

# Buyers' market for timeshares on South Shore



Barbara Cooper's interest in a timeshare was to have access to indoor tennis. Photo/Kathryn Reed

## By Susan Wood

Barbara Cooper batted around the idea of buying into a timeshare unit at the Ridge Tahoe in 2002. She did so for one big reason – to play tennis at the indoor courts, the only place in the Lake Tahoe Basin to play inside.

“It’s something my business partner and I got into specifically for playing tennis,” she said. “I entered into this the cheapest way.”

She paid \$2,583 for the resale unit – not counting fees. Her portion amounts to \$577 every other year.

Cooper got what she wanted out of the experience, which included an agreement with the exchange company Interval

International. She went on ski vacations in Vail. Her friend used the exchange for golf excursions.

But now she's discovered it's just as easy to drive down to the Carson Valley to play tennis when the weather is nice. In the drought years, there wasn't an issue to get court time at the Ridge.

"But lately reserving a court can be tricky," Cooper said.



The Ridge Tahoe has some of the less expensive timeshares on the South Shore. Photo/LTN

Now she's ready to sell and has placed her unit through the Ridge Tahoe's resale program, in which they release for purchase one unit at a time. She expects to gain \$339 in capital appreciation when the rotation has her selling in 2019. And that's OK to her.

"It's worth it to sell to have someone assume the responsibility of the fees," Cooper told *Lake Tahoe News*. They've gone up 11.3 percent in the last 15 years.

Cooper is not alone in trying to unload her asset or liability – depending on how one looks at it.

Many timeshare units in the region are on the market, prompted

by a bit of a glut in availability like other resort towns.

The list of timeshare options on the South Shore is staggering. Beyond the Ridge, there's the Wyndham, Lake Tahoe Vacation Resort, Beachcomber, Tahoe Beach & Ski Club as well as the two Marriott properties at Heavenly Village – the Grand Residence and Timber Lodge. Some operate under the points-based system, while others use fractions of time. All timeshare units are subject to annual fees and homeowners' association dues.

“Business is good,” George DeLaurentis of Century 21 said. The broker is busy with a high demand of people coming and going into units. “There's more inventory now.”



The Marriott Timber Lodge has been open in South Lake Tahoe since 2002. Photo/LTN file

For some people, the option of having a timeshare works wonders if you're using it in a certain way.

"If you can work the system, it's fantastic," DeLaurentis told *Lake Tahoe News*.

The opportunity appears to work well for those who consistently take trips; and these vacations mean having more spending money while on vacation because the lodging is already paid. Plus, there's not a bill stacked with fees staring travelers in the face when they leave the properties

like some hotel stays.

More than 57 million weeks are available at the 9,000-plus timeshares around the globe. Most complexes average about 125 units each.

Sales revenue by timeshare developers and operators rose 32 percent – equating to \$8.6 billion a year – in the five years ending in 2015, according to the most recent estimate by the American Resort Development Association.

But secondary market sales by private owners show a different story.

“Branded resorts are doing very well,” Bob Schmidt, an analyst for Sharket.com., told *Lake Tahoe News*.

So essentially, people are eager to get in and to get out of timeshares – for reasons as varied as stages in their lives.

Those who watch the industry point to simple life changes like the children of baby boomers growing up and leaving to raise families of their own and might not to be skiing with mom and dad anymore.

“Vacation habits change,” Schmidt said.

The system works great for those wanting to take a nice vacation every year.

But once the status of the family or lifestyle changes, reselling the unit may seem to be easier than it is if you’re seeking a windfall of a return. It’s the opposite of the housing market in which the inventory is low, so buyers and interested parties are willing to shell out more. In the timeshare market, there’s an abundance to pick and choose from if you’re interested in the lifestyle.

Between the top 20 Lake Tahoe timeshare properties (including David Walley’s Resort in Genoa), the average number of units

available for resale in 2014 and 2015 was 551, according to Sharket.com.

For example, the two Marriott properties alone have had 90 resales listed for the two-year period. The typical price goes for \$5,600 at Timber Cove and \$34,000 at the Grand Residence. The properties rate higher than most on the sale-ability score. Whereas, the typical price for a unit at the Ridge comes in at about \$500, and it rates in ranking much lower on the score.

It's all in what people are seeking.

The timeshare concept was born out of the 1960s, allowing multiple owners to share one property and gain access to resorts around the world by cashing in points or selecting allotted times.