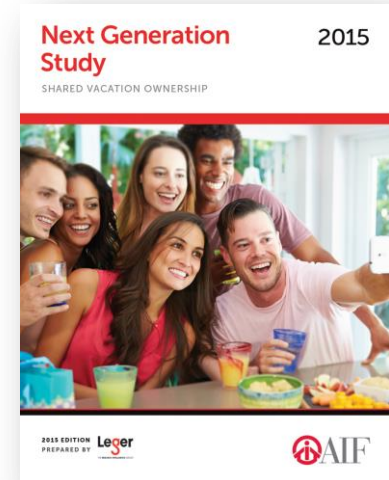
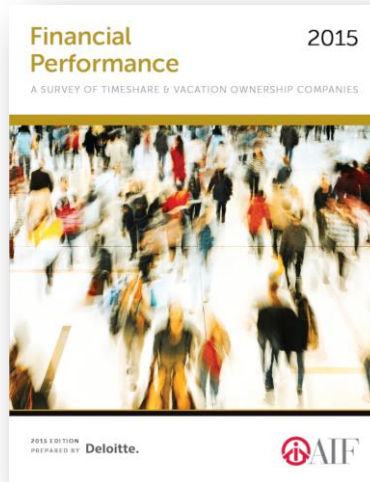




Howard Nusbaum, RRP
President and CEO

AIF Research



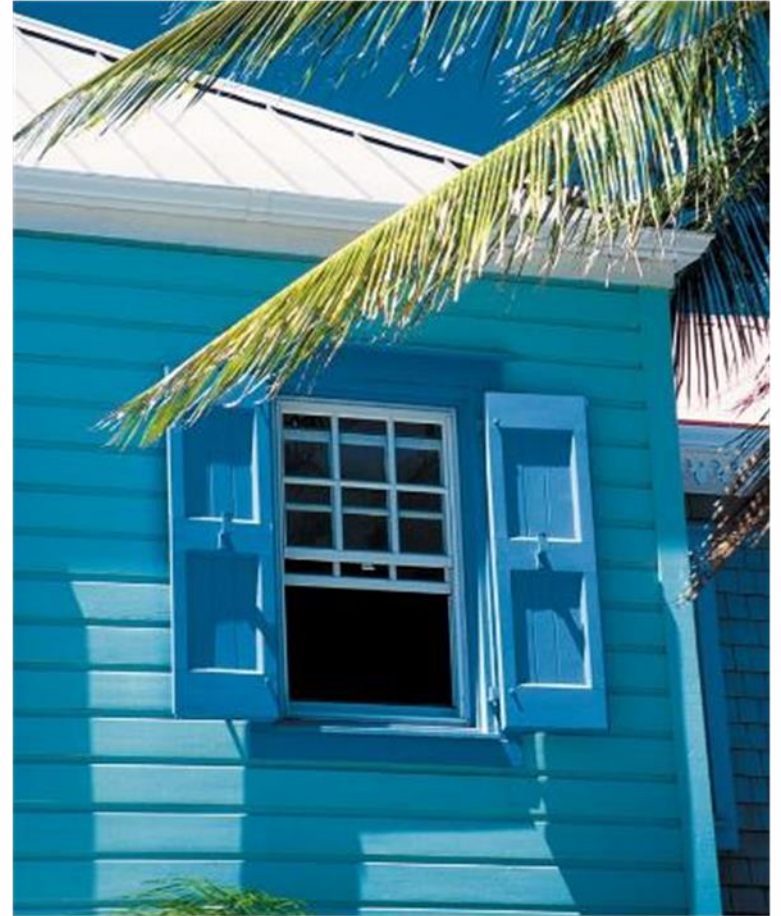
2014

Timeshare in the US



1,555

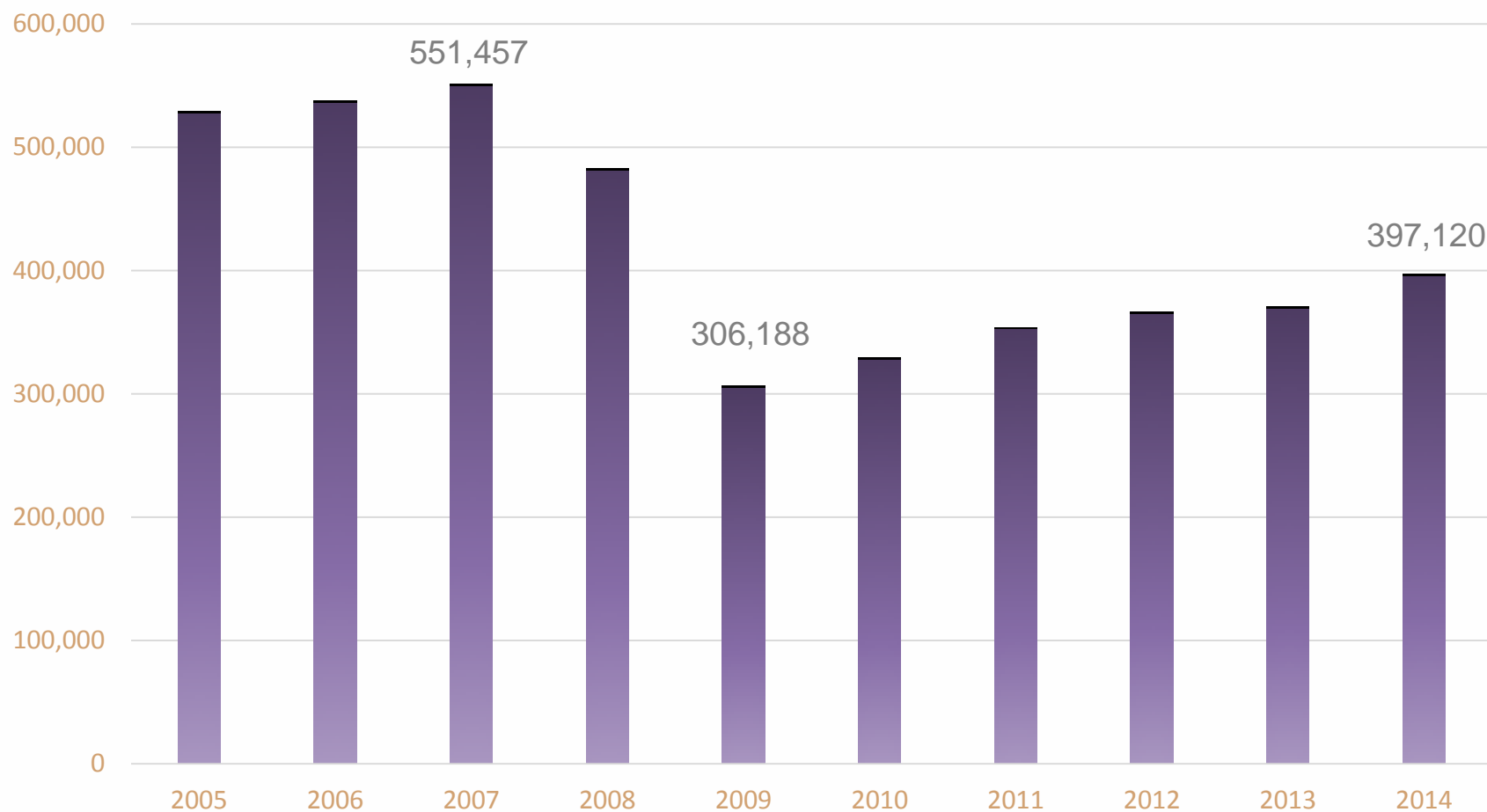
Timeshare Resorts



198,480

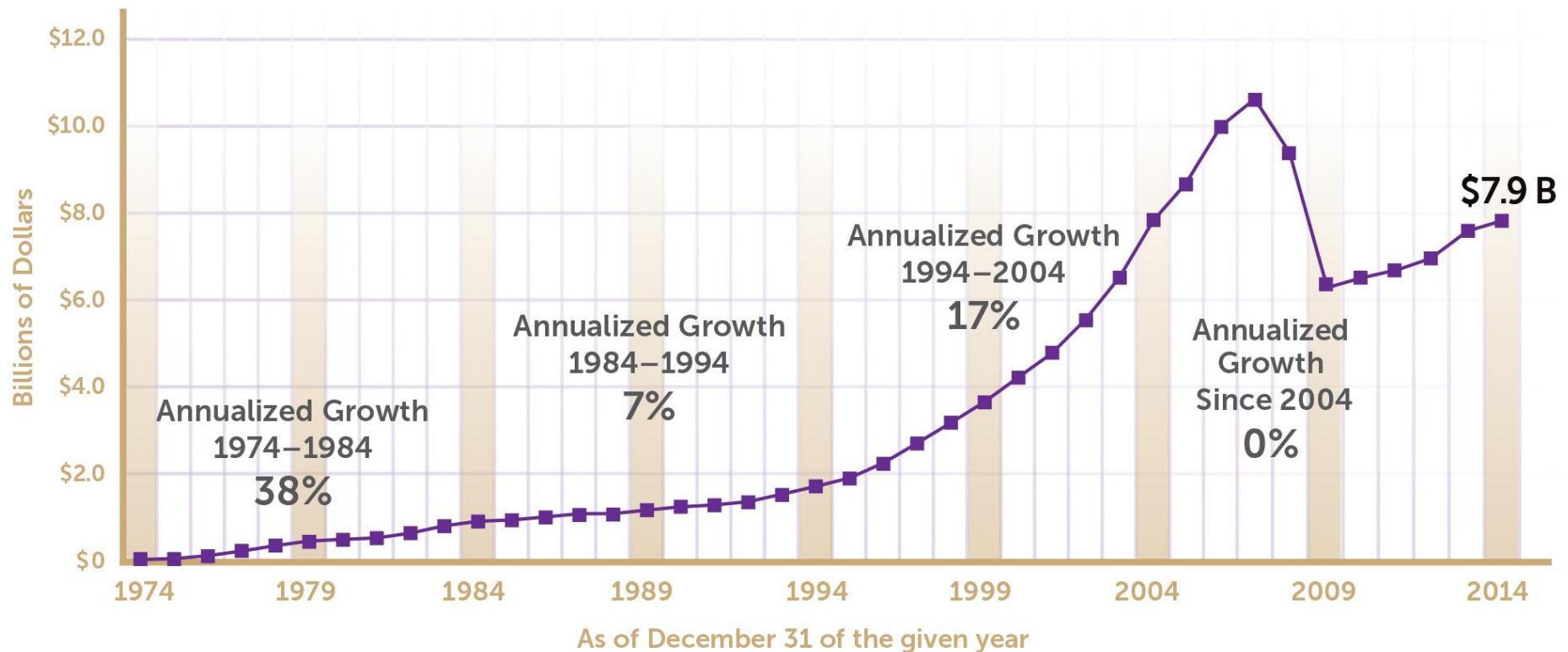
Units

Intervals Sold



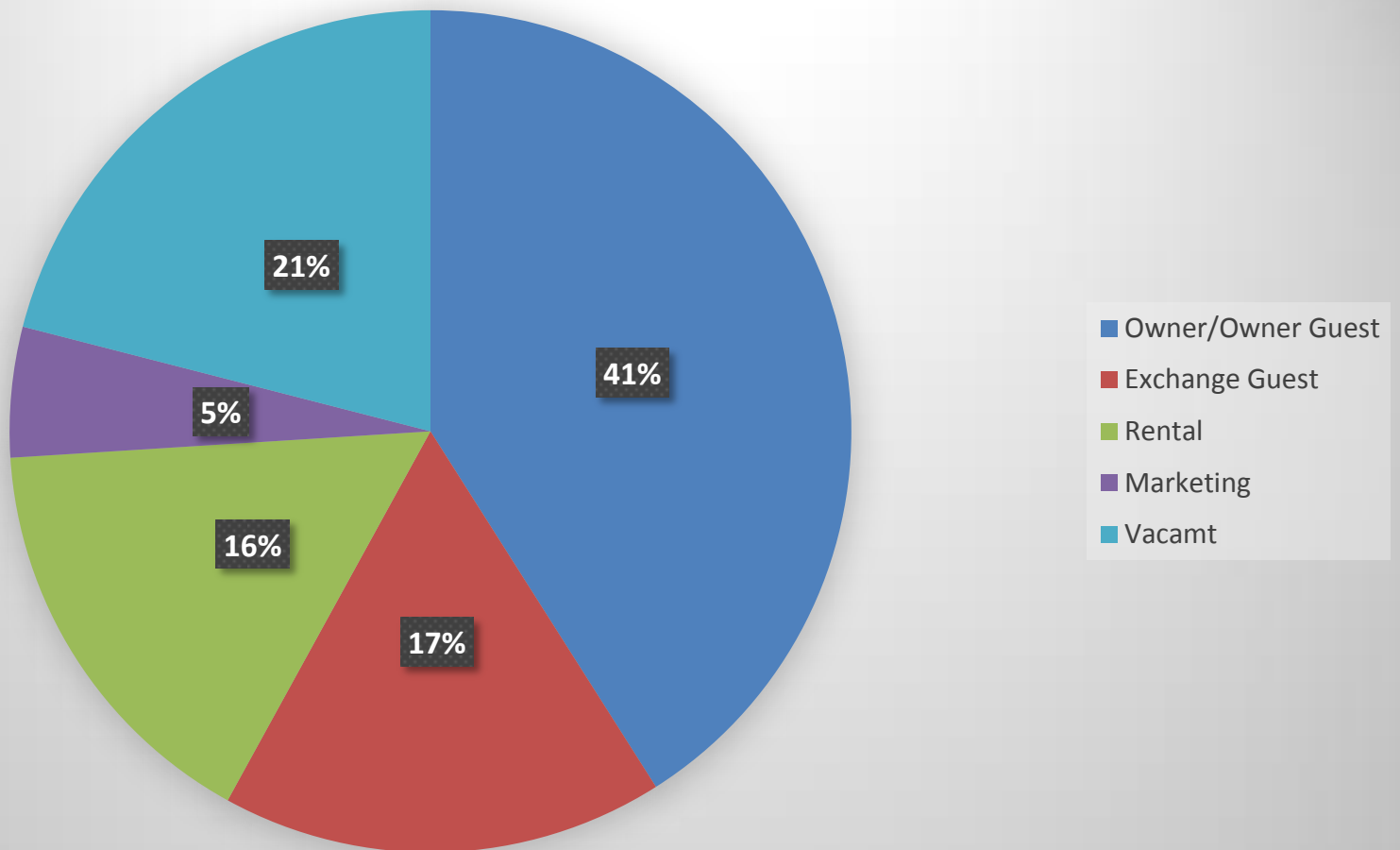
Historical Sales Volume

TIMESHARE SALES SINCE 1974

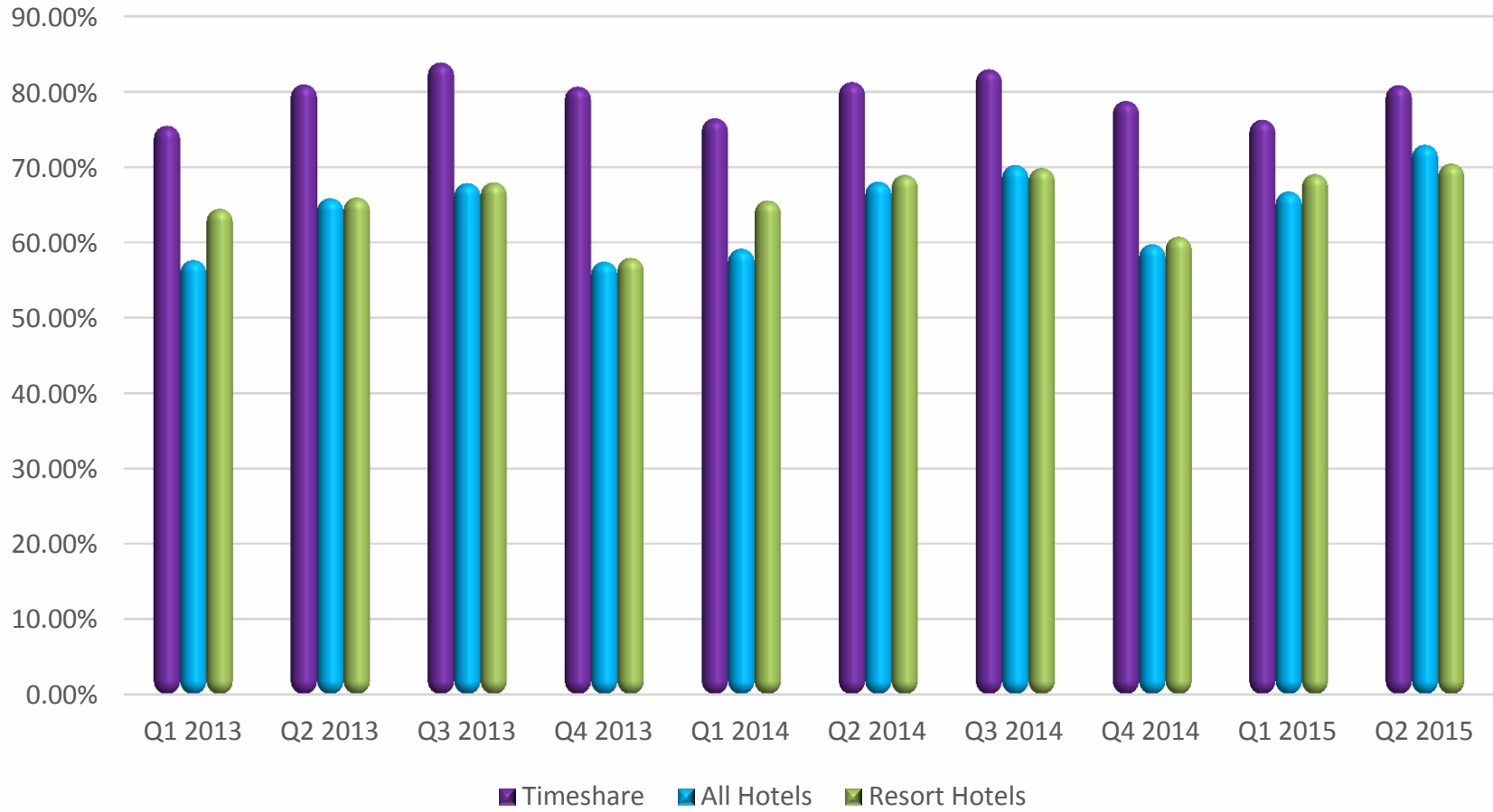


Source: Ragatz Associates, American Economics Group and AIF

Occupancy



Timeshare vs. Hotel Occupancy



Maintenance Fees

MAINTENANCE FEE BREAKOUTS

Unit type	Maintenance fee
Studio	\$540
1BR	\$695
2BR	\$900
3BR+	\$1,200
Overall	\$880

Average maintenance fee	Percent of resorts responding
Less than \$500	9%
\$500 to \$599	14%
\$600 to \$699	19%
\$700 to \$799	12%
\$800 to \$899	8%
\$900 to \$999	8%
\$1000+	29%

Percent of 556 respondents — percentages may not add due to rounding

Unit type	Active sales resorts	Sold-out resorts
Studio	NA	\$542
1BR	\$694	\$698
2BR	\$914	\$884
3BR+	\$1,131	\$1,309
Overall	\$895	\$866

Percent of 273 active sales resorts, 283 sold-out resorts



Operating Revenue

OPERATING REVENUE

Category	Percent of resorts responding	Percent of resorts in active sales	Percent of sold-out resorts
Maintenance fees	76%	76%	76%
Rentals	18%	18%	17%
Housekeeping	2%	2%	1%
Developer subsidy	1%	1%	0%
Special assessments and other revenue sources	1%	0%	2%
Food & beverage	1%	1%	1%
Other	2%	2%	2%

Percent based on 594 respondents – percentages may not add due to rounding

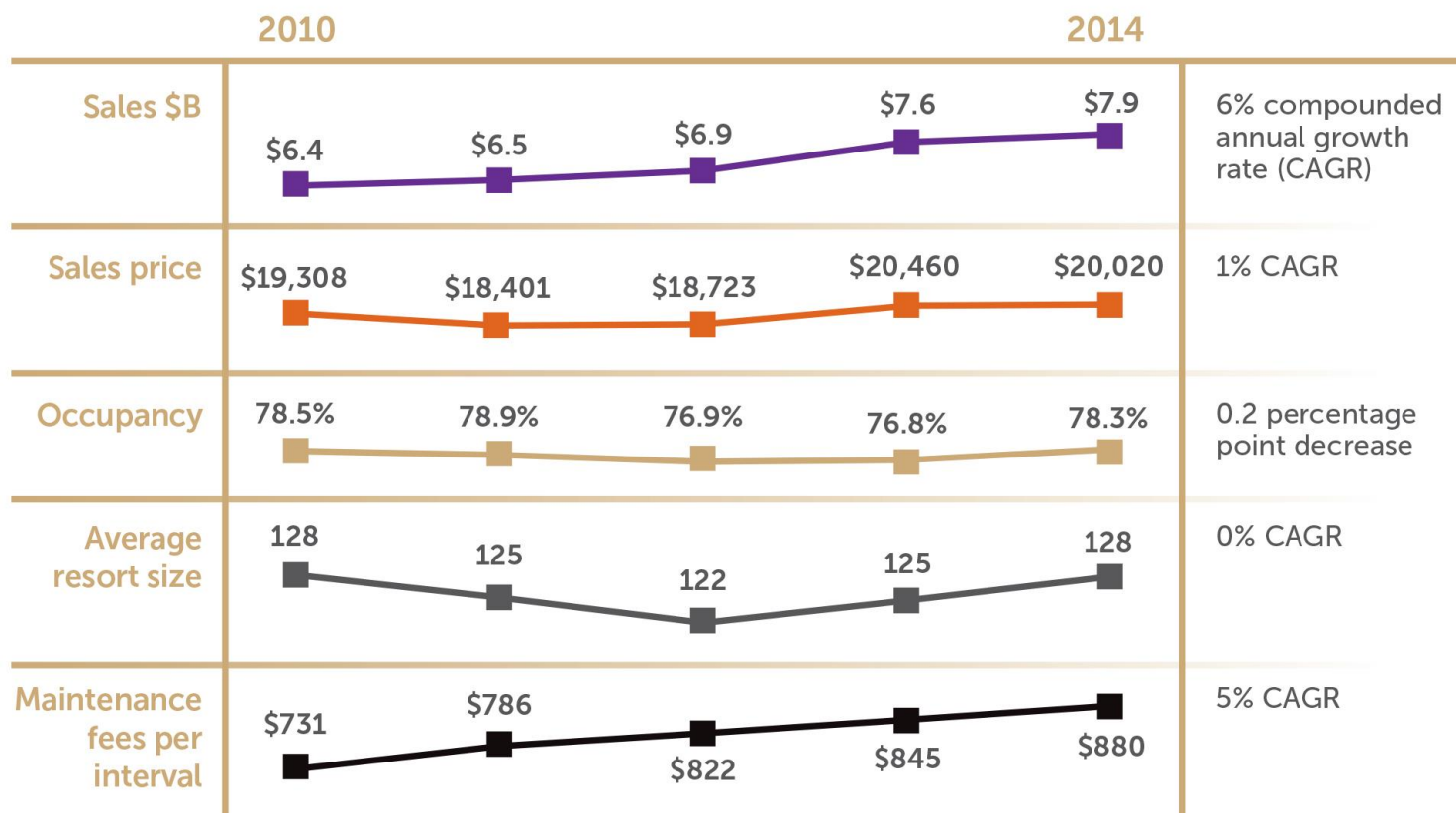
Rental

RENTAL REVENUE

Metric	2014
Total rental revenue	\$1.9 billion
Total nights rented	11.2 million
Average rental price per night	\$172

Industry Trends

RECENT PERFORMANCE TRENDS



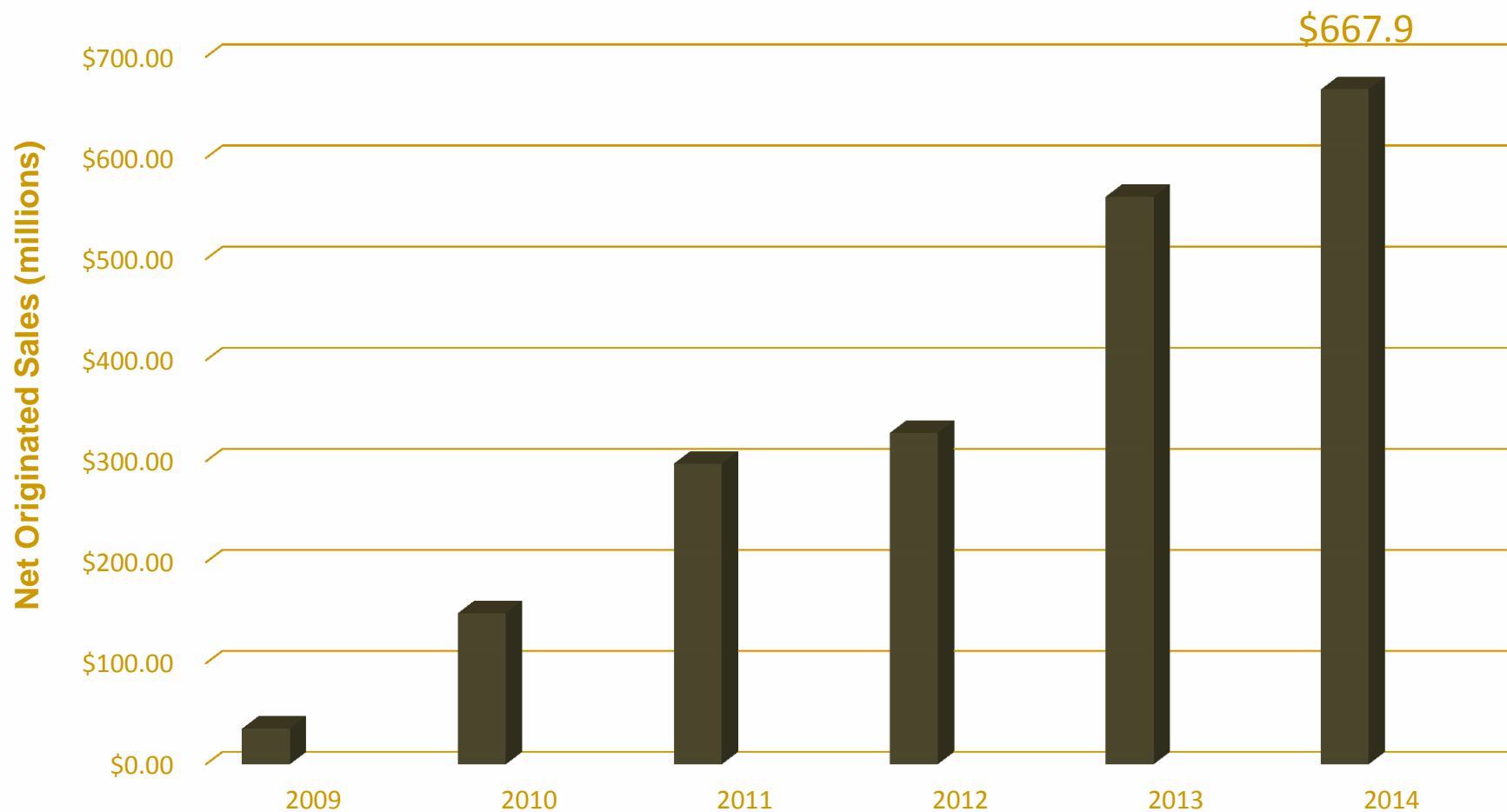
Benchmark Data

CHANGES FOR RESPONDENTS PROVIDING DATA IN 2013 AND 2014

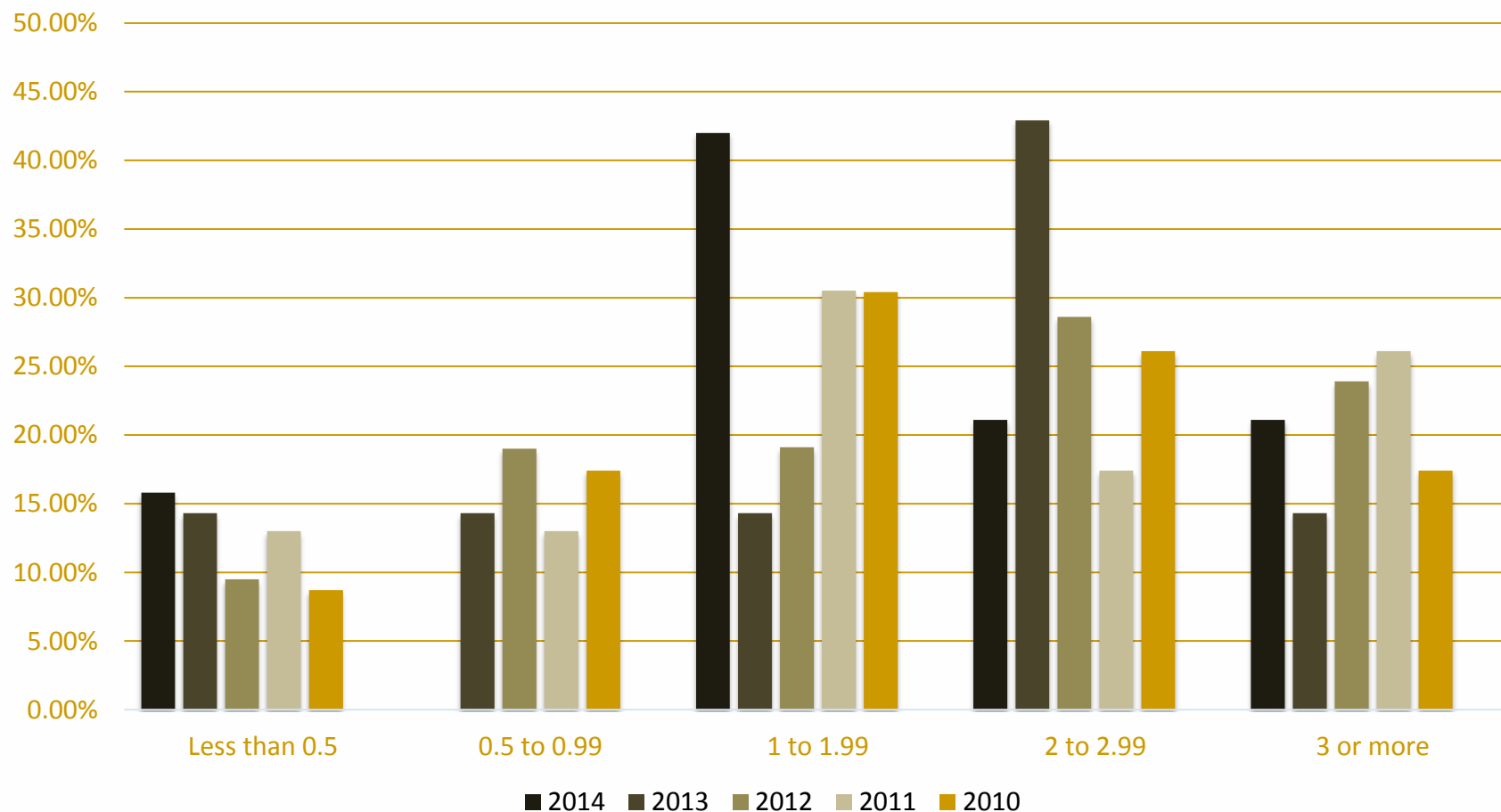
	2013	2014	Change	Percent change
Number of resorts	664	684	20	3.0%
Number of units	84,288	86,043	1,755	2.1%
Average units	127	126	-1	-0.9%
Total sales (\$M)	\$5,378	\$5,704	\$326	6.1%
Sales price	\$23,415	\$24,424	\$1,009	4.3%
Occupancy	77.7%	77.8%	0.1%	0.1%
Maintenance fees	\$875	\$885	\$10	1.0%

Note: Numbers may not add due to rounding

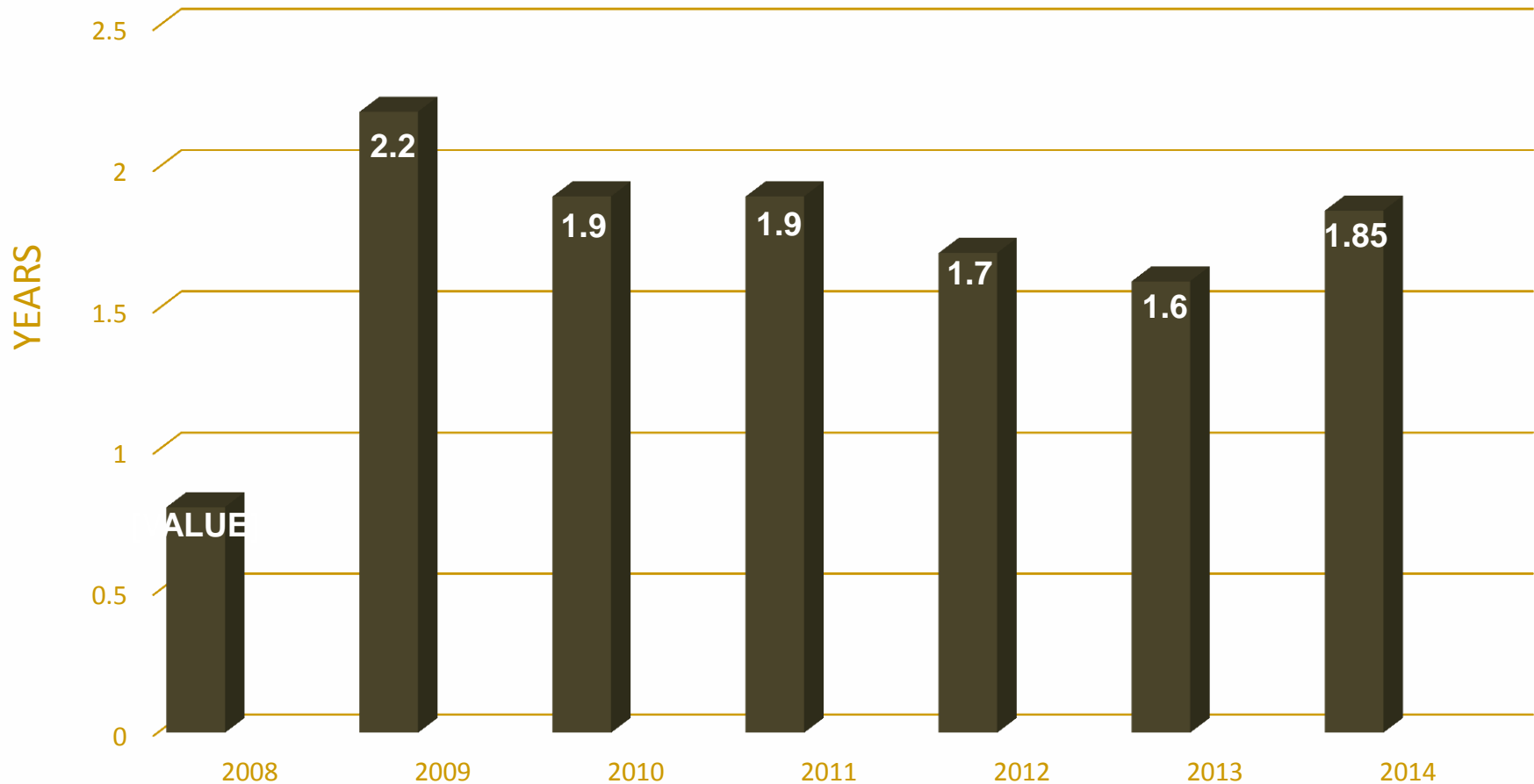
Fee For Service



Inventory Levels



Average Inventory Level



Sales Tour Metrics

	Q2 2014	Q2 2015	Difference
Tours	623,965	654,617	3.9%
Transactions	93,395	96,575	3.4%
Close rate	15.0%	14.9%	(0.7%)
Average transaction value	\$17,523	\$18,479	5.5%
Rescissions	15.1%	14.1%	(6.6)%
Volume per guest (VPG)	\$2,516	\$2,619	4.1%

Key Ratios

KEY RATIOS AS A % OF NET ORIGINATED SALES VALUE, 2014, U.S.

	All respondents	Interval companies	Points companies	Public companies	Private companies
Estimated uncollectible sales	12.9%	16.3%	11.1%	9.7%	20.3%
Cost of sales, (product cost)	15.9%	17.4%	15.0%	16.5%	14.5%
Sales commissions	15.1%	13.0%	16.3%	14.1%	17.3%
Other sales and marketing costs	26.5%	28.8%	25.2%	26.4%	26.7%
Sub-total: Sales commissions and other sales and marketing costs	41.6%	41.8%	41.5%	40.5%	44.0%
General and administrative costs related to timeshare sales operations	8.0%	8.3%	7.8%	8.0%	7.9%
HOA subsidies and/or maintenance fees	3.0%	0.8%	4.2%	4.1%	0.4%
Pre-tax margin of timeshare sales	18.6%	15.4%	20.4%	21.2%	12.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Deloitte & Touche LLP based on 19 company survey responses

