected through the AIF *2022 State of the Industry/Economic Impact Survey*. Specific estimates of the direct impacts are calculated as described below.

Direct Economic Output

Direct economic output of the timeshare resort operators is estimated to equal total operator revenues from maintenance fees, rental revenue, and on-site spending by vacationers, see Table 6. In 2021, the direct economic output of timeshare resort operations was estimated to be $13.3 billion that includes maintenance fee revenue of $9.5 billion[7], rental income of $2.2 billion, and revenue from on-site consumer spending of $1.6 billion.[8]

TABLE 6

DIRECT ECONOMIC OUTPUT GENERATED BY RESORT OPERATIONS, 2021

Millions of dollars

	Amount
Economic Output	
Rental Revenue	$2,246
Maintenance Fees	$9,453
On-site Consumer Spending	$1,572
Direct Economic Output	**$13,270**

Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey,* IRS Income Statistics, BEA, and EY analysis.

As shown in Table 7, direct output from the corporate operations of timeshare developers, operators, and exchange companies totaled almost $5.0 billion in 2021, which was estimated as the sum of employee compensation of $2.6 billion and operating expenses of $2.0 billion as reported in the survey, plus an estimated profit margin of $371 million, based on standard profitability for the accommodations industry, as reported in the U.S. Internal Revenue Service's *Statistics of Income*.

Direct output from the sales and marketing operations of timeshare developers, operators, and exchange companies totaled nearly $5.2 billion in 2021, which was estimated as the sum of employee compensation and proprietor income of $3.4 billion and non-labor operating expenses of $1.6 billion as reported on the survey, plus an estimated profit margin of $214 million. See Table 7.

TABLE 7

DIRECT ECONOMIC OUTPUT GENERATED BY CORPORATE, SALES & MARKETING OPERATIONS, 2021

Millions of dollars

	Corporate Headquarters	Sales & Marketing
Labor Income	$2,584	$3,394
Non-labor Operating Expenses	$2,004	$1,563
Profits	$371	$214
Direct Economic Output	**$4,959**	**$5,171**

Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact*, IRS Income Statistics, BEA, and EY analysis.

7 Maintenance fee revenue was calculated by multiplying average maintenance fees of $1,120 per interval times the number of intervals owned.

8 Rental revenue and on-site consumer spending were obtained from the survey responses and extrapolated to reflect the total population of resorts.

The direct economic output impact of capital expenditures ($500 million) is based on the amount of resort and non-resort construction and renovations, as reported in the survey. The output impact of new resort construction in 2021 is estimated using the number of new units constructed as reported in the *2022 State of the Industry Survey*. The analysis assumes that the approximate average capital outlay to construct a new timeshare unit is $441,130.

The direct output impact of off-site vacation expenditures on the U.S. economy is estimated at $3.4 billion, based on reported average off-site vacation expenditures of $1,502 per party by 3.04 million vacation travel parties, and taking into account that some of the purchases were for goods manufactured outside the U.S.[9]

Direct Employment

Direct employment of the timeshare industry is equal to the sum of the reported full- and part-time employment for timeshare resorts (87,220 jobs), corporate (30,937 jobs), and sales and marketing (37,053 jobs), as reported in the survey.

The employment impact of other industry activities, such as capital expenditures and vacation expenditures, are estimated using the IMPLAN model of the U.S. economy, which contains information on the typical direct employment associated with spending in each industry.[10]

Direct Labor Income

Direct labor income earned by employees of the timeshare industry is equal to the sum of wages and benefits received by employees and proprietor's income earned by proprietors. Benefits include employer contributions for social insurance, health insurance, retirement, and other types of non-cash compensation. For resort, corporate, and call center operations, the direct income impact was reported in the survey responses. For other industry activities, such as capital and vacation expenditures, the direct income impact was estimated using the U.S. IMPLAN economic model based on the level of expenditures and estimated employment.

Indirect Impacts

The operating expenses incurred by the timeshare industry result in purchases of goods and services from other U.S. businesses, which create ripple or multiplier effects throughout the entire national economy. The multiplier is a measure of the impact the timeshare industry has on the employment, income, and output of supplier businesses that are meeting the timeshare industry's demand for goods and services. For example, a timeshare resort purchases linen services, food and beverages, cleaning supplies, landscaping services, and other goods and services supplied by other businesses. Likewise, the indirect impact of construction and renovation activities results from purchases of building materials from supplier companies.

The indirect impact of the timeshare industry is estimated by using the IMPLAN model of the U.S. economy based on the direct impacts described previously. To produce more accurate estimates of the industry's indirect economic impact, the model is calibrated to reflect the operating profile of the timeshare industry. Specifically, output per worker and compensation per worker were adjusted for resort operations, headquarter operations, and sales and marketing activities. For the industries involved in producing goods and services related to vacation expenditures and capital expenditures, output per worker and compensation per worker were not adjusted and reflect industry averages. For each commodity demanded by the timeshare industry, the model estimates the portion that would be supplied by domestic businesses based on trade flow data from the U.S. Department of Commerce and the U.S. Department of Transportation. These estimates are based on aggregate accommodations and lodging industry information that reflects average purchasing patterns within each industry; individual resorts may have different purchasing patterns.

9 An estimated 3.04 million vacation travel parties is calculated by the number of intervals available (number of units multiplied by fifty-one weeks) multiplied by the occupancy rate, and adjusted for the number of units per party, as reported in the SOI and Leger surveys.

10 The output-per-worker levels are indicated in the IMPLAN economic model. The direct employment impacts for expenditure-based impacts are calculated by the IMPLAN model based on national industry average relationships of output to employment.

Induced Impacts

The employment and wages of timeshare employees and employees of indirectly impacted firms (suppliers) stimulate additional consumer spending as the employees spend their earnings on restaurants, retail items, housing, and other goods and services produced in the national economy. The estimated induced impacts of the U.S. timeshare industry presented in Table 8 of this report, were estimated using the IMPLAN U.S. economic model. The model estimates the re-spending of direct and indirect employees, reflecting typical personal consumption expenditure profiles and the typical proportion of consumption goods that are imported from outside the U.S. economy.

Fiscal Impact Methodology

The timeshare industry's economic contributions generate substantial tax revenues for federal, state, and local governments. These taxes are paid either directly by timeshare owners, visitors and employees, or indirectly by suppliers and their employees through higher levels of economic activity. Direct taxes paid by the timeshare industry, its visitors, and its employees include property taxes, sales taxes, personal and corporate income taxes, occupancy taxes, and other taxes.

Indirect taxes occur as timeshare suppliers, retailers, service firms, and other businesses increase sales and economic activity in response to additional sales related to timeshare operations and consumer expenditures. These additional indirect taxes are generated through the economic multiplier effect.

Direct property tax, occupancy tax, and corporate income tax from resort operations were provided from the *AIF 2022 State of the Industry/Economic Impact Survey*. Direct property taxes totaled $1 billion while direct occupancy taxes for resort operations totaled $504 million in 2021. Direct corporate income taxes paid by the timeshare resort operations totaled $253 million (see appendix Table A1).

Sales tax attributable to capital investment and timeshare vacationer expenditures was estimated using national weighted average rates: 5.64% state sales tax rate and 1.57% local sales tax rate.[11]

All other direct tax and all indirect tax contributions were estimated using ratios of the most recent U.S.-wide tax collections to national personal income for each type of tax.

Estimates of the higher federal, state, and local taxes resulting indirectly from increased economic activity are based on EY's fiscal models for the timeshare industry. Using data from the U.S. Census Bureau's Governmental Finances, and the U.S. Bureau of Economic Analysis (BEA), the model calculates the ratio of federal, state, and local taxes to personal income for all major taxes in the U.S. The tax ratios were then applied to the estimated direct and indirect change in personal income due to the industry's operations, as estimated by the IMPLAN model. The resulting increase in tax collections is reported by tax type.

11 Sales and use tax for timeshare visitor expenditures and capital expenditures are estimated based on equipment and building material costs, which are assumed to be subject to the sales tax. Estimated construction labor, installation, and maintenance charges are excluded.

Detailed Economic Impact Results

Table 8 shows the direct, indirect, and total economic impact of the U.S. timeshare industry on the national economy.

Direct impacts measure the economic output and income of the timeshare industry and its employees, while the indirect impacts reflect the economic contribution of suppliers to the timeshare industry, as well as induced consumer spending by employees that are directly and indirectly connected to the industry.

TABLE 8

DETAILED ECONOMIC IMPACTS OF THE TIMESHARE INDUSTRY, BY FUNCTION, 2021

Billions of dollars; number of part- and full-time jobs

Output	Direct	Indirect & Induced	Total
Industry Operations	$23.4	$39.7	$63.1
Resorts	$13.3	$22.3	$35.6
Corporate	$5.0	$8.6	$13.5
Sales and Marketing	$5.2	$8.8	$14.0
Vacation Expenditures	$3.4	$5.1	$8.6
Capital Expenditures	$0.5	$0.9	$1.4
Total	**$27.3**	**$45.7**	**$73.1**

Employment	Direct	Indirect & Induced	Total
Industry Operations	155,210	223,215	378,425
Resorts	87,220	130,042	217,262
Corporate	30,937	45,064	76,001
Sales and Marketing	37,053	48,109	85,162
Vacation Expenditures	30,365	25,846	56,212
Capital Expenditures	2,418	4,161	6,578
Total	**187,993**	**253,222**	**441,215**

Labor Income	Direct	Indirect & Induced	Total
Industry Operations	$10.6	$15.4	$26.0
Resorts	$4.6	$9.9	$14.5
Corporate	$2.6	$2.8	$5.4
Sales and Marketing	$3.4	$2.8	$6.2
Vacation Expenditures	$1.3	$1.6	$2.9
Capital Expenditures	$0.2	$0.3	$0.4
Total	**$12.0**	**$17.3**	**$29.3**

Note: Labor income includes employee compensation shown in Table 2 and proprietor income.

Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

Estimated Economic Output Impacts

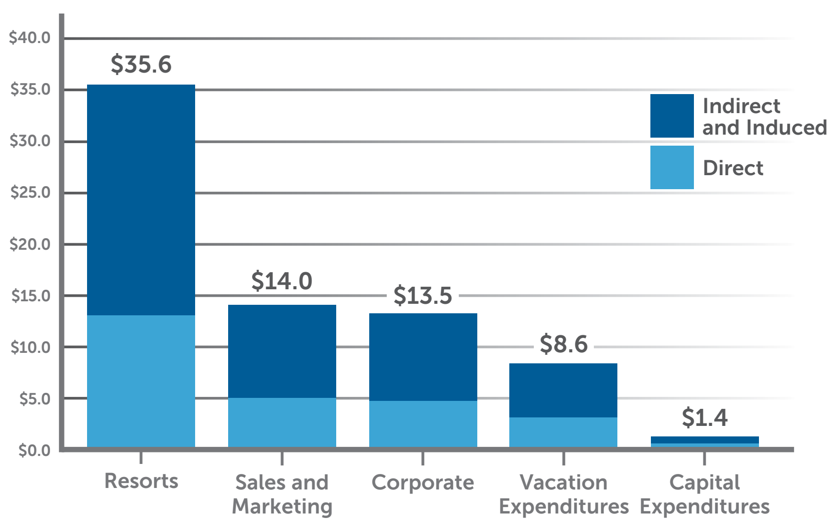
Economic output is the broadest measure of economic activity and is generally equivalent to revenue or total expenses. Specifically, for the timeshare industry, economic output is equal to the total revenue (total expenditures plus profit) from industry operations, spending by vacationers, and investment in construction and renovations. The estimated economic output impacts include the direct output impacts based on the calculations described previously and the indirect and induced economic impacts estimated by the IMPLAN economic model of the United States.

- **Resort Operations:** In 2021, resort operations' direct output totaled $13.3 billion, while indirect and induced output was $22.3 billion, resulting in a total contribution to U.S. economic output of $35.6 billion. The output multiplier is 2.68 where each dollar of direct timeshare economic activity spurs $2.68 dollars of total U.S. economic output.
- **Corporate Operations:** Direct output totaled $5.0 billion while indirect and induced output was $8.6 billion, resulting in a total impact on economic output of $13.5 billion. The output multiplier estimates that each dollar of direct timeshare economic activity results in $2.73 dollars of total U.S. economic output.
- **Sales/Marketing Operations:** Direct output totaled almost $5.2 billion while indirect and induced output was $8.8 billion, resulting in a total impact on economic output of $14.0 billion. The output multiplier estimates that each dollar of direct timeshare economic activity results in $2.71 dollars of total U.S. economic output.
- **Vacation Expenditures:** Direct spending off-site by timeshare owners and visitors totaled $4.56 billion. After taking into account expenditures for goods produced outside the U.S., the direct impact of off-site consumer expenditures was $3.4 billion in direct output. This direct spending created additional economic activity by firms that supply goods and services consumed by vacationers, which totaled $5.1 billion. Combining the direct and indirect impacts on economic output, the total impact on U.S. economic output from timeshare vacation expenditures is $8.6 billion. These results imply that each dollar of direct spending results in $2.49 dollars of total U.S. economic output.
- **Capital Expenditures:** Spending by the timeshare industry on resort and non-resort construction and renovations totaled $0.5 billion in 2021, including purchase of land. Purchases of land were not included in the impact calculation, as expenditures on land do not contribute to economic output. Direct expenditures produced an additional estimated $0.9 billion in indirect and induced output, resulting in a total impact on economic output of $1.4 billion. The output multiplier implies that each dollar of direct spending results in $2.76 dollars of total U.S. economic output.

FIGURE 4

ECONOMIC OUTPUT OF THE TIMESHARE INDUSTRY, 2021

Billions of dollars



Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

Estimated Employment Impacts

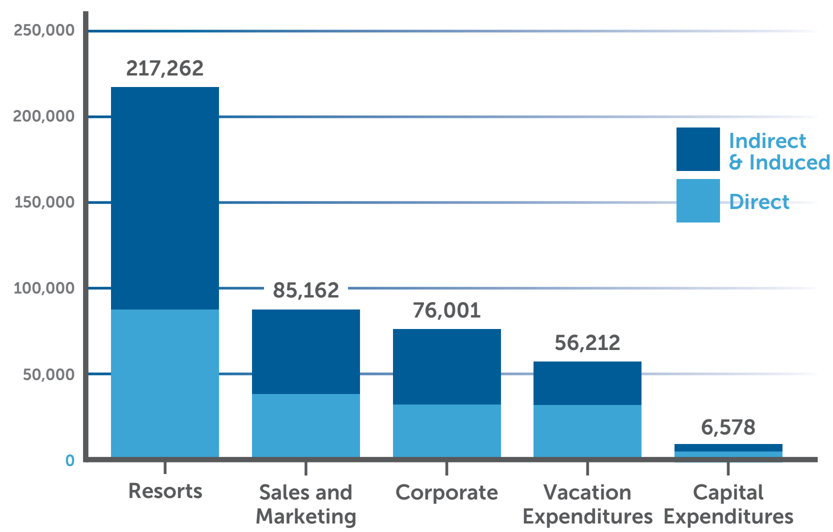
Direct employment associated with the timeshare industry was estimated to be 187,993 jobs (see Table 1). The re-spending of income earned by these employees combined with the indirect impacts from increased supplier activity is estimated to have generated an additional 253,222 jobs, resulting in an estimated 441,215 jobs attributable to the timeshare industry in 2021.

- Off-site vacation expenditures generated 12.7% of the total employment attributable to the timeshare industry. Industry operations (resorts, corporate, and sales operations) accounted for a total of 85.8%, while capital expenditures represent the remaining 1.5%. See Figure 5.
- On average, there are 2.3 total jobs created in the U.S. economy for each direct employee associated with the timeshare industry. Capital expenditures provided the highest multiplier effect, with a total of 2.7 jobs per direct job, while off-site vacation expenditures resulted in 1.9 jobs. According to an analysis of sectors using IMPLAN's model of the U.S. economy, the timeshare industry has a higher employment multiplier than retail and restaurant industries. See Figure 6.

FIGURE 5

EMPLOYMENT OF THE TIMESHARE INDUSTRY, 2021

Number of employees

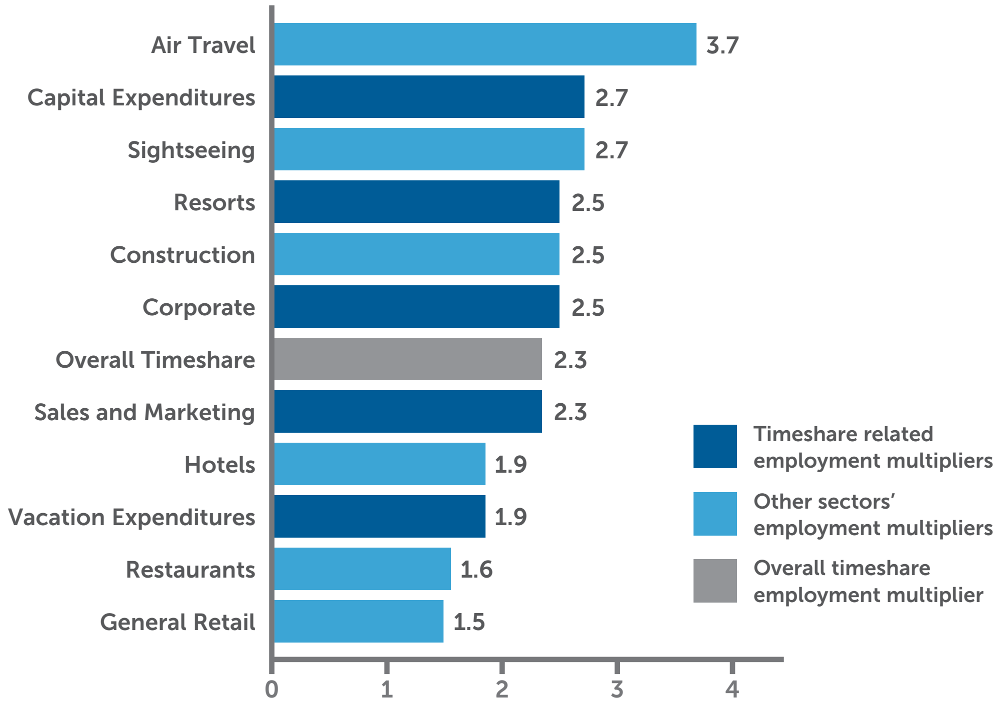


Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

FIGURE 6

COMPARISON OF TIMESHARE INDUSTRY EMPLOYMENT MULTIPLIERS TO SELECTED RELEVANT INDUSTRIES, 2021

Number of total employees per direct employee



Note: Comparison multipliers shown are from selected industries and do not reflect the economy as a whole.

