



# Major players divide local timeshare loot

**Melissa Maugeri**  
TOURISM REPORTER

IT'S one of the fastest growing sectors in the tourism market, but timeshare in Australia still remains concentrated among two major players: Trendwest South Pacific and Accor Premier Vacation Club.

With an estimated increase in timeshare owners of 10 per cent a year in the past five years, the industry is attracting buyers who spend an average of \$15,260 on their initial timeshare purchase, according to industry research.

The Australian Timeshare and Holiday Ownership Council predicts the ownership base of 125,700 will more than double over the next decade.

Accor Asia Pacific's recent buyout of APVC joint-venture partner Becton for about \$38 million means the company is now owned outright by the accommodation giant with plans for better links with Accor's hotel business.

The move is also expected to boost occupancy growth in Accor hotels.

The innovation of moving

away from week-long shares in a particular building by Trendwest and APVC has seen timeshare appeal to a new market with babyboomers using their holiday credits to take shorter breaks in a wider variety of properties.

APVC has been responsible for much of the industry's most recent growth, developing 11 resorts across Queensland, NSW and Victoria in the past six years.

Its point system gives its more than 15,000 members access to more than 2200 resorts throughout the world.

In Australia, there are 16 properties, including its latest acquisition, the historic Grand Mercure Mt Lofty House in the Adelaide Hills, which it bought for more than \$5 million.

APVC chief executive officer Martin Kandel said there were plans to build new self-contained apartments on the site, in keeping with the character of the original building, for timeshare club members.

According to Mr Kandel, the points system has been well

accepted because it offers flexibility in the product and length of stay.

"We see people taking a lot more three-day breaks and they want to use different locations," Mr Kandel said.

He also said timeshare had strong appeal for babyboomers.

"There are a lot of folks over 55 who are semi-retired or retired and starting to travel a bit," he said.

The average spend for a APVC purchaser is about \$17,500.

Mr Kandel said it was common for existing members to increase the number of points they own.

According to research commissioned by the Australian Timeshare and Holiday Ownership Council, Trendwest South Pacific Pty Ltd is one of the largest active timeshare developers in Australia.

It also uses a holiday credits system and is affiliated with exchange company RCI.

Trendwest paid almost \$33 million for a Sydney CBD

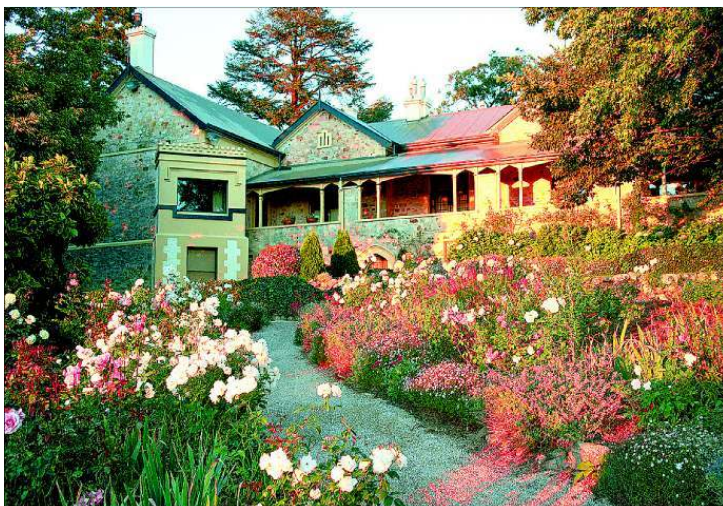
building last year, which has since been renovated to become the Trendwest Sydney.

At the time, the company said the purchase marked a move in acquisition strategy towards more capital city purchases, to compliment Trendwest resorts in Lakes Entrance, Coffs Harbour, Port Macquarie and Port Stephens.

According to the ATHOC study, