

Frequently Asked Questions about Timeshare (or Vacation Ownership)

Breckenridge, CO - The timeshare industry has increased dramatically in popularity in the past couple decades. In fact, as of January 1, 2008, over 4.7 million U.S. households owned at least one timeshare interest. For many this is no surprise. After all, who wouldn't want to own a guaranteed vacation for life?

More proof of vacation ownership's increasing appeal can be seen with the success of the newest timeshare resort in Breckenridge. The Grand Lodge on Peak 7 has seen record sales this year as buyers secure a lifelong ability to access a vast vacation network. While many people understand the value and details of the timeshare product, many people are hesitant and have questions. Here are some of the most frequently asked questions:

Question - How do I know if timeshare is right for me?

Answer - Timeshare is best suited for people who take at least one week of vacation per year and who want more space and options than commonly offered by a hotel room. The most popular unit types are furnished, two bedroom condos with two baths, an equipped kitchen and living room. Families enjoy having both privacy and home-like common areas to enjoy vacationing together with ample space. If you seldom take a vacation or are looking for a real estate investment to "flip," timeshare is NOT a great option for you.

Question - What is a timeshare? Is it the same as vacation ownership?

Answer - Timeshare and vacation ownership are often used as interchangeable terms. Timeshare may be purchased through deeded property ownership, right-to-use or a points-based program. Owners purchase a residence, usually in one-week increments, within a "fixed" or "floating" time frame. This allows owners to schedule their vacations within a specified week or season every year. Vacation ownership may also be used to describe the three main options of shared use: timeshare, fractionals, and private residence clubs. The Grand Lodge on Peak 7 is a timeshare resort that sells deeded real estate in one-week intervals, and offers both fixed and floating ownership options.

Question - After I purchase a timeshare, are there other costs are involved?

Answer - Yes. As a partial owner of a real estate interest, you will pay annual homeowner association dues to cover the costs of operating the resort. These include daily management, upkeep, and improvements. As an owner, you also pay a percentage of annual real estate property taxes.

Question - Am I able to exchange the week I own at my "home" resort for another week in another location?

Answer - The timeshare exchange program enables owners to trade their timeshare for comparable accommodations at other resorts throughout the U.S. and internationally. Most resorts are affiliated with an exchange company. There is often an annual membership fee to belong, plus owners pay a small fee when an exchange is made. The Grand Lodge on Peak 7 is affiliated with the premier exchange network, Interval International, which has over 2,200 member resorts world-wide.

Question - What is the difference between a "fixed" and "floating" ownership?

Answer - "Fixed" ownership means the owner owns the right to occupy the same week every time they visit. "Floating" ownership offers the flexibility to reserve a week within a specified season, based on availability. The Grand Lodge on Peak 7 offers both "fixed" and "floating" ownership options.

Question - What is a point system?

Answer - Points generally represent the value of a weekly increment of timeshare purchased. Like currency, points are symbolic of the product or service being used or reserved. Purchasing points allows the owner to utilize them for more flexible vacations. Resort companies' points programs can differ from one another. At the Grand Lodge on Peak 7, owners may use their points to reserve different combinations of residence sizes, seasons, and lengths of stay.

Question - What is the difference between purchasing timeshare directly from the resort company and purchasing timeshare from a used timeshare interest?

Answer - Timeshares bought from a developer usually come with developer-only closing incentives and other benefits. The Grand Lodge on Peak 7 offers its buyers several of these benefits. In addition, the timeshare development industry is highly regulated by each state and offers stringent consumer protections. The resale market is not as heavily regulated, and therefore may not offer the same consumer protections or benefits.

Question - Can I rent a timeshare?

Answer - Most resorts offer the option of renting a timeshare just like any other condominium, based on availability. If you are interested in renting at a particular resort or property, inquire with that resort or visit the website of the resort company to learn more about their rental policies. If you own a timeshare and find you cannot use it for a certain time period, check with your resort company. You may be able to rent it out yourself, have the resort or rent it out for you, or you may be able to "bank" your timeshare week as a credit for larger accommodations or other options the following year. The Grand Lodge on Peak 7 offers nightly rentals as well as all of the ownership options listed here.

Question - Will I receive a deed with my timeshare purchase? Is it important to receive a deed for my purchase?

Answer - All shared ownership resort interests come in two basic forms: a deeded interest in real estate and a right-to-use, or non-deeded, interest. These two basic forms are called by many names—some required under state law and others adopted for marketing purposes. However, the majority of shared ownership resorts today convey a use right backed by a deeded interest in real property—by whatever name it may be called. Deeded real estate interests are usually called "timeshare estates" under state law, and non-deeded interests are "timeshare uses" or "timeshare licenses", but may also be called "memberships." The Grand Lodge on Peak 7 sells only deeded interests.

Owning a timeshare is an extremely smart and affordable choice for families who enjoy traveling at least one week per year and who enjoy variety. You own a piece of your resort - it's your destination, your choice, your vacation. The Grand Lodge on Peak 7, scheduled to open in May of 2009, is currently offering preview tours to interested parties looking to own a vacation for life. For more about the Grand Lodge on Peak 7, please call (888) 783-8883 or visit www.grandlodgeonpeak7.com. For more about timeshares in general, please visit www.vacationbetter.org