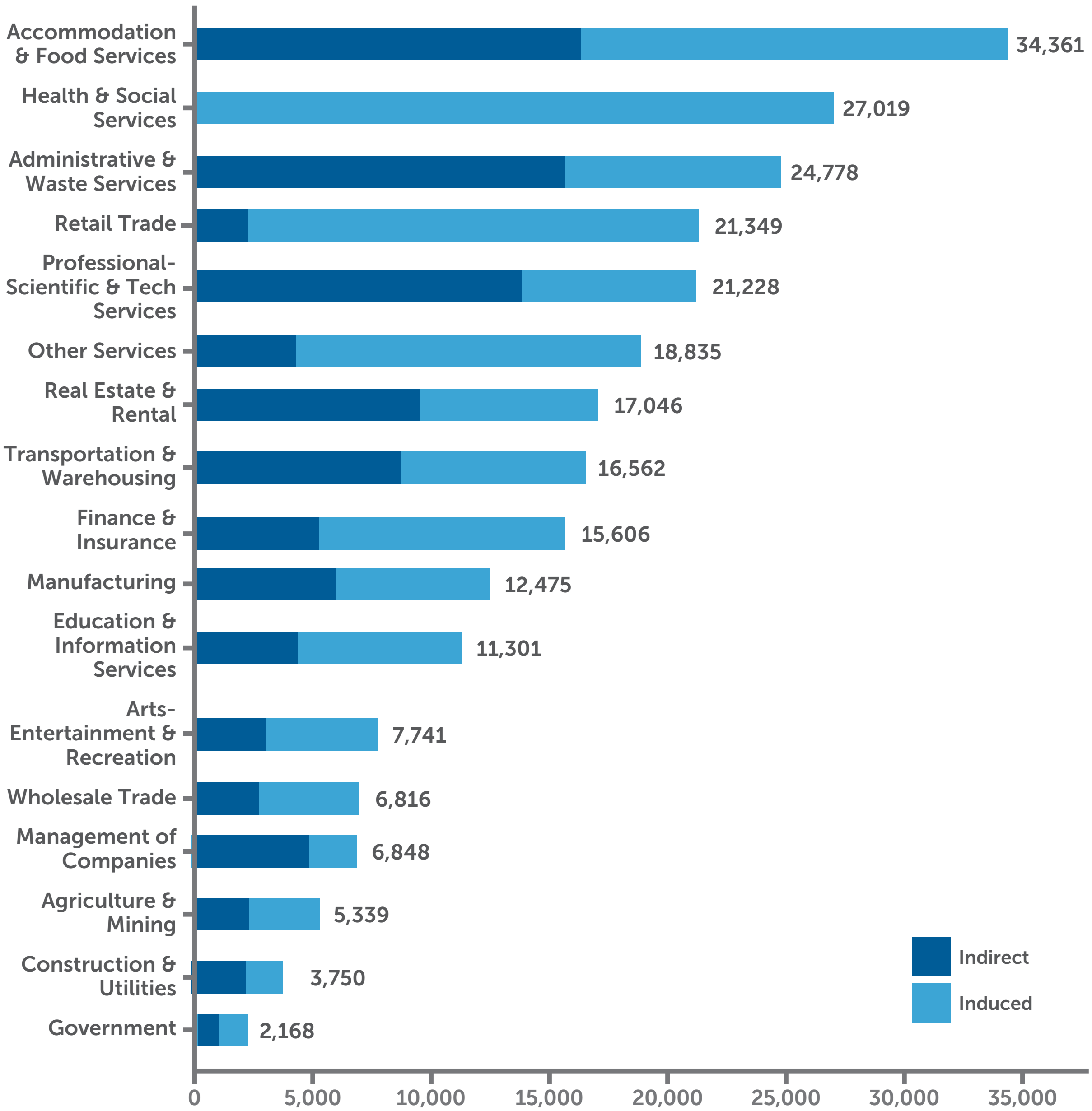
Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

Figure 7 shows indirect and induced industry employment supported by the U.S. timeshare industry in 2021. Indirect jobs are based in supplier firms that sell goods and services to the timeshare industry (e.g. cleaning services), while induced jobs are at the businesses that sell goods and services to timeshare and supplier employees (e.g. grocery stores and restaurants). As shown in Figure 7, the timeshare industry's largest induced and indirect impacts are in industries where employees are spending money, such as at hotels and restaurants (accommodation and food service), doctor offices and hospitals (health and social service industry), and public good services (administrative & waste services).

FIGURE 7

INDIRECT AND INDUCED JOBS, BY INDUSTRY, 2021

Number of employees



Note: Summed numbers may not tie to other tables or figures due to rounding.
Source: EY analysis using the IMPLAN input-output model.

Estimated Labor Income Impacts

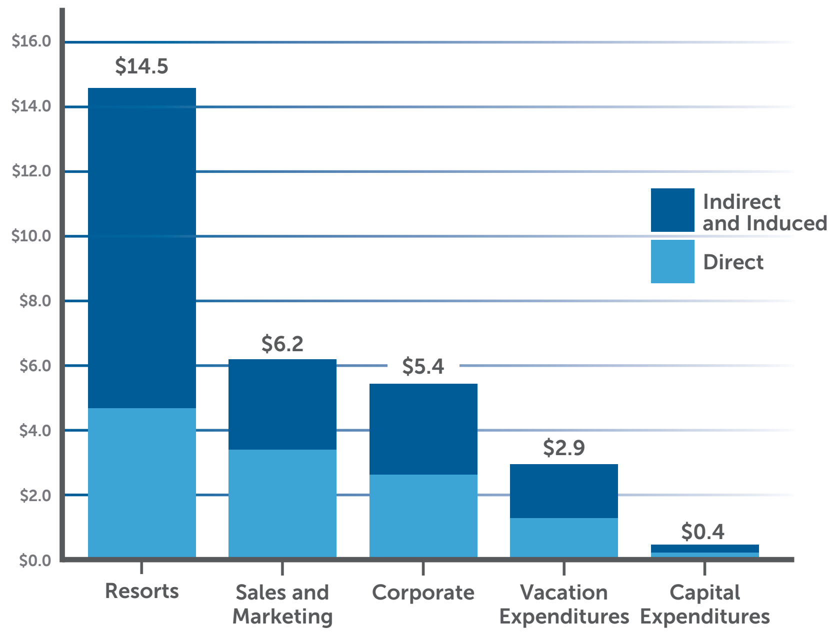
In 2021, resort, corporate, and sales and marketing operations supported an estimated $10.6 billion of direct labor income. When combined with the indirect and induced personal income contribution of $15.4 billion, the total annual contribution to U.S. personal income equals an estimated $26.0 billion, or 89% of the timeshare industry's labor income impact. Vacation expenditures accounted for 10% of total income attributable to the timeshare industry, while capital expenditures represent the remaining 1%.

On average, each dollar of direct timeshare income results in $2.44 of total income earned by employees in the U.S. economy. Resort operations provide the highest multiplier effect: direct compensation and proprietor income was $4.6 billion, which generated a total income impact of $9.9 billion, equivalent to $3.14 in total income for each dollar of direct compensation paid to employees and proprietor income.

FIGURE 8

LABOR INCOME OF THE TIMESHARE INDUSTRY, 2021

Billions of dollars



Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

Detailed Fiscal Impacts

CHAPTER FIVE

The fiscal impact of the timeshare industry's operations, owner and visitor vacation spending, and construction and renovation of resorts and commercial spaces are shown below, by level of government. As summarized in Table 9, the timeshare industry generated over $10.6 billion in total taxes.

TABLE 9

SUMMARY OF FISCAL IMPACTS OF THE TIMESHARE INDUSTRY BY FUNCTION, 2021

Millions of dollars

	Federal Taxes	State Taxes	Local Taxes	Total Taxes
Resorts	$2,930	$1,245	$1,823	$5,998
Corporate	$1,046	$367	$255	$1,668
Sales & Marketing	$1,203	$422	$293	$1,918
Vacation Expenditures	$559	$208	$165	$932
Capital Expenditures	$84	$33	$26	$142
Total	**$5,822**	**$2,274**	**$2,561**	**$10,657**

Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

- The timeshare industry's operations generated a total of $10.7 billion in federal, state, and local taxes. Federal taxes accounted for $5.8 billion (54.6%), state taxes were $2.3 billion (21.3%), and local taxes were an additional $2.6 billion (24.0%).
- Resorts generated nearly $6.0 billion in total taxes, sales & marketing and corporate operations combined generated $3.6 billion, vacation expenditures totaled $932 million, and capital spending related to new construction and renovation resulted in a total of $142 million in taxes. See Tables A1-A5 in Appendix A for additional detail by function and tax type.

TABLE 10

SUMMARY OF DIRECT, INDIRECT, AND INDUCED FISCAL IMPACTS OF THE TIMESHARE INDUSTRY BY FUNCTION, 2021

Millions of dollars

	Federal Taxes	State Taxes	Local Taxes	Total Taxes
Property Tax	**—**	**$67**	**$1,825**	**$1,892**
Resorts	—	$49	$1,320	$1,369
Corporate	—	$7	$183	$189
Sales and Marketing	—	$8	$210	$218
Vacation Expenditures	—	$4	$98	$101
Capital Expenditures	—	$1	$15	$15
General Sales Tax	**—**	**$600**	**$213**	**$813**
Resorts	—	$289	$88	$377
Corporate	—	$107	$33	$140
Sales and Marketing	—	$123	$38	$161
Vacation Expenditures	—	$69	$47	$116
Capital Expenditures	—	$12	$8	$20
Other Taxes	**$5,822**	**$1,607**	**$523**	**$7,952**
Occupancy Tax	—	$198	$306	$504
Excise Taxes	$81	$283	$67	$431
License Taxes	—	$102	$4	$106
Corporate Income Tax	$690	$168	$17	$876
Individual Income Tax	$3,188	$798	$67	$4,053
Medicare and SSI Tax	$1,749	—	—	$1,749
Misc. Taxes	$114	$57	$61	$232
Total for All Taxes	**$5,822**	**$2,274**	**$2,561**	**$10,657**

Note: Numbers may not appear to sum due to rounding.
Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

- **Property Taxes:** The timeshare industry generated $1.9 billion in property taxes in 2021, or 18% of the total $10.7 billion tax impact. Direct resort operation property taxes totaled an estimated $1 billion. Indirect and induced taxes totaled $348 million, equaling nearly $1.4 billion in total resort operations property taxes, or 72% of total property taxes (see appendix Table A1). Of this amount, most was local property tax ($1,320 million).
- **General Sales Taxes:** The timeshare industry generated $813 million in sales taxes in 2021, equal to 8% of the industry's total tax impact. Total direct, indirect, and induced sales taxes generated from off-site vacation expenditures account for 14% of total sales taxes, at $116 million (see appendix Table A4).
- **Occupancy Taxes:** The timeshare industry generated an estimated $198 million in state occupancy taxes and $306 million in local occupancy taxes, totaling more than $504 million.

