2010
EXECUTIVE SUMMARY

Shared Vacation Ownership
OWNERS REPORT

Prepared by: TRiG The Research Intelligence Group

2010 EDITION

2010 EDITION

Shared Vacation Ownership OWNERS REPORT

EXECUTIVE SUMMARY

Incidence

Seven percent of U.S. households own one or more types of a shared ownership product — timeshare weeks, points, fractional and/or Private Residence Club.

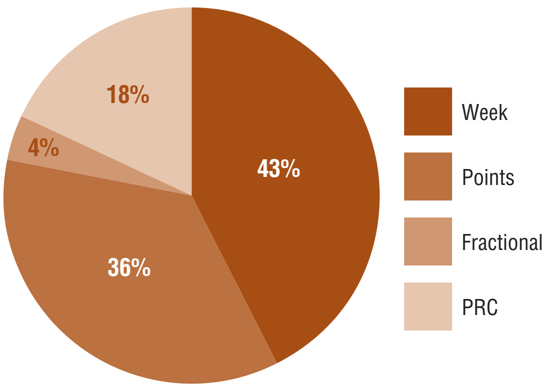
Owner Profile

- Eighty percent of owners are married or in a committed relationship.
- Sixty-eight percent do not have children under the age of 18 residing at home.
- The median household size is two persons.
- Ninety-two percent own their primary residence.
- The majority of owners reside in a suburban setting (52 percent). An additional 26 percent reside in an urban area. Only 22 percent of owners reside in a rural environment.
- Shared vacation ownership owners are more highly educated than the general U.S. population with well over half of all owners having at least a college degree (57 percent).
- The median household income for all owners is $78,400.
- Fifty-seven percent of owners are employed full-/part-time with 31 percent of owners reporting they are retired.

Product Ownership

- Average length of ownership is 9 years.
- Forty-three percent of all owners own multiple interests.
- Eighty-nine percent of all interests owned are either weeks or points products.
- Traditional, fractional and PRC owners agree that beaches, attractions/entertainment and shopping are the most attractive resort characteristics.
- Exchange membership is nearly universal among traditional owners* (94 percent) while 77 percent of fractional/PRC owners report exchange membership.
- Two-bedroom unit is the most popular among owners.

Single Contract Owners



Nearly four-in-five (79 percent) owners of a single contract own a traditional product.

Segmentation

In an effort to better understand the owner experience, shared vacation ownership owners have been classified or segmented based on the attitudes they hold toward their ownership. The six unique owner segments are:

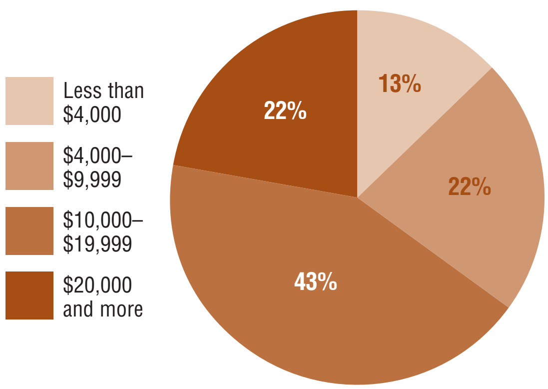
Owner Segment	Description
Fans	Embrace the wide range of opportunities and benefits offered through shared vacation ownership
Vacationists	Value their shared vacation ownership because it promotes regular vacationing
Togetherers	Prefer to vacation in larger parties, most notably with friends and other family members
Experiencers	Seek the benefits and opportunities offered through shared vacation ownership, especially the ability to exchange
Strugglers	Advocates of shared vacation ownership but are vulnerable to attrition due to external circumstances
Attritors	Those who seek to leave the shared vacation ownership industry

**Traditional owners refer to timeshare week and points owners.*

Attitudes and Opinions about Ownership

- Eighty-four percent of all owners rate their ownership experience as excellent/very good/good.
- Sixty-nine percent of all owners would recommend their own resort or vacation club to others.
- Saving money on future vacations and resort location are the two most suggested reasons for making the initial timeshare purchase.