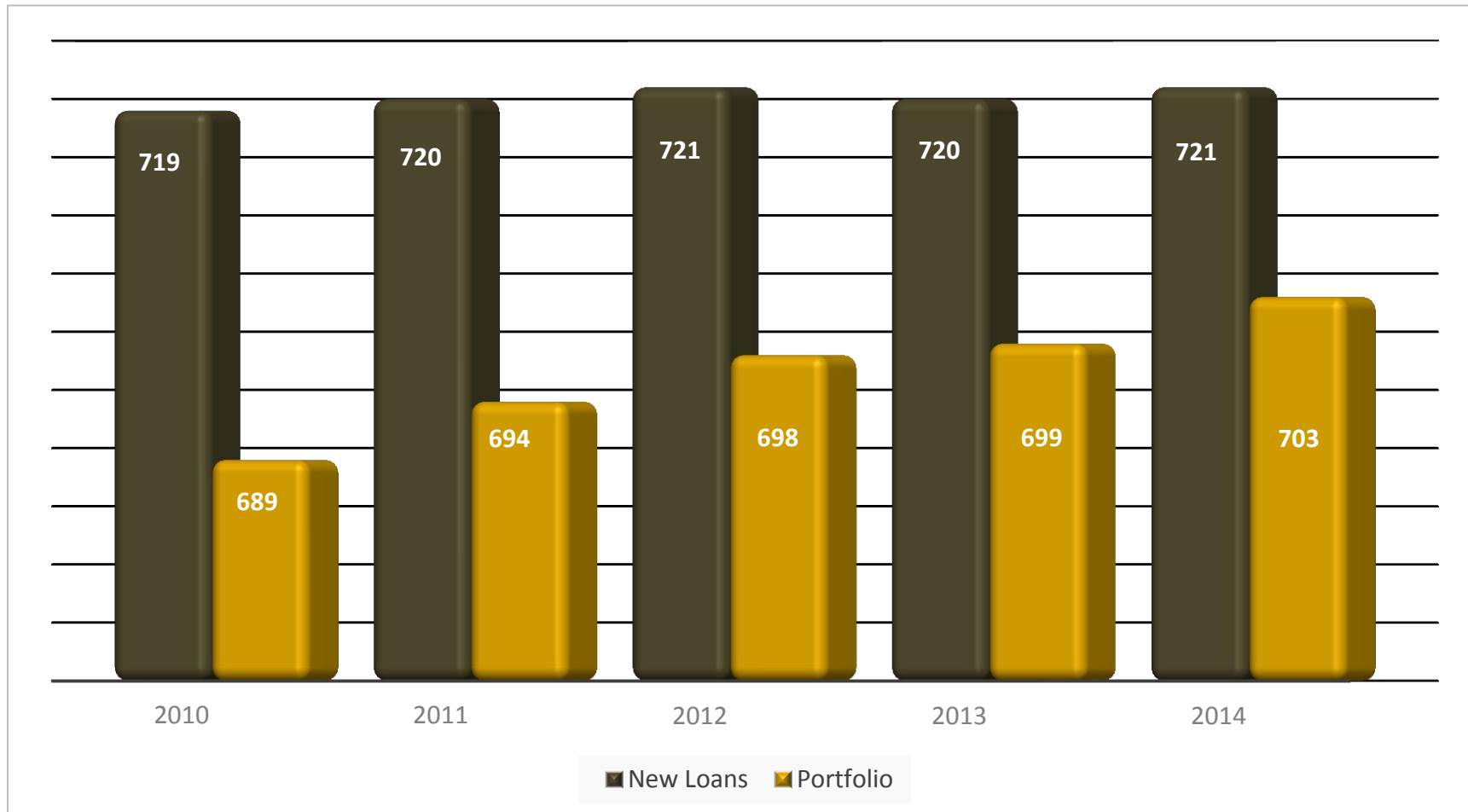
Consumer Loans

CHARACTERISTICS OF NEW CONSUMER LOANS, 2014, U.S.

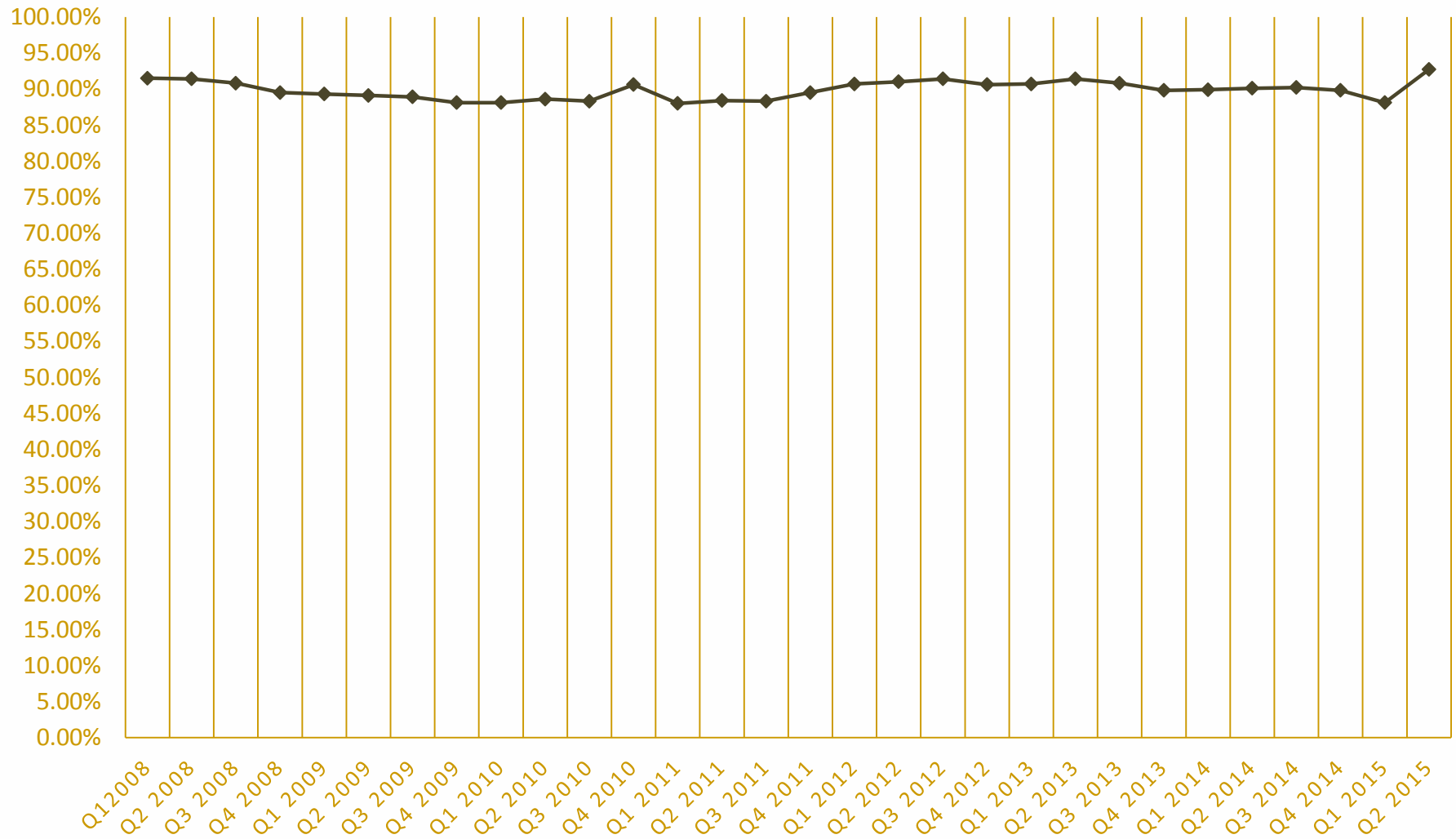
	2014
Term (in months)	117.3
Interest rate	14.0%
Down payment (as a percent of contract price)	
non-upgrade sales	17.6%
upgrade sales	47.4%

Source: Deloitte & Touche LLP based on a minimum of 17 company survey responses.