- **Individual Income Taxes:** The individual income tax impact is greater than any other tax impact generated by the timeshare industry. The individual income tax impact totals $4.1 billion, representing 38% of all taxes generated by the timeshare industry. Approximately 79% of individual income taxes are collected at the federal level, with 20% at the state level, and 1% locally.
- **Employment Taxes (Medicare and SSI Tax):** In addition to individual income taxes, Social Security, Medicaid, and other federal payroll taxes generate significant revenue for the federal government. The timeshare industry produced $1.8 billion in payroll taxes or 30% of the total timeshare industry federal tax impact in 2021. Only employment taxes at the federal level were included in this report.

TABLE 11

SUMMARY OF DIRECT, INDIRECT, AND INDUCED FISCAL IMPACTS OF THE TIMESHARE INDUSTRY BY TAX TYPE, 2021

Millions of dollars

	Federal Taxes	State Taxes	Local Taxes	Total Taxes
Property Tax	—	$67	$1,825	$1,892
General Sales Tax	—	$600	$213	$813
Occupancy Tax	—	$198	$306	$504
Excise Taxes	$81	$283	$67	$431
License Taxes	—	$102	$4	$106
Corporate Income Tax	$690	$168	$17	$876
Individual Income Tax	$3,188	$798	$67	$4,053
Medicare and SSI tax	$1,749	—	—	$1,749
Misc. taxes	$114	$57	$61	$232
Total Taxes	**$5,822**	**$2,274**	**$2,561**	**$10,657**

Note: Numbers may not appear to sum due to rounding.

Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

TABLE A1

DETAILED FISCAL IMPACT OF RESORT OPERATIONS, 2021

Millions of dollars

	Direct	Indirect & Induced	Total
Federal	**$1,007**	**$1,922**	**$2,930**
Property Tax	—	—	—
General Sales Tax	—	—	—
Excise Taxes	$13	$27	$40
Occupancy Tax	—	—	—
License Taxes	—	—	—
Corporate Income Tax	$200	$196	$396
Individual Income Tax	$502	$1,073	$1,574
Employment Tax	$275	$588	$864
Other Taxes	$18	$38	$56
State	**$571**	**$674**	**$1,245**
Property Tax	$36	$12	$49
General Sales Tax	$92	$197	$289
Excise Taxes	$45	$95	$140
Occupancy Tax	$198	—	$198
License Taxes	$16	$34	$51
Corporate Income Tax	$49	$48	$97
Individual Income Tax	$126	$268	$394
Employment Tax	—	—	—
Other Taxes	$9	$19	$28
Local	**$1,355**	**$468**	**$1,823**
Property Tax	$984	$336	$1,320
General Sales Tax	$28	$60	$88
Excise Taxes	$11	$23	$33
Occupancy Tax	$306	—	$306
License Taxes	$1	$1	$2
Corporate Income Tax	$5	$5	$10
Individual Income Tax	$11	$23	$33
Employment Tax	—	—	—
Other Taxes	$10	$20	$30
Total	**$2,933**	**$3,064**	**$5,998**
Property Tax	$1,021	$348	$1,369
General Sales Tax	$120	$257	$377
Excise Taxes	$68	$145	$213
Occupancy Tax	$504	—	$504
License Taxes	$17	$36	$53
Corporate Income Tax	$253	$249	$502
Individual Income Tax	$638	$1,364	$2,002
Employment Tax	$275	$588	$864
Other Taxes	$37	$78	$115

Note: Numbers may not appear to sum due to rounding.
Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

TABLE A2

DETAILED FISCAL IMPACT OF CORPORATE OPERATIONS, 2021

Millions of dollars

	Direct	Indirect & Induced	Total
Federal	**$504**	**$543**	**$1,046**
Property Tax	—	—	—
General Sales Tax	—	—	—
Excise Taxes	$7	$8	$15
Occupancy Tax	—	—	—
License Taxes	—	—	—
Corporate Income Tax	$51	$55	$107
Individual Income Tax	$281	$303	$584
Employment Tax	$154	$166	$320
Other Taxes	$10	$11	$21
State	**$177**	**$190**	**$367**
Property Tax	$3	$3	$7
General Sales Tax	$52	$56	$107
Excise Taxes	$25	$27	$52
Occupancy Tax	—	—	—
License Taxes	$9	$10	$19
Corporate Income Tax	$13	$14	$26
Individual Income Tax	$70	$76	$146
Employment Tax	—	—	—
Other Taxes	$5	$5	$10
Local	**$123**	**$132**	**$255**
Property Tax	$88	$95	$183
General Sales Tax	$16	$17	$33
Excise Taxes	$6	$6	$12
Occupancy Tax	—	—	—
License Taxes	$0	$0	$1
Corporate Income Tax	$1	$1	$3
Individual Income Tax	$6	$6	$12
Employment Tax	—	—	—
Other Taxes	$5	$6	$11
Total	**$803**	**$865**	**$1,668**
Property Tax	$91	$98	$189
General Sales Tax	$67	$72	$140
Excise Taxes	$38	$41	$79
Occupancy Tax	—	—	—
License Taxes	$9	$10	$19
Corporate Income Tax	$65	$70	$135
Individual Income Tax	$357	$385	$742
Employment Tax	$154	$166	$320
Other Taxes	$20	$22	$42

Note: Numbers may not appear to sum due to rounding.
Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

TABLE A3

DETAILED FISCAL IMPACT OF SALES & MARKETING OPERATIONS, 2021

Millions of dollars

	Direct	Indirect & Induced	Total
Federal	**$662**	**$541**	**$1,203**
Property Tax	—	—	—
General Sales Tax	—	—	—
Excise Taxes	$9	$8	$17
Occupancy Tax	—	—	—
License Taxes	—	—	—
Corporate Income Tax	$67	$55	$123
Individual Income Tax	$369	$302	$671
Employment Tax	$202	$166	$368
Other Taxes	$13	$11	$24
State	**$232**	**$190**	**$422**
Property Tax	$4	$3	$8
General Sales Tax	$68	$55	$123
Excise Taxes	$33	$27	$60
Occupancy Tax	—	—	—
License Taxes	$12	$10	$22
Corporate Income Tax	$16	$13	$30
Individual Income Tax	$92	$76	$168
Employment Tax	—	—	—
Other Taxes	$7	$5	$12
Local	**$161**	**$132**	**$293**
Property Tax	$116	$95	$210
General Sales Tax	$21	$17	$38
Excise Taxes	$8	$6	$14
Occupancy Tax	—	—	—
License Taxes	$0	$0	$1
Corporate Income Tax	$2	$1	$3
Individual Income Tax	$8	$6	$14
Employment Tax	—	—	—
Other Taxes	$7	$6	$13
Total	**$1,055**	**$863**	**$1,918**
Property Tax	$120	$98	$218
General Sales Tax	$88	$72	$161
Excise Taxes	$50	$41	$91
Occupancy Tax	—	—	—
License Taxes	$12	$10	$22
Corporate Income Tax	$86	$70	$156
Individual Income Tax	$469	$384	$853
Employment Tax	$202	$166	$368
Other Taxes	$27	$22	$49

Note: Numbers may not appear to sum due to rounding.
Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

TABLE A4

DETAILED FISCAL IMPACT OF OFF-SITE VACATION EXPENDITURES, 2021

Millions of dollars

	Direct	Indirect & Induced	Total
Federal	**$247**	**$312**	**$559**
Property Tax	—	—	—
General Sales Tax	—	—	—
Excise Taxes	$3	$4	$8
Occupancy Tax	—	—	—
License Taxes	—	—	—
Corporate Income Tax	$25	$32	$57
Individual Income Tax	$138	$174	$312
Employment Tax	$76	$95	$171
Other Taxes	$5	$6	$11
State	**$98**	**$109**	**$208**
Property Tax	$2	$2	$4
General Sales Tax	$37	$32	$69
Excise Taxes	$12	$15	$28
Occupancy Tax	—	—	—
License Taxes	$4	$6	$10
Corporate Income Tax	$6	$8	$14
Individual Income Tax	$34	$44	$78
Employment Tax	—	—	—
Other Taxes	$2	$3	$6
Local	**$90**	**$76**	**$165**
Property Tax	$43	$54	$98
General Sales Tax	$37	$10	$47
Excise Taxes	$3	$4	$7
Occupancy Tax	—	—	—
License Taxes	$0	$0	$0
Corporate Income Tax	$1	$1	$1
Individual Income Tax	$3	$4	$7
Employment Tax	—	—	—
Other Taxes	$3	$3	$6
Total	**$435**	**$497**	**$932**
Property Tax	$45	$56	$101
General Sales Tax	$74	$42	$116
Excise Taxes	$19	$24	$42
Occupancy Tax	—	—	—
License Taxes	$5	$6	$10
Corporate Income Tax	$32	$40	$72
Individual Income Tax	$175	$221	$396
Employment Tax	$76	$95	$171
Other Taxes	$10	$13	$23

