

Glossary of Timeshare Terms

Accelerated Use

Accelerated use refers to a program that permits someone to use their purchased time in increasingly larger increments.

Accrued weeks

Any unused weeks from the previous years that have been banked and are available for use this year.

Ad Valorem

A legal term which translates to "according to value". This refers to assessment of property tax.

Amenities

Features that add to the value of the property such as swimming pools, golf courses, tennis courts, spas, fitness room, laundry facilities, etc. Generally speaking, the more amenities a resort offers, the greater the increase in value and desirability of the property.

Anniversary Date

The date on which earned points are accumulated or weeks are renewed.

Appraisal

An estimate of the value of any given property, expressed as market value.

Appreciation

When applied to property, the term means the property has increased in value over time.

ARDA (American Resort Development Association)

Based in Washington, D.C., this is the foremost trade association representing the timeshare ownership and property development industries. ARDA advocates on behalf of resort owners and developers and also lobbies for the industry.

Banking

When referring to timeshares, the option to put away unused weeks, or points, to be used later.

Biennial

Usage of a timeshare week, occurring every other year.

Bulk Banking/Block Banking

Banking a large amount of timeshare weeks with an exchange company, as soon as possible.

Bonus Time

Bonus Time is time spent at your resort that falls outside of your assigned week.

Bonus Weeks

Extra weeks offered as incentives to buyers.

Check-In Date

The assigned date and day of week the interval week begins; usually Friday, Saturday, or Sunday. The check-in day begins the seven-day interval week. For example, if the interval week begins on Friday, the week ends on the following Friday. The interval owner (or renter) need not always check in on the specific check-in day; however, late check-in does not extend the interval week beyond the scheduled checkout day.

Check-In Time

The assigned hour an interval week begins; typically 3:00 PM, 4:00 PM. The interval owner may not need to check in at the precise time; however, if you plan to be late, make sure to let the resort know in advance. Some resorts have strict check-in policies and may give away your room. Check-out time is normally 10:00 AM on the seventh day following check-in. [Example: check-in on Friday at 4:00 PM and check-out on the following Friday at 10:00 AM].

Closing Costs

Closing Costs are expenses incurred during the sale-closing process.

Club/trust membership

Club/Trust Membership refers to specific resort programs that allow for year-round usage of resort facilities.

Constitution

A document that establishes guidelines as to how the resort is run.

Cooling-off period

The Cooling-Off Period refers to the number of days within which a buyer may rescind his or her purchase of a timeshare property without incurring penalties.

Deed of Title – Legally-binding document that specifies ownership, gives a legal description of property, and outlines the rights granted to the owner of the property.

Deeded Property

True property ownership with deed recorded in the county where the property exists. This type of property has the same rights of ownership as other deeded real estate. The owner may sell, rent, bequeath, or give away the property.

Depreciation

Depreciation refers to the reduction of the value of real-estate or other property.

Developer's Price

The developer's current or market price for a timeshare interval. This is a full retail price, including the developer's marketing costs, etc.

End-user finance

When a loan is provided to enable a buyer to purchase timeshare property.

Escritura

In Spanish, the registration and deeding process for a Deed of Title.

Escrow Account – A bank account used as a mediator between the financial accounts of the grantor and grantee while all aspects of the closing are being processed. It is used as a method of verifying for the seller that the buyer's funds are good, and as an assurance to the buyer that the funds will not be disbursed until all the documents have been properly filed and all relevant fees are made known.

Estoppel Certificate – A certificate or letter from the resort that outlines the exact status of the timeshare property. It explains any maintenance fees pending, as well as the rules or restrictions on how the timeshare may be used.

Exchange

Exchange refers to the option to trade one timeshare week for another timeshare week.

Exchange Companies

Third-party organizations that exist to facilitate the exchange of banked timeshare weeks.

Fee Simple

A type of timeshare ownership wherein the owner holds a deed in his/her name. Fee Simple is considered to be the opposite of right-to-use or lease ownership. This type of ownership continues forever; the ownership of the property can even be bequeathed to heirs.

Fixed Unit

A Fixed Unit means that the owner has rights to the same physical unit every year.

Fixed Week

A Fixed Week is a specific week during the calendar year that is usually identified by a number.

Floating Week

Your time period is defined by a season and your week period is not fixed. You reserve your time period within the appropriate season annually. Most resorts have a High, Medium, and Low Season. Owners of a floating unit at a resort might not vacation in the same physical unit each year. Interval owners may request a specific unit and, if available for that particular week, the resort normally will honor the request.

Floating week based on fixed rotation - a type of timeshare ownership in which specific weeks rotate among owners from year to year on a fixed schedule. Common with fractional ownership interests/private residence clubs.

Floating week based on ownership rotation - a type of ownership in which the owner purchases week(s) and works out the appropriate vacation time with the other owners on a rotating basis each year.

Fly-Buy

A mini-vacation package where the timeshare resort pays all or most of the holiday costs of a prospective purchaser in return for that prospect attending a sales presentation.

Fractional Ownership

Fractional Ownership is a specific type of deeded vacation property ownership wherein usage and ownership are based on the division of property into shares.

Gold Crown Resort

RCI's highest rating for a resort. Similar to II's criteria for "five-star resort".

Grantor – The seller in a title transfer. The grantor is the person who owns the property and is in the process of granting all rights of ownership to the grantee.

Grantee – The buyer in a title transfer. The grantee is the person who is receiving rights of ownership to a property from the grantor.

Guest Certificate

A Guest Certificate is documentation which authorizes a guest to use a timeshare exchange in lieu of the owners.

