2013 EXECUTIVE SUMMARY

Shared Vacation Ownership: RESALE STUDY

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The Research Intelligence Group

2013 EDITION

Shared Vacation Ownership: RESALE STUDY

EXECUTIVE SUMMARY

Buyer Demographic Profile	Recent Buyers	Organic Buyer Intenders	New Buyer Intenders
Base	227	486	420
	%	%	%
Gender: male	48	45	49
Own primary residence	93	86	73
Marital Status			
Married/partnership	79	76	64
Single, never married	12	12	18
Separated, widowed, divorced	8	10	16
Employment Status			
Employed (net)	72	80	65
Retired	23	14	22
Not retired	3	5	10
Education			
High school graduate	6	9	15
Some college	22	28	32
College graduate	44	44	35
Graduate school	24	16	13
Technical school	4	2	3
Age			
18–34	28	31	19
35–54	36	46	45
55–64	22	18	22
65+	14	6	14
Median Age	46.7	42.2	48.3
Household Income			
Less than $34,999	5	8	20
$35,000–$49,999	8	12	14
$50,000–$74,999	19	22	14
$75,000–$99,999	24	25	22
$100,000–$149,999	20	19	17
$150,000–$199,999	7	5	4
$200,000+	13	6	3
Median HHI	$91,364	$82,172	$73,304
Product Owned/Most Likely Purchase*			
Week	66	47	41
Points	48	32	20
Fractional	19	9	23
PRC	13	9	8
Location of Timeshare Purchased/Intend to Purchase (Top 5 Mentions Reported)**			
Florida (net)	27	30	35
Orlando	16	18	17
Florida – other	11	12	18
California	8	11	7
Hawaii	7	11	14
Caribbean	6	7	7

*A typical **Recent Buyer** is a married female with a college degree, 47 years old making over $91,300 a year, who just bought a week product in Florida.*

Purchase Motivations

Location is the number one reason for purchasing on the resale market as well as the number one reason for future purchase intent.

Most Important Reason Purchasing Resale	Recent Buyers	Organic Buyer Intenders	New Buyer Intenders
Base	227	419	420
	%	%	%
Location of the resort	53	48	48
Saving money on future vacation costs	36	42	42
Makes a vacation a certainty rather than a possibility	36	42	42
Allows you to spend quality time with your family and friends	35	34	42
Ability to exchange to desirable destinations around the world	29	37	29

Purchase Channels

Among those who have purchased a timeshare interest in the past three years, the most often used channel is buying directly from a current timeshare owner followed by a licensed real estate broker who is affiliated with a resort development company. An independent licensed real estate broker who specializes in timeshare is more preferred among the Buyer Intender groups.

Purchase Channel Used or Would Like to Use	Recent Buyers	Organic Buyer Intenders	New Buyer Intenders
Base	227	422	420
	%	%	%
Buying directly from a current timeshare owner	22	17	19
A licensed real estate broker that is affiliated with a resort or development company	17	23	19
A full service online timeshare advertising and licensed real estate brokerage	15	15	10
A licensed real estate broker that specializes in timeshare but is independent from any specific resort or company	12	22	36
A licensed real estate broker that is affiliated with a specific home owners association or resort management company	8	7	4

Median Contract Price

The median price paid by Recent Buyers was $5,125 in 2013 while Organic Buyer Intenders and New Buyer Intenders expect to pay an average of $10,000 and $12,000 respectively for their future purchase on the resale market.

Buyer Resale Experience Satisfaction

More than three quarters of Recent Buyers rated the professionalism of the resale company, overall satisfaction with the company and the likelihood to recommend the company as either 8, 9 or 10 on a scale of 1 to 10, with 10 being the most positive. 61% of Recent Buyers would likely use a reseller again with a future transaction.

Resale Experience Satisfaction – Recent Buyers (Top-3-Box %)

2013 (n=227)

* *Multiple responses are allowed for Recent Buyers: percentages will sum to more than 100%. Purchasers' results should not be compared to intenders.*