Note: Numbers may not appear to sum due to rounding.
Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

TABLE A5

DETAILED FISCAL IMPACT OF OF CAPITAL EXPENDITURES, 2021

Millions of dollars

	Direct	Indirect & Induced	Total
Federal	**$33**	**$51**	**$84**
Property Tax	—	—	—
General Sales Tax	—	—	—
Excise Taxes	$0	$1	$1
Occupancy Tax	—	—	—
License Taxes	—	—	—
Corporate Income Tax	$3	$5	$9
Individual Income Tax	$18	$29	$47
Employment Tax	$10	$16	$26
Other Taxes	$1	$1	$2
State	**$15**	**$18**	**$33**
Property Tax	$0	$0	$1
General Sales Tax	$6	$5	$12
Excise Taxes	$2	$3	$4
Occupancy Tax	—	—	—
License Taxes	$1	$1	$2
Corporate Income Tax	$1	$1	$2
Individual Income Tax	$5	$7	$12
Employment Tax	—	—	—
Other Taxes	$0	$1	$1
Local	**$13**	**$12**	**$26**
Property Tax	$6	$9	$15
General Sales Tax	$7	$2	$8
Excise Taxes	$0	$1	$1
Occupancy Tax	—	—	—
License Taxes	$0	$0	$0
Corporate Income Tax	$0	$0	$0
Individual Income Tax	$0	$1	$1
Employment Tax	—	—	—
Other Taxes	$0	$1	$12
Total	**$61**	**$82**	**$142**
Property Tax	$6	$9	$15
General Sales Tax	$13	$7	$20
Excise Taxes	$2	$4	$6
Occupancy Tax	—	—	—
License Taxes	$1	$1	$2
Corporate Income Tax	$4	$7	$11
Individual Income Tax	$23	$36	$60
Employment Tax	$10	$16	$26
Other Taxes	$1	$2	$3

Note: Numbers may not appear to sum due to rounding.
Source: *2022 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

IMPLAN Impact Modeling Methodology

The economic and fiscal impact analysis of capital investments and the timeshare industry's operations were estimated using detailed input-output and tax revenue forecasting models. The economic input-output model identifies the complex flows from producers to intermediate and final consumers within a region. The model uses data describing purchases of commodities and services by industries, compensation paid to employees, and total value added.

The U.S. economic multipliers in this study were estimated using the IMPLAN input-output model. IMPLAN is used by more than 500 universities and government agencies to estimate the economic and fiscal impacts of new investments and changes in demand, employment, and industry output. IMPLAN is the ideal model to quantify the timeshare industry's economic impact. Unlike other economic models, IMPLAN includes the interaction of 546 industry sectors, thus identifying the interaction of specific industries that relate to the timeshare industry.

This analysis includes direct, indirect, and induced economic effects. Direct effects are production changes associated with the immediate effects or final demand changes. Indirect effects are production changes in backward-linked industries caused by the changing input needs of directly affected industries (for example, additional purchases to produce additional output). Induced effects are the changes in regional household spending patterns caused by changes in household income generated from the direct and indirect effects and are included in the estimated impacts presented in this study.

Purchases for final use (final demand) drive the model. Industries producing goods and services for final demand purchase goods and services from other producers. These other producers, in turn, purchase goods and services. This buying of goods and services (indirect purchases) continues until leakage from the region (imports and value added) stops the cycle. These indirect and induced effects (the effects of household spending) can be mathematically derived. The resulting sets of multipliers describe the change of output for each and every regional industry caused by a one-dollar change in final demand for any given industry

APPENDIX C

State of the Vacation Timeshare Industry and Economic Impact Survey

UNITED STATES STUDY **2022 EDITION**

SURVEY

Thank you for participating in the 2022 ARDA International Foundation (AIF) Survey! The following survey is about timeshare resorts. If you have questions regarding the survey or this website, please call Joe Callender at 202.327.5692 or email joe.callender@ey.com.

If you submitted a response to us last year, we have used that data to pre-populate fields that are unlikely to change. We hope this makes this questionnaire easier to complete. Please review the answers in case anything has changed since last year.

WEB ONLY: In some cases, multiple respondents from an organization may be completing this questionnaire. In that case, you may only be completing specific sections. Using the following table of contents, please de-select any sections which are not applicable to you before proceeding.

- ☐ Resort Identification
- ☐ Resort Characteristics
- ☐ Occupancy and Fees
- ☐ Timeshare Operating Expenses
- ☐ Timeshare Taxes
- ☐ Resort Timeshare Sales
- ☐ Inventory Management
- ☐ Resort Construction and Improvements
- ☐ Timeshare Rental and Resale Programs

Note: Please refer to the glossary for the definition of any underlined terms.

I. Resort Identification

1. **Are you responsible for providing data for multiple resorts?**

   ☐ Yes — *Please contact Joe Callender at 202-327-5692 or Joe.Callender@ey.com if interested in providing the information below via an Excel spreadsheet for all your resorts.*

   ☐ No

2. **Resort identifying information**

   Resort Name ______________________________

   Address ______________________________

   City______________________ State _______ Zip Code _____________

3. **Contact person** *(General information for individual completing survey)*

   First Name ______________________________

   Last Name ______________________________

   Title ______________________________

   Company Name ______________________________

   Telephone Number ______________________________

4. **Resort management information** *(Complete only if applicable)*

   Name of Development Company ______________________________

   Name of Management Company ______________________________

   RCI Identification Number ______________________________

   Interval Identification Number ______________________________

   Home Owners Association(s) *If multiple HOAs please use a comma to separate* ____________________

5. **Please indicate any exchange companies with which you are affiliated.**

   ☐ Interval International

   ☐ RCI

   ☐ Internal exchange program (the exchange program operated by your developer or management company)

   ☐ 7Across (previously Dial An Exchange)

   ☐ Arrivia [previously ICE (International Cruise and Excursion)]

   ☐ SFX Preferred Resorts (San Francisco Exchange)

   ☐ Other, specify ____________________

II. Resort Characteristics

1. **At which development stage is this resort currently?** *(Select one)*
   Note: If the resort is being built in phases, and a construction phase is complete, the resort should be considered open, even if a new phase is still under construction.

   - ☐ **Planned**
   - ☐ **Under Construction**
   - ☐ **Open** [ANSWER Qa & b]
   - ☐ **Temporarily Closed** [ANSWER Qa-d]
   - ☐ **Permanently Closed** [ANSWER Qe & Qf]
   - ☐ **Converted to a non-timeshare property** [ANSWER Qe & Qf]

   a. **Please select the year this resort opened.** (Only answer if stage above equals Open or Temporarily Closed)
   ____

   b. **Did the resort temporarily close at any point in 2021 for any of the following reasons?**
   - ☐ **COVID-19 pandemic**
   - ☐ **Natural disaster**
   - ☐ **Other, specify** _____________
   - ☐ **No, did not temporarily close**

   c. **What is the primary reason for being temporarily closed?**
   - ☐ **COVID-19 pandemic**
   - ☐ **Natural disaster**
   - ☐ **Other, specify** _____________

   d. **When do you expect the resort to re-open?**
   - ☐ **First half of this year**
   - ☐ **2nd half of this year**
   - ☐ **Next year or later**

   e. **Please select the year this resort permanently closed or converted to a non-timeshare property.** (Only answer if stage above = Closed or converted to a non-timeshare property) _______

   f. **Please specify a reason why this resort permanently closed or converted to a non-timeshare property.** (Only answer if stage above = Closed or converted to a non-timeshare property)
   - ☐ **COVID-19 pandemic**
   - ☐ **Natural disaster**
   - ☐ **Financial restraint**
   - ☐ **Other, specify** _____________

2. **Are any of the following types of units available for sale/rent at this property?**
   - ☐ Fractional
   - ☐ Hotels
   - ☐ Whole ownership
   - ☐ Some other type of non-timeshare units (please specify) ________________
   - ☐ None of the above — this is a stand-alone/timeshare only property

3. **Who controls the HOA/POA/COA (owner's association) at this resort?**
   - ☐ Owners (GO TO Q3a)
   - ☐ Developer (GO TO Q4)

   3a. [If "Owners" SELECTED] **At approximately what percentage of sell out did the owners gain control of the owner's association?** ________________

4. **Who manages the timeshare resort's day to day operation?**
   - ☐ Self-managed by the owner's association
   - ☐ Managed by a management company that is affiliated with the resort developer
   - ☐ Managed by a third-party management company
   - ☐ Other, specify ____________________

5. **How are management fees determined?**
   - ☐ Not applicable
   - ☐ Fixed amount
   - ☐ As a percentage of the annual budget, operating expenses, etc.— excluding reserves and taxes
   - ☐ As a percentage of total assessments which includes reserves [ANSWER Q5b]
   - ☐ Other, specify ____________________

   a. **What percentage of budget, operating expenses, etc. was allocated to management fees in 2021?**
   Note: Please exclude commissions on rentals and resales. ________________

   b. **What percentage of total assessments was allocated to management fees in 2021?** ________________

6. **What was the total amount of management fees paid in 2021?**
   Note: Please exclude commissions on rentals and resales. Please enter an actual dollar amount — do not use units such as thousands or millions. ________________

II. Resort Characteristics *— continued*

7. **Who employs your resort's employees?** *(Check all that apply)*
   - ☐ Resort developer
   - ☐ Resort HOA(s)
   - ☐ Management company
   - ☐ Other, specify_____________________

8. **How many timeshare units does this resort have by size?**
   If you don't have a given type of unit, please fill in '0'.

