

There are over **3000** employees directly employed by the Holiday Ownership industry

Confidence in your purchase – Only purchase from members of ATHOC

This brochure has been prepared by ATHOC, the industry representative body comprising holiday ownership resorts, developers/promoters, marketers, exchange companies, and professional service companies.

Only purchase from members of the Australian Timeshare and Holiday Ownership Council. All members of ATHOC are required to abide by our Code of Ethics and Code of Practice in all aspects of the holiday ownership industry. Consumers should feel confident that their decision to purchase from an ATHOC member is the right one.

The Holiday Ownership industry injects over **\$1 billion** into the Australian Economy



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Regulated by the Australian Securities and Investment Commission www.asic.gov.au
Industry Complaints Scheme – Financial Ombudsman Service www.fos.org.au



All research figures quoted are from the AEC Group 2010 – Economic impact study of the timeshare industry.





**Holiday Ownership is not
an investment product –
It is a lifestyle choice**

The points/credits can be used for different types of accommodation and for different durations. The different durations depending on the guidelines within the club. Points/credits based holiday ownership generally offers flexibility regarding length of stay, times of travel and location. Some points clubs also allow you to exchange your points for other travel related services.

Points (or credits) - A “currency” that represents holiday ownership and is used to establish value for seasons, unit sizes, and resort locations. Points are used by some organisations for both internal and external exchange.

Points conversion program - An offering whereby owners of a holiday ownership interval pay a fee to convert their interval for the equivalent in points.

Fractional Ownership - Leisure real estate sold in intervals of more than one week and less than whole ownership. Fractionals are usually associated with the luxury segment of holiday ownership, offering greater services and amenities.

An **Exchange** company allows existing owners to trade their holiday ownership accommodation for comparable accommodations and in certain programs for travel-related services. Most resorts and points clubs are affiliated with an exchange company.

Cruise Exchange allows you to utilise your ownership week or points towards the price of a cruise.

Things to consider with your holiday ownership purchase

Buy because you plan to use your holiday ownership in the future. Consider your purchase as an investment in future holidays, not in terms of a real estate or other type of financial investment.

Choose a holiday that fits your lifestyle. Think carefully about what you value most for your holiday and travel experience, then explore the wide variety of holiday ownership products and options available. Choose those which will best suit your family’s needs today and into the future.

Availability. All accommodation is subject to availability. Ensure that you book as early as possible as this will heighten your chance of securing the property that you are after.

Holiday Ownership. A lifestyle Investment. You should not purchase Holiday Ownership with an eye to future resale value. You are purchasing and investment in lifestyle.

Read all documents carefully and understand what type of product you are being offered. Ask for a clear explanation of the terminology and terms, such as “titled based” (a real estate interest) or “right-to-use” plan (no real estate interest).

Understand the Cooling-Off Period. The Cooling-Off Period refers to the period of time following the purchase of a holiday ownership property or points in a holiday ownership club during which a buyer may cancel the agreement without incurring monetary or legal penalties. The Cooling-Off Period for ATHOC Members in Australia is 7 days. There is a 14 day cooling off period for non ATHOC members.

Maintenance Fees. Through their resort or club, owners help maintain the quality and future value of the resort property. Yearly maintenance fees, which are set and directed by the Resort or club, pay for onsite management, unit upkeep and refurbishing, and utilities and maintenance of the resort common areas and amenities. The annual fee will also include applicable Land taxes and rates. The amount of the yearly maintenance fees typically depends on the size, location, and amenities of the resort and is paid by each owner in proportion to the amount of time and/or unit owned.

Allow time to learn. To get the most of your new purchase, like with any new purchase ensure that you take time to learn how to best use your new product to get the most from it.

live in the moment...



Welcome to the world of holiday ownership

Please consider this guide your introduction to the world of holiday ownership (also known as timeshare), and The Australian Timeshare and Holiday Ownership Council (ATHOC) as the resource for the answers to your holiday ownership questions.

With holiday ownership, consumers have the opportunity to purchase time/points at quality resorts offering an array of amenities in popular Australian and international destinations through the exchange companies. In fact, there are now more than 5,400 resorts in some 100 countries around the world and annual holiday ownership sales are estimated to be in excess of \$9.4 billion.

Legal structure of holiday ownership in Australia

Holiday ownership in Australia offers the consumer a great deal of protection and security. Holiday ownership is considered to be a Managed Investment and must meet the requirements of the Managed Investments Act and the Corporations Act 2001 managed by the Australian Securities and Investment Commission. www.asic.gov.au

It must be noted that while holiday ownership is governed under ASIC and must comply with the managed investment act – holiday ownership is not an investment product - it is a lifestyle choice.

91% of owners belong to an exchange company

Products offered by vacation clubs in Australia

The wide range of holiday ownership products available are designed to suit many lifestyles.

The traditional interval week program offers owners the use of their resort for one week, either for a specific period or season. With a points-based program, you may purchase points that can be redeemed at accommodations across a variety of resort locations with varying amenities. You can also choose the number of days used depending on how many points you have and some points based ownerships may have additional services to allow points to be redeemed for other travel services.

Holiday Ownership Today

It's simple, really. With holiday ownership, consumers make a one-time purchase of furnished resort accommodations or the right to use the resort accommodation at a fraction of whole ownership costs, and pay an annual maintenance fee. Each apartment of a holiday ownership resort is divided into intervals, either by the week or points equivalent, which are sold separately. The time you are allocated at your holiday ownership resort is called an interval.

Fixed time is purchased by the owner for use at the same time each year (eg Christmas holidays). The ownership periods are pre-fixed by the calendar year, either by date or weeks; usually in numerical sequence (1-52). The starting week may vary slightly from year to year.

Floating time implies that ownership is not restricted by the calendar year, except for allocated fixed weeks. Seasonality may also have an impact upon availability, depending on the location of the resort. Most resorts have a high, medium or low season.

Points Club Members are able to use the points or credits they have purchased for accommodation at the resorts that are in the points club. The number of points or credits you receive will depend on the level of membership you have purchased.

Most points clubs have an annually recurring entitlement according to the number and type of units which are held. Some points clubs also enable you to exchange points/credits or may have an accrual programme.

Consumer Guide

www.athoc.com.au

[There are over 150,000
owners in Australia]



Australian Timeshare & Holiday Ownership Council

*welcome
to the world of holiday ownership*