Holiday Club/Vacation Club

A Holiday Club or Vacation Club is an organization or program which provides a number of timeshare weeks to members.

Holiday Ownership

Synonymous with vacation ownership, another term for timeshare.

Interval International

Interval International, the second largest exchange company in the world.

Instant exchange

An exchange of timeshare intervals on short notice through RCI.

Internal Exchange

Internal Exchange refers to exchange of a week of vacation ownership within a particular resort network.

Interval

With respect to timeshares, the term Interval refers to a unit of usage time.

Lease

A Lease is an arrangement that allows for property usage in localities where deeded ownership of vacation properties is not permitted by law.

Legal Description of Property – An exact description of the property, filed with public records, derived over time through the chain of title. Any significant changes made to the property will require an update of the legal description as it appears in the title before granting ownership to another individual.

Levy

Among members of a points club, the term levy refers to administrative fees incurred by individual members. Levies can also encompass any charges the resort management may impose for use of a particular week.

Linked Agreement

A Linked Agreement is actually two agreements appearing to be separate which are, in fact, linked.

Lockout, a.k.a. lock-off unit

A Lockout or Lock-off is a unit that can be divided into two or more separate sections.

Maintenance fee

A Maintenance Fee is a regular charge levied by the management company of a particular resort or the home owners association responsible for the upkeep of the property.

Management Company

The Management Company is a company responsible for running the resort on a day-to-day basis.

Maximum Occupancy

The maximum number of persons an interval unit will accommodate, usually two to ten people. Maximum occupancy is typically expressed in conjunction with "private occupancy" referring to the number of people the unit will sleep privately and the number of bedrooms within the unit. Configurations of units vary from resort to resort.

Mini Vac

A mini-vacation package where the resort pays all or most of the holiday costs of a prospective purchaser in return for that prospect attending a sales presentation.

Odd- or even-year usage

Odd or Even Year Usage is vacation property ownership where the owner can use his or her property every other year.

OTE (Organization for Timeshare in Europe)

The Organization for Timeshare in Europe is a trade association in Europe composed of resort owners and developers.

Owner Referrals

Resorts that are in active sales often have special vacation promos that they offer through their current owners. The owners are encouraged to submit referrals and will receive various incentives from the resort for their leads.

Points

Points are a unit of measurement used by exchange companies and timeshare owners to establish value for seasons, sizes of resorts, and resort locations.

Points Clubs

A timeshare system where owners hold points entitling them to use a period every year from a choice of resorts (varying from a few days to a few weeks). Sometimes points are backed by an actual deed, sometimes they are not.

Property Bonds

A system similar to points clubs for owning shares or bonds in a company owning properties.

Quarter share

Three-month interval ownership with a rotating schedule.

Quitclaim Deed – A Quitclaim Deed is a Deed of Title that contains no warranties from the grantor to the grantee. The property is deeded “as is.” This type of deed is most common in gift transactions.

RCI

RCI (Resort Condominiums International) is the largest timeshare exchange company in the world.

Red Week

The term "Red Week" refers to the peak season at a resort during which timeshare properties are at their most desirable.

Resale

A Resale timeshare is a vacation property being advertised for sale after it was originally purchased from the resort developer.

Rescission

A Rescission is a grace period allowed by law and/or company policy during which a timeshare buyer has the right to cancel a purchase agreement without penalties.

Resort Ratings

A system of comparing resort quality, amenities, and locations. The two foremost rating systems are Resort Condominiums International (RCI), Interval International (II). RCI and II rate their affiliated resorts based upon predetermined criteria of exacting standards of quality and services provided by the resort as well as the availability of amenities at or near the resort. RCI uses the Gold Crown designation for their highest quality resorts and Resorts of International Distinction for second-level resorts. II designates their top resorts as 5-Star resorts.

Right to use (RTU)

Right to Use refers to a lease agreement granting use of a timeshare property for a specific period of time.

Season

Seasons are designated time periods throughout the year denoting usage value and/or period of ownership.

RCI

Red	High
White	Mid
Blue	Low

Interval International

Red	High
Yellow/Amber	Mid
Green	Low

Sinking fund

A fraction of a resort's management fee that is allocated specifically to ensure that the facilities and furnishings are kept in "like new" condition.

Space Banking

Space Banking occurs when a timeshare owners deposits a timeshare week into an exchange company's "bank" or inventory in order for the option to trade for another week.

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Special Assessment

In addition to a yearly maintenance fee, sometimes this additional charge is billed to timeshare owners from a management company. This charge is intended to cover expenses related to major repairs and refurbishment endeavors.

Timeshare

Timeshare is the concept of purchasing a recurring increment of time at a resort, condominium, apartment or other facility.

Time Division

Time Division is a way of classifying interval weeks according to their value. Time division breaks all the weeks in a given year down into three distinct categories: high demand, medium demand and low demand.

Trading Power

Trading Power refers to the relative value of an interval week when trading for a different property through a timeshare exchange company.

Trustees

Trustees of a resort property exist primarily as a kind of insurance policy, in order to provide a secure backing in case a resort developer does not succeed financially.

Vacation Ownership

Synonymous with "timeshare"

Week Fifty-Three

Week Fifty-Three is generally reserved for the exclusive use of the resort developer or other important member or Trustee.

Warranty Deed – A Warranty Deed is a specific kind of deed of title. A Warranty Deed grants all rights of ownership to the grantee, but it also contains certain promises or “warranties” from the grantor. Should any discrepancies later arise; the grantor will be held responsible for the accuracy of all warranties made in this deed of title.