   NOTE: Please do not include commas when reporting numeric values. (i.e., the amount 1,000 should be reported as 1000.).

   Total Units as of December 31, 2021

Count Lock-offs as one unit	Count Lock-offs as separate units
_____ Studio	_____ Studio
_____ 1BR	_____ 1BR
_____ 2BR	_____ 2BR
_____ 3+BR	_____ 3+BR
_____ Total Units	_____ Total Units

9. **What is the average size of a unit at this resort in square feet?**
   If you don't have a given type of unit, please fill in '0'.

   NOTE: Please do not include commas when reporting numeric values. (i.e., the amount 1,000 should be reported as 1000.).

Unit size	Square Feet
Studio	_____
1BR	_____
2BR	_____
3+BR	_____

10. **Which of the following types of intervals does this resort currently have?** *(Check all that apply)*
    - ☐ Timeshare points

    One or more of the following types of weekly intervals
    - ☐ Traditional interval weeks (including fixed and floating weeks)
    - ☐ Interval weeks with the ability to use through a timeshare points system

11. **Which of the following special types of intervals does this resort currently have?**
    - ☐ Biennials
    - ☐ Triennials
    - ☐ Limited-term vacation products (GO TO Q11a)
    - ☐ Other, please specify ____________________

    11a. **What is the length of the term in years?** __________

12. **Please provide the following information on weekly equivalent intervals* at your resorts:**

	Weeks: As of December 31, 2021	Points: As of December 31, 2021
What is the total number of weekly equivalent intervals owned at your resort as of December 31, 2021 by **owners other than the developer or HOA**? Please include any intervals sold since the resort's inception, unless they have been reacquired by the developer or are owned by the HOA	______________	______________
What is the total number of weekly equivalent intervals at your resort that are **owned by the HOA** as of December 31, 2021?	______________	______________
What is the total number of weekly equivalent intervals at your resort that **are owned by the developer** as of December 31, 2021? Please include any intervals that have never been sold and intervals that have been reacquired by the developer.	______________	______________
Total	______________	______________

**Points-based developers may calculate weeks owned on an implied interval week conversion factor based on internal measures. For example, one approach may be to divide the number of points redeemed during the year by the number of unit weeks occupied; or, developers that assign values to unit inventory may calculate the implied interval week conversion factor for the system overall.*

II. Resort Characteristics — *continued*

13. What was the actual number of owners as of each date?

December 31, 2020 ______________________ December 31, 2021 ______________________

14. What was the origin distribution of your shared vacation owners in 2021?

	%
Domestic	________
International	________
Total	100%

15. What is the approximate distribution of your owner population by age?

	%
18 to 24	________
25 to 34	________
35 to 44	________
45 to 54	________
55 to 64	________
65+	________

16. What is the legal structure of the shared vacation ownership products that you sell currently?
(Check all that apply)

- ☐ Right to use contractual interest that expires at some future date (generally referred to as a timeshare license and is not considered a real property interest at the state level) [ANSWER Q16a]
- ☐ Deeded or fee-simple real estate (generally referred to as a timeshare estate and would be considered a real property interest at the state level) [GO TO Q17]
- ☐ Interest in a trust (generally includes an owner receiving a beneficial interest in a trust that allows the owner to use the property that is held in the trust for the benefit of the owners. Ownership could be evidenced by a certificate, deed (in the case of a Florida Land Trust) or other similar document) [GO TO Q17]
- ☐ Other, specify ______________________

a. **If "Right to use contractual interest" was selected above, how long is the contract, membership license or leasehold, if applicable?**

- ☐ **100+ years**
- ☐ **80-99 years**
- ☐ **60-79 years**
- ☐ **40-59 years**
- ☐ **20-39 years**
- ☐ **10-19 years**
- ☐ **6-9 years**
- ☐ **4-5 years**
- ☐ **2-3 years**
- ☐ **1 year or less**

17. What vacation experience does this resort offer? *(Choose all that apply.)*

- ☐ Beach
- ☐ Country/Lakes
- ☐ Desert
- ☐ Gaming
- ☐ Golf
- ☐ Island
- ☐ Rural/Coastal
- ☐ Ski
- ☐ Theme Park
- ☐ Urban
- ☐ Mountains
- ☐ Waterpark
- ☐ Other, specify: ___________

18. Which ONE characteristic best describes this resort? *(Please select only one)*

- ☐ Beach
- ☐ Country/Lakes
- ☐ Desert
- ☐ Gaming
- ☐ Golf
- ☐ Island
- ☐ Rural/Coastal
- ☐ Ski
- ☐ Theme Park
- ☐ Urban
- ☐ Mountains
- ☐ Waterpark
- ☐ Other, specify: ___________

II. Resort Characteristics — *continued*

19. What enhanced sanitization measures does your resort have in place to mitigate COVID-19 risk?

Mandatory mask wearing	☐
Cleaning stations (hand-sanitizer, wipes, etc.) throughout resort	☐
Remote or touchless check-in	☐
Social distancing signage	☐
Provide additional in-room cleaning supplies	☐
Increase time period between guest check-ins	☐
Temperature checks	☐
Staff COVID-19 testing programs	☐
Enhanced staff training	☐
Increased frequency of disinfection/sanitization	☐
Extra COVD-specific cleaning in units [ANSWER Q19a]	
Use of mass disinfection method such as fogging treatment or UV light treatment	☐
Use of high-tech cleaning devices such as robots	☐
Mandatory COVID-19 vaccination for staff	☐
Other, specify ___________	☐

19a. What fee, if any, do you charge for the extra COVID-specific enhanced sanitization measures which you reported in the previous question?

☐ We do not charge an extra fee
☐ We charge a fee of $_________ per night stay
☐ We charge a flat fee of $_________

20. Do you offer a mobile application to owners and guests to enhance their experience?

☐ Yes [ANSWER Q20a] ☐ No [GO TO Q21]

20a. **Which of the following features are offered via the mobile application to your guests?**

☐ Check in
☐ Access to units (unlock/lock unit using a phone)
☐ Making reservations
☐ Virtual sales presentation
☐ Virtual tour of resort (room/resort pictures, videos, etc.)
☐ Mobile payment — maintenance fees
☐ Mobile payment — rental fees
☐ Mobile payment — other, specify
☐ Owner community building experience
☐ Other, specify: _______________

21. How do you communicate with your owners?

☐ Email [Answer Q22 about Email]
☐ Phone [Answer Q22 about Phone]
☐ Owner online forum [Answer Q22 about Owner online forum]
☐ Social media [Answer Q22 about Social media]
☐ Other, please specify ________________ [Answer Q22 about Other]

22. With what frequency do you communicate with your owners? *(Check all that apply)*

	As needed	Weekly	Monthly	Quarterly	Yearly	Other
Email	☐	☐	☐	☐	☐	☐
Phone	☐	☐	☐	☐	☐	☐
Owner online forum	☐	☐	☐	☐	☐	☐
Social media	☐	☐	☐	☐	☐	☐
Other	☐	☐	☐	☐	☐	☐

23. [EXCEL ONLY] What other types of products/services are offered through your internal exchange programs only?

☐ None ☐ Fractional ☐ Air travel
☐ Hotel ☐ Cruise ☐ Car rental
☐ Condo ☐ Shopping ☐ Other, please specify __________________

24. [EXCEL ONLY] How many non-timeshare entities are associated with the internal exchange program?

____

III. Occupancy and Fees

Please answer the following questions for your timeshare units only.

1. **What was your timeshare occupancy mix by type?** *Report based on physical occupancy, meaning actual guest check-in occurred. Calculate percentages using weekly equivalent timeshare intervals available as the denominator — please do not include any inventory taken offline due to natural disasters (i.e., hurricanes, fires, etc.) or regular maintenance. This corresponds to all units with certificates of occupancy, whether intervals are sold or unsold.*

	In 2021 (*including* rooms taken offline due to COVID-19 related closures)	**In 2021** (*excluding* rooms taken offline due to COVID-19 related closures)
Owner or owners' guest	__________	__________
Exchange guest	__________	__________
Renter	__________	__________
Marketing guest (sampler/trial membership, etc.)	__________	__________
Vacant	__________	__________
Total	**100%**	**100%**

2. **What were your maintenance fees billed per unit per interval in 2021, including contributions to reserves but excluding special assessments and property taxes?** NOTE: Please do not include commas when reporting numeric values. (i.e., the amount 1,000 should be reported as 1000.)

Maintenance fees billed *per unit per interval*

Studio __________ 1BR __________ 2BR __________ 3+BR __________

** Points-based developers may calculate weeks on an implied interval week conversion factor based on internal measures. For example, one approach may be to divide the number of points redeemed during the year by the number of unit weeks occupied; or, developers that assign values to unit inventory may calculate the implied interval week conversion factor for the system overall.*

3. **What is the total amount of revenue your resort collected in 2021 over all intervals at this resort for each of the following categories?** *Please include amounts paid by the developer, for example, on unsold intervals held in inventory, and/or subsidies and guarantees.*

	In 2021
Maintenance fees	________
Special assessments and other revenue sources	________
Rentals (all fees, commissions, etc. collected by your resort)	________
Resales (all fees, commissions, etc. collected by your resort)	________
Recreational use fees (bike rentals, videos, etc.)	________
Food & beverage	________
Housekeeping	________
Telecommunication (telephone, Internet etc.)	________
Developer subsidy	________
Laundry	________
Other, please specify ______________________	________
Other, please specify ______________________	________
Total Revenue	__________

4. **As of December 31, 2021, what percent of your total billed maintenance fees were in each of the following categories?** *Please include all maintenance fees billed in 2021 or before, but please do not include maintenance fees billed for 2022.*

	In 2021
Current (30 days delinquent or less)	__________
31–60 days delinquent	__________
61–90 days delinquent	__________
91–120 days delinquent	__________
121+ days delinquent	__________
Total	**100%**

IV. Timeshare Operating Expenses

Note: Ernst & Young is using an expenditure-based approach to quantify the economic impact of the timeshare industry. In this approach, Ernst & Young will estimate the typical level of expenditures generated by sales operations, resort management operations (including the operation of timeshare-related amenities), corporate offices and call centers. Therefore, in completing survey forms it is important that each employee or dollar of expenditures made by a particular company be reported in only one category. For mixed-use projects (e.g. timeshare resort and on-site hotel), allocate a portion of total resort employment and expenditures to the timeshare operation. This expense information will be used to derive economic multipliers that reflect the additional economic activity that will occur when timeshare properties purchase goods and services produced by suppliers located in the United States.