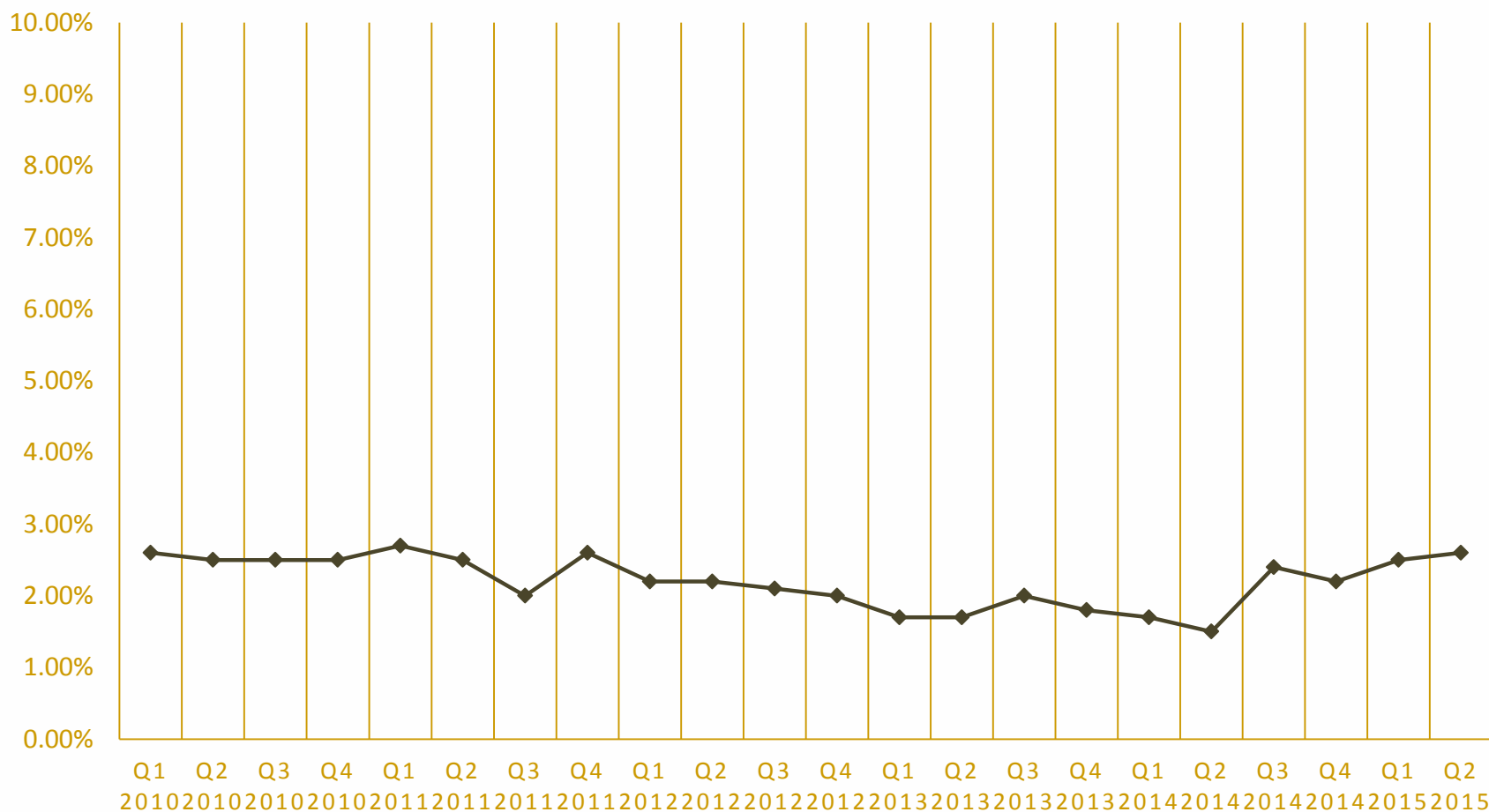
FICO Scores



Consumer Portfolio Currency



Gross Defaults



Securitization Interest and Advance Rates

	2009	2010	2011	2012	2013	2014
Number Transactions	13	12	5	11	7	9
Average Size (mm)	\$138.1	\$176.4	\$257.4	\$230.1	\$231.0	\$281.5
Avg. Advance Rate	67.8%	89.9%	94.2%	86.5%	92.0%	91.5%
Avg. Interest Rate	7.2%	5.5%	4.2%	4.0%	2.0%	3.8%

Hypothecation Interest and Advance Rates

	2009	2010	2011	2012	2013	2014
Advance Rate	82.2	79.2	80.6	78.8	80.4	81%
Interest Rate	5.2%	5.6%	5.9%	5.9%	5.2%	5.2%

Economic Contribution

Output

\$68.7 Billion

Jobs

473,224

Salaries & Wages

\$23.6 Billion

Fiscal Impacts

\$8.5 Billion

Consumer Spending Benefits



\$1,967
Average Spending per Trip

79%
Spending Off-site Resort



Owner Demographics

	All	New
Mean Age	51	39
Own Primary Residence	89.8%	90.8%
Married/Partnership	78%	78.5%
% with Children Residing at Home	34%	51%
College/Technical Graduate	66.8%	71.8%
Median Household Income (000s)	\$89.5	\$94.8
Ethnicity		
White/Caucasian	71%	49%
Black/African American	12%	23%
Hispanic	13%	19%
Asian/Asian American	6%	11%

Product Demographics

2014	
Market Penetration (All US Households)	7.9%
Products Owned	
Week	51%
Points	59%
Fractional/PRC	12%
Average Length Ownership (Years)	11.4
Purchase Again	66%
Purchase in Next Two years	30%



Satisfaction is the
Highest Endorsement

83%



Industry Strategic Initiatives

- Helping the under-regulated secondary market
- Tools for self-managed legacy resorts
- Introducing technology platforms to serve next-generation owners and product
- Market intelligence tools for the “Street”



Optimistic about the Future

- Economic Environment
 - Available funding
 - Greater efficiencies
 - Controlling marketing costs
- Societal Environment
 - Demographics
 - Focus on need for vacations (P:TO)
 - New media channels
 - Shared-use focus
- Opportunities Abound
 - Hospitality
 - Fee for Service
 - Cost efficient distribution channels
 - Product opportunities
 - Mixed Use
 - Global Growth



Thank You

ARDA