** *Locations ranked in order of Recent Buyers.*

Seller Demographic Profile	Recent Sellers	Selling Intenders
Base	100	648
	%	%
Gender: male	59	45
Own primary residence	92	87
Marital Status		
Married/partnership	75	76
Single, never married	12	10
Separated, widowed, divorced	14	13
Employment Status		
Employed (net)	73	65
Retired	23	28
Not retired	3	4
Education		
High school graduate	7	9
Some college	15	27
College graduate	38	40
Graduate school	35	21
Technical school	4	3
Age		
18–34	32	18
35–54	22	35
55–64	20	26
65+	26	21
Median Age	50.7	52.2
Household Income		
Less than $34,999	4	9
$35,000–$49,999	11	15
$50,000–$74,999	29	24
$75,000–$99,999	22	22
$100,000–$149,999	18	17
$150,000–$199,999	4	4
$200,000+	5	4
Median HHI	$78,260	$74,187
Product Owned/Most Likely Purchase*		
Week	74	77
Points	46	42
Fractional	17	21
PRC	12	17
Location of Timeshare Sold/Intend to Sell (Top 5 Mentions Reported)**		
Florida (net)	19	29
Orlando	12	17
Florida – other	7	12
California	15	9
Nevada	8	5
Arizona	8	4

*A typical **Recent Seller** is a married male with a college degree in his early 50s making about $78,260 a year, who just sold a week product in Florida.*

Selling Motivations

Recent Sellers who have experienced a transaction on the resale market are significantly more likely to cite the ease of the transaction as the most important reason supporting their decision to sell on the resale market than Selling Intenders, who are more focused on resale to get the best price. Recent Sellers are also more likely to view resale as the only reasonable option to sell than Selling Intenders.

Most Important Reason for Choosing Resale	Recent Sellers	Selling Intenders
Base	100	616
	%	%
Easiest transaction	18	7
Best price	16	30
Fewest problems during the selling process	11	6
Largest market of active buyers	9	20
Best assistance in closing the transaction	7	4

Sales Channels

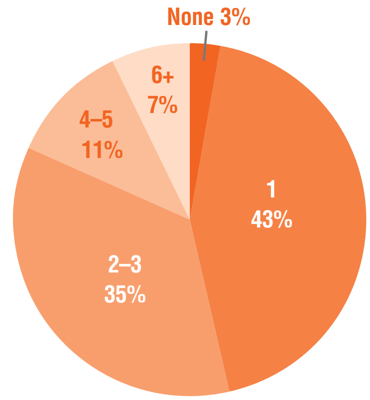
Similar to 2010, the preferred choice among Recent Sellers and Selling Intenders is for a licensed, specialized and independent real estate broker to handle the transaction.

Sales Channel Used or Most Likely to Use	Recent Sellers	Selling Intenders
Base	100	616
	%	%
A licensed real estate broker that specializes in timeshare but is independent from any specific resort or company	33	26
An online timeshare resale listing company	15	17
A licensed real estate broker that is under contract with my resort or development company	12	20
Owner him/herself	9	11
An offline timeshare resale listing company	4	4

Number of Organizations Considered

43% of Recent Sellers engaged only one resale organization during their sales process.

Number of Organizations Tried During Sales Process



2013
(n=100)
Average ▶2.4

Median Transaction Price

A timeshare is sold for $4,000 on average in 2013 on the resale market. Not surprisingly, Selling Intenders expect to sell their timeshare for a higher price than the current median actual sales price at $9,000.

Seller Resale Experience Satisfaction

As with Recent Buyers, Recent Sellers rated resale organizations on a scale of 1 to 10, with 10 being the most positive. Resale satisfaction scores are slightly lower among sellers than they are among buyers. However, professionalism, likelihood to recommend and likelihood to use the resale channel again are all significantly lower for Recent Sellers than they are for Recent Buyers.

Resale Experience Satisfaction – Recent Sellers (Top-3-Box %)
2013 (n=100)

* Multiple responses allowed: percentages will sum to more than 100%.
** Locations ranked in order of Recent Sellers

Methodology

The summary is based on an online survey conducted in February–March, 2013 by the Research Intelligence Group for the ARDA International Foundation seeking to better quantify the opportunities that are available for developers (and to illustrate the opportunities for owners and non-owners looking to both buy and/or sell) on the resale market, by delving into greater detail on the wants and needs of both resale buyers and sellers, by explaining current trends, highlighting changes over the past three years and developing profiles of resale owners and buyers.

A total of 1,415 respondents have responded, of which, 977 were current timeshare owners who did/would consider using the resale market for buying or selling a timeshare, while 438 were non-owners who used the resale market or would consider using resale market for buying or selling a timeshare. This study looks into the resale market from the viewpoint of five different groups; Recent Buyers and Sellers on the resale market, plus those intending to conduct a resale transaction in the next two years, split by Selling Intenders, Organic Buyer Intenders and New Buyer Intenders.

For more information, please refer to the full report of the study available at **www.arda.org/researchlibrary**.

MEMBER $25 | NON-MEMBER $50

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