Resort Management Operations

1. **Please provide the following information for your *resort employees only*.** *Include full-time, part-time, temporary and contract employees (Please do not include people in sales operations as these employees are reported in Question 2 below)*

	In 2021
Annual average number of employees for 2021. Calculate using the average between the number of employees on January 1, 2021 and the number of employees on December 31, 2021	______
Total employee compensation in dollars. Include wages and salaries; commissions; the cost of benefits such as health and life insurance; retirement payments; employer and employee shares of FICA taxes (social security and Medicare); federal, state and local income tax withholding; and non-cash compensation. Figures reported should be the annual total, and should correspond to the employees reported above. Cash and stock bonuses should be reported in the year in which they are paid to employees.	______

2. **Please provide your non-labor operating expenses at your resort in dollars.** *Includes costs such as food and beverage, supplies, repair and maintenance, general & administrative, utility and telecom, financial services, etc.*

$___________________________

Sales Operations (both on-site and off-site)

3. **Please provide the following information for your *sales operations only*.**
Include full-time, part-time, temporary and contract employees.

	In 2021
Annual average number of employees for 2021. Calculate using the average between the number of employees on January 1, 2021 and the number of employees on December 31, 2021	______
Total employee compensation in dollars. Include wages and salaries; commissions; the cost of benefits such as health and life insurance; retirement payments; employer and employee shares of FICA taxes (social security and Medicare); federal, state and local income tax withholding; and non-cash compensation. Figures reported should be the annual total, and should correspond to the employees reported above. Cash and stock bonuses should be reported in the year in which they are paid to employees.	______

4. **Please provide your 2021 non-labor operating expenses for your sales operations in dollars.**
Includes costs such as food and beverage, supplies, repair and maintenance, general & administrative, utility and telecom, financial services, etc.

$___________________________

Corporate, Regional or Call Center Operations Expenses

5. **Please provide the following information for your *corporate, regional office and call center operations only*.** *Include full-time, part-time, temporary and contract employees. Exclude resort development costs such as payroll costs and non-compensation expenditures that are related to resort design and construction and will be reported under resort construction and improvement.*

	In 2021
Annual average number of employees for 2021. Calculate using the average of the number of employees on January 1 and the number on December 31	______
Total employee compensation in dollars. Include wages and salaries; commissions; the cost of benefits such as health and life insurance; retirement payments; employer and employee shares of FICA taxes (social security and Medicare); federal, state and local income tax withholding; and non-cash compensation. Figures reported should be the annual total, and should correspond to the employees reported above. Cash and stock bonuses should be reported in the year in which they are paid to employees.	______

6. **Please provide your 2021 non-labor operating expenses at your *corporate, regional office and call center operations in dollars*.** *Includes costs such as food and beverage, supplies, repair and maintenance, general & administrative, utility and telecom, financial services, etc.*

$___________________________

V. Timeshare Taxes

Note: The goal of this question is to collect information on the full level of property and occupancy taxes paid, regardless of the individual or entity that actually makes payment to the local government entity. For example, include taxes that are paid by the HOA or management entity. If owners are responsible for paying property taxes directly, please include an estimate of the taxes paid by owners. If it is not possible to include an estimate of such taxes, please notify us. Property taxes include taxes on real estate and personal property.

1. **Please provide the total amount of property taxes paid during 2021, in dollars.** *Include information on the full level of property taxes paid, regardless of the individual or entity that actually makes payment to the local government entity.*

	In 2021
On resort property	____________
At sales centers, both on-site and off-site	____________
For regional office, corporate office and/or call center operations	____________

2. **Please provide the total amount of occupancy taxes paid during 2021, in dollars.** *Include any accommodation taxes paid by occupants of timeshare units, such as sales tax on room charges, room tax, transient occupancy tax and nightly taxes on owners. Include the full amount paid to state and local governments by occupants or resort. Enter a zero if no occupancy taxes were paid.*

	In 2021
State Occupancy Taxes	____________
Local Occupancy Taxes	____________

3. **Please provide the total amount of corporate income taxes paid by your organization for 2021, in dollars.**

	In 2021
State and Local Income Tax Paid	____________
Federal Income Tax Paid	____________
Total	____________

VI. Resort Timeshare Sales

1. **Did you offer <u>new timeshare inventory for sale</u> in 2021 on a weekly interval and/or points basis?** New inventory is considered "first generation" or "developer sales". (Note: If you had some small level of sales activity in 2021 (such as for sales of re-claimed inventory), please select yes and report your sales information.)
   - ☐ Yes — weekly interval [GO TO Q2]
   - ☐ Yes — points [GO TO Q10]
   - ☐ No [SKIP TO NEXT SECTION]

Please answer the following questions in the context of <u>new sales on a weekly interval</u> basis for your <u>timeshare units</u> only.

2. **Do you have any fee for service arrangements with other timeshare developers by which those developers are selling timeshare inventory for your resort?** Fee for service refers to an arrangement by which a company receives a fee in exchange for providing sales and marketing support in the sale of timeshare inventory belonging to another company.

   ☐ Yes ☐ No

Timeshare Sales ($):

3. **What was your total sales volume net of rescissions and sales incentives for 2021, in dollars?** Include interval weeks sales, upgrade/reload sales, and sales from re-claimed inventory. Note: Exclude sales of trial memberships and sampler programs. If your resort's owned inventory is being sold by other companies under "fee-for-service" arrangements, then you should include those sales here.

   $____________________________

VI. Resort Timeshare Sales — *continued*

4. **Of your total net sales volume above, what is the amount sold for upgrades/reloads?**

   $______________________________

5. **Of your total net sales volume above, what is the amount sold for limited-term vacation products?**
   (IF Q11 from Resort Characteristics = Limited-term)? $______________________________

6. **What was your 2021 sales volume net of rescissions and sales incentives...**

	Sales Volume ($)
...for weekly based intervals* (Excluding biennials and triennials)?	____________________
...for biennials?	____________________
...for other products?	____________________

Weekly Intervals Sold:

7. **How many weekly equivalent timeshare intervals were sold in 2021 for your weekly intervals?**
   Exclude sales for trial memberships and sampler programs.

   $______________________________

8. **What was the number of intervals sold in the following categories.**

	Number of Intervals Sold
...for weekly based intervals* (Excluding biennials and triennials)?	____________________
...for biennials?	____________________
...for other products?	____________________

Number of Weeks Based Sales Transactions:

9. **What was the total number of weekly interval sales transactions in 2021 at your resort (exclude rescissions)? Transactions should include: week sales, EOY sales, multiple-week sales, upgrades (that count as zero weeks), reloads (which should be part of all categories above, except upgrades).**
   Note: Exclude sales of trial memberships and sampler programs. If your resort's owned inventory is being sold by other companies under "fee-for-service" arrangements, then you should include those sales here.

   $______________________________

10. **Of your total weeks based transactions above, how many were for upgrades/reloads?**

    $______________________________

Timeshare Inventory:

11. **How many weekly intervals were available for sale at your resort? Include all intervals available as of Dec 31, 2020 and any that were made available during calendar year 2021.**

    ____

Please answer the following questions in the context of new sales on a points basis for your timeshare units only.

Timeshare Sales ($):

12. **What was your total sales volume net of rescissions and sales incentives for 2021, in dollars?**
    Note: Include points sales, reload sales, and sales from re-claimed inventory. Note: Exclude sales of trial memberships and sampler programs. If your resort's owned inventory is being sold by other companies under "fee-for-service" arrangements, then you should include those sales here.

    $______________________________

13. **Of your total net sales volume above, what is the amount sold for reloads?**

    $______________________________

14. **Of your total net sales volume above, what is the amount sold for limited-term vacation products?**
    (If Q11 from Resort Characteristics = Limited-term)

    $______________________________

VI. Resort Timeshare Sales — *continued*

Points and Weekly Intervals Sold:

15. **How many weekly equivalent timeshare intervals were sold in 2021 for your points-based products? Note: Exclude sales of trial memberships and sampler programs. If your resort's owned inventory is being sold by other companies under "fee-for-service" arrangements, then you should include those sales here.**
    Note: Points-based developers may calculate weeks owned on an implied interval week conversion factor based on internal measures. For example, one approach may be to divide the number of points redeemed during the year by the number of unit weeks occupied; or, developers that assign values to unit inventory may calculate the implied interval week conversion factor for the system overall.

    ____

16. **How many total points were sold at your resort in 2021?**

    ____

Number of Points Based Sales Transactions:

17. **Number of points sales transactions (exclude rescissions) Transactions should include points sales and reloads.** Note: Exclude sales of trial memberships and sampler programs. If your resort's owned inventory is being sold by other companies under "fee-for-service" arrangements, then you should include those sales here.