Timeshare Price



Purchase Experience

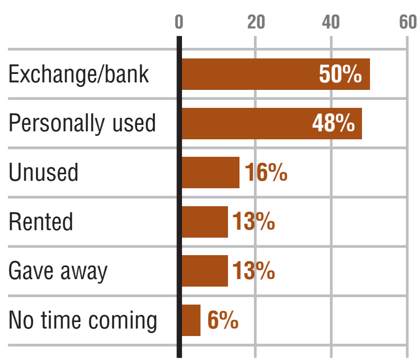
- More than four-in-five recent purchasers bought a new timeshare from a developer or resort (83 percent).
- Seventy-one percent of purchasers attended at least one sales presentation before buying.
- One-in-four purchasers experienced the product through rental before making a purchase (24 percent).
- The strongest motivators for purchasing were the certainty of quality accommodations (93 percent), saving money on future vacation costs (91 percent), and the credibility of the timeshare company (89 percent).
- Hesitations about purchasing are mainly caused by financial concerns (regarding overall price, monthly payment, travel costs and maintenance fees) and the concern associated with “same day” purchase.
- Forty-two percent of purchasers used a credit card for the down payment.
- Seventeen percent of recent purchases were via a resale channel.
- A majority of purchasers rated their purchase experience as excellent or very good (63 percent).

Recent purchasers reported that the average (median) price of a traditional timeshare purchased over the past three years is $11,500. Forty-three percent of the purchases are in the range of $10,000 and $19,999.

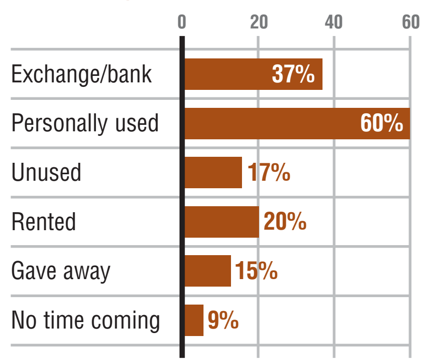
Timeshare Vacation Habits

- Owners spent an average of 15 days on leisure travel in 2009.
- An average of 7 days was spent at their shared ownership property.
- Eighty-five percent of shared ownership vacations were taken at resorts located within the United States with Orlando being the most popular vacation location (17 percent).
- Owners traveled an average of over 1,000 miles to their vacation destination.
- The average timeshare vacation party was 3.3 people.

Traditional Owners Use of Product



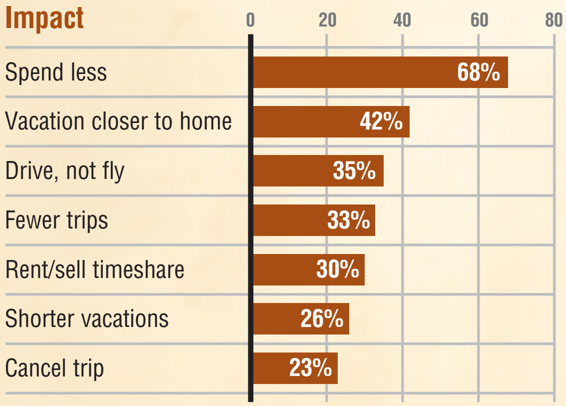
Fractional/PRC Owners Use



more >

Economic Impact

As a result of the continuing sluggish economic conditions, a majority of owners will make changes to their future vacation plans. The most often named changes are:



Methodology

This research was sponsored by the ARDA International Foundation and conducted by The Research Intelligence Group (TRiG), a full-service research consultancy based out of Ft. Washington, PA. Interviews were conducted among a national sample of timeshare owners in February 2010. The report is based on analysis of 1,005 shared vacation ownership owners and an augment of 377 fractional, Private Residence Club or recent purchasers. Recent purchasers are defined as owners who made a purchase in the United States in the past three years. The sample was drawn from a number of online panel providers to increase the breadth of owners included in this study. In addition, the design also included a state-of-the-art "digital fingerprinting" option to prevent the same respondent from being represented in the sample more than once.

ARDA International Foundation

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

www.arda.org

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.

MEMBER $25 | NON-MEMBER $50