

## U.S. Timeshare Industry Sales Total \$10.6 Billion in 2007

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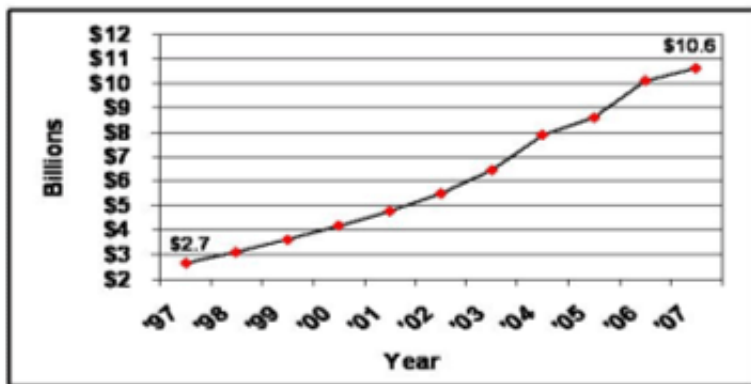
Average occupancy exceeds 80 percent, 6.5 million intervals owned

Timeshares sales climbed 6 percent over 2006, with sales totaling \$10.6 billion in 2007, according to a new study of the U.S. vacation timeshare industry conducted by Ernst & Young, LLP. The survey encompasses 628 timeshare resorts throughout the country, showing sales up 66 percent since 2003 and an average resort size growth of 32 percent.

As of January 1, 2007, there were 1,641 timeshare resorts in the United States. The total number of weekly equivalent intervals owned was approximately 6.5 million and new owners increased to 4.7 million owners.

'The continued growth of the timeshare industry in today's economy is a direct indication of strong consumer satisfaction and demand. Vacation ownership, with its flexibility and spacious accommodations, continues to be a preferred travel choice for American families,' said Howard Nusbaum, ARDA president and CEO.

## HISTORICAL SALES VOLUME



The number of timeshare units in the United States, as of January 1, 2008, was 180,158, with 8,000 newly constructed units built in 2007. Respondents expect continued growth with around 8,000 new units built in 2008.

Average occupancy was over 80 percent in 2007, including nearly 70 percent who were either owners or exchange guests and more than 10 percent who were renters and/or marketing guests.

Florida, California and South Carolina have the most resorts representing 39 percent of all U.S. timeshare resorts. Florida continues to lead the nation with the most resorts (23 percent), the largest resorts and the greatest sales volume. California houses 9 percent of timeshare resorts in the U.S. followed by South Carolina at 7 percent. The remaining states, grouped in regions, reported the following representation of U.S. resorts: Mountain (18 percent), Northeast (11 percent), Pacific (9 percent), South Central (9 percent), and the Midwest and South Atlantic (both 8 percent).

Beach resorts are the most common primary designation of resorts (24 percent), and country/lake resorts second (16 percent). Golf (8 percent) is the most often available amenity nearby and/or onsite and other vacation experiences noted include National/State parks, spa resorts, and historic sites.

Two-bedroom units continue to represent the most common size (61 percent), followed by one-bedroom (24 percent), three bedroom or larger (9 percent), and studio units (7 percent). The average price of a timeshare interval sold was \$19,216.

Ninety-nine percent of respondents are affiliated with Interval International and/or Group RCI exchange networks. Thirteen percent of respondent have a self-administered program, generally in addition to an affiliation with one of the two major exchange companies.

Resorts have added sophistication to the way owners can buy timeshare intervals. Many offer increased flexibility for owners to customize their vacation needs by offering 'points' instead of just selling one week per year. Points owners can break up or extend vacation weeks, travel during various times of the year and/or stay in various unit sizes at a range of locations. About two-thirds of respondents offer intervals of the traditional weekly variety, and 56 percent offer some form of points-based product.

### Study Methodology

The study results are based on the survey questionnaire responses of 628 timeshare resorts of the 1,641 timeshare resorts identified, representing 38 percent of existing timeshare resorts in the U.S. Of these 628 responding resorts, 520 belong to a family of five or more resorts, while 108 belong to a family of less than five resorts. 90 were single-site developers.

## **About ARDA**

The American Resort Development Association is the Washington D.C.-based professional association representing the vacation ownership and resort development industries. Established in 1969, ARDA today has over 1,000 members ranging from privately held firms to publicly traded companies and international corporations with expertise in shared ownership interests in leisure real estate. The membership also includes timeshare owner associations (HOAs), resort management companies, and owners through the ARDA Resort Owners Coalition (ARDA-ROC).

## **About AIF**

The ARDA International Foundation (AIF) conducts research and develops education programming for the timeshare industry. The Foundation's mission is to 'support, conduct, and disseminate research and technical studies that will enhance and improve knowledge for the public and the industry, and develop educational resources that will optimize value, operations, acceptance, and service for the industry and the public.'

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