    ____

18. **Of your total points based transactions above, how many were for reloads?**

    ____

Timeshare Inventory:

19. **How many total timeshare points exist in your inventory at your resort?**

    ____

20. **How many timeshare points were available for sale at your resort? Include all points available as of December 31, 2020 and any that were made available during calendar year 2021.**

    ____

Following questions asked of all respondents.

21. **What was your 2021 net sales volume associated with trial membership/sampler programs net of rescissions and sales incentives, in dollars?** This value should **not** have been included in your response earlier in this section.

    ____

22. **Of your total 2021 net sales volume net of rescissions and sales incentives as listed earlier in this section, indicate the approximate percentage sold to**

	Percent
New owners *(including owners who purchased as a result of participation in a trial membership program)*	____________
Existing owners	____________
Total	100%

23. **Does this resort offer any of the following for sale?**

Yes	No	
☐	☐	Fractional sales
☐	☐	Private Residence Clubs
☐	☐	Whole ownership
☐	☐	Other, please specify ________________

VI. Resort Timeshare Sales — *continued*

24. Please describe the types of sales channels you use for your resorts.

- ☐ In-person Sales Presentations (Tours): On-site
- ☐ In-person Sales Presentations: Off-site (including homesites)
- ☐ Online
- ☐ Telemarketing
- ☐ Other, please specify ___________________

25. Do you have any fee for service arrangements with other timeshare developers by which those developers are selling timeshare inventory for your resort? Fee for service refers to an arrangement by which a company receives a fee in exchange for providing sales and marketing support in the sale of timeshare inventory belonging to another company.

☐ Yes ☐ No

26. What was your total 2021 sales volume net of rescissions and sales incentives related to "Fee for service" arrangements? Fee for service refers to an arrangement by which a company receives a fee in exchange for providing sales and marketing support in the sale of timeshare inventory belonging to another company.

$_______________________________

27. What was your total number of Fee for service related transactions for 2021?

____

VII. Inventory Management

1. Do you accept trade-ins of intervals developed by other development companies?

☐ Yes ☐ No

2. Which of the following types of programs do you offer for intervals at properties which you have developed and/or manage? *(Check all that apply)*

- ☐ A buy-back program of timeshare intervals at a mutually agreeable price
- ☐ Right of first refusal when owners attempt to sell their timeshare interval
- ☐ Ability to return timeshare inventory in exchange for release of maintenance fee requirements with a fee
- ☐ Ability to return timeshare inventory in exchange for release of maintenance fee requirements - no free
- ☐ Ability to convert to a reduced allotment of timeshare points and or/time (such as a fewer number of days or conversion to a biennial arrangement)
- ☐ A resale program that allows owners to sell their intervals on the secondary market
- ☐ Other, please specify _____________________
- ☐ None [GO TO Q4]

3. In 2021, how many intervals or points equivalents at your properties did you re-claim from timeshare owners? If you know the total number of weekly intervals or points equivalents re-claimed but are unsure of the number attributed to each reason, please write the total number in "Not sure of reason".

Under buy-back or time/point reduction programs	_____________________
Purchased on the secondary market	_____________________
Due to foreclosure	_____________________
Voluntary surrender (with or without fee)	_____________________
For other reasons	_____________________
Not sure of reason	_____________________
Total	_____________________

VII. Inventory Management — *continued*

4. **In 2021, how many of your owners transferred their ownership rights?** If you know the total number of owners who transferred their ownership rights but are unsure of the number attributed to each method, please write the total number in "Not sure of method".

Via inheritance	____________________
Via direct sale to another individual consumer	____________________
Via direct sale to a third-party company	____________________
Via some other mechanism (please, specify _______)	____________________
Not sure of method	____________________
Total	____________________

5. **Which of the following programs do you have in place to enhance/augment your product offerings?**

Program	In Place	Associated Revenue ($)
Developing partnerships or rental relationships with Airbnb or other web driven 'sharing' entity in order to distribute inventory	________	________
Use of branded or unbranded hotel as a way to extend destinations	________	________
Online travel agencies	________	________
Travel clubs	________	________
Other, please specify ____________________	________	________

VIII. Resort Improvement and Construction

1. **Please provide the dollar amounts spent for capital improvements related to existing timeshare units and related amenities in 2021.** Please exclude capital improvements related to the construction of new timeshare units. At mixed-use projects, allocate a portion of expenditures to the timeshare operation.

	In Dollars
Renovation, refurbishment	____________________
Furniture, fixtures, equipment	____________________
Other capital expenditures	____________________

2. **How many timeshare units were recently built at this resort in 2021?**
If you don't have a given type of units, please fill in '0'.

Number of Timeshare Units Built in 2021 ____________________

3. **Please provide your total capital expenditures related to new resort/unit construction in 2021.** Other costs include soft costs such as planning, architectural, engineering, and product registration fees (exclude maintenance fees on unsold inventory). At mixed-use projects, allocate a portion of expenditures to the timeshare operation.

	In Dollars
Land	____________________
Construction (buildings and site work)	____________________
Furniture, fixtures, equipment	____________________
Other costs (soft costs, permits, consultants' fees, etc.)	____________________

4. **How many timeshare units were purchased as Just-In-Time/Completed Inventory (e.g. turn-key, Just in Time inventory purchases, buy-backs from Property Owner Associations) in 2021?** If you don't have a given type of units, please fill in '0'.

Number of Just-in-time purchased units	____________________
Number of units bought back from owners/owner's associations	____________________

VIII. Resort Improvement and Construction *— continued*

5. **Please provide your total capital expenditures related to fully completed inventory for the year ended December 31, 2021.** Other costs include soft costs such as planning, architectural, engineering, and product registration fees (exclude maintenance fees on unsold inventory). At mixed-use projects, allocate a portion of expenditures to the timeshare operation.

	In Dollars
Land	______
Construction (buildings and site work)	______
Furniture, fixtures, equipment	______
Other costs (soft costs, permits, consultants' fees, etc.)	______

6. **Please provide your 2021 non-resort capital expenditures in the following categories.**

	Related to sales offices	Related to regional office, corporate office and/or call center facilities only
New construction	______	______
Renovation, refurbishment	______	______
Other capital expenditures	______	______

7. **How many timeshare units are you planning to build at this resort?**
If you don't have a given type of units, please fill in '0'.

Timeshare Units Planned to build in 2022 ______

Timeshare Units Planned to build in 2023 or beyond (w/firm commitments) ______

8. **How many timeshare units do you plan to purchase as Just-In-Time/Completed Inventory (e.g. turn-key, Just-in-time inventory purchases, buy-backs from Property Owner Associations)?** If you don't have a given type of units, please fill in '0'.

	Number of Just-in-time purchased units	Number of units bought back from owners/owner's associations/secondary market
# Timeshare Units Planned to Purchase as Just-In-Time/ Completed Inventory in 2022	______	______
# Timeshare Units Planned to Purchase as Just-In-Time/ Completed Inventory in 2023 or beyond	______	______

9. **How many new resorts does your company plan to build, and what is the associated number of units?**

	Number of Resorts
New Resorts Planned for Completion in 2022	______
Associated Number of Units in 2022	______
New Resorts Planned for Completion in 2023 and beyond	______
Associated Number of Units in 2023 and beyond	______

10. **Please indicate the typical life cycle for the following items at this resort in years.**

____ Soft goods (i.e., carpet, sofas, window coverings)
____ Paint
____ Electronics
____ Case goods
____ Appliances
____ HVAC (Heat, Air Ventilation, and Cooling)
____ Tile, cabinetry, plumbing fixtures

IX. Timeshare Rental and Resales Programs

1. **Does your resort offer a rental program to help rent weeks that are owned by any of the following?** *Check all that apply*
   - ☐ Owners
   - ☐ HOA(s)
   - ☐ Developers
   - ☐ None of the above [SKIP TO Q5]

2. **What types of rental programs do you offer?** *Check all that apply*
   - ☐ Daily rentals
   - ☐ Weekly rentals
   - ☐ Monthly rentals
   - ☐ Rental rates that vary based on season
   - ☐ Rental programs for marketing guests
   - ☐ Other, please specify ________________________

3. **Which of the following do you use to publicize the availability of rentals at this resort?** *Check all that apply*
   - ☐ Resort website
   - ☐ External rental websites (e.g., Redweek.com or SellMyTimeshareNOW.com)
   - ☐ OTAs (Priceline, Hotels.com, Expedia etc.)
   - ☐ Sharing platforms (Airbnb, VRBO, etc.)
   - ☐ Timeshare broker and/or broker website
   - ☐ Physical bulletin boards at resort
   - ☐ Newspaper
   - ☐ Radio
   - ☐ Television
   - ☐ Social media (Facebook, Twitter, etc.)
   - ☐ Blog
   - ☐ Channel Manager (e.g. Siteminder, LeisureLink, etc.)
   - ☐ Other, specify __________________

4. **What was the total number of nights rented and the associated rental income for 2021?**

   Total number of nights rented __________________

   Associated rental revenue ($) __________________

5. **Please list the total amount paid in 2021 related to lodging taxes or other taxes related to rental programs only.** These taxes are separate from the occupancy taxes in the “Resort Timeshare Taxes” section

AIF

Market Intelligence

Career Advancement

2022–2023 BOARD OF TRUSTEES

1201 15th Street NW, Suite 400
Washington, DC 20005
(202) 371-6700
(202) 289-8544 fax

State Government Affairs Office
Landmark Center Two
225 E. Robinson Street, Suite 545
Orlando, FL 32801
(407) 245-7601
(407) 872-0771 fax

www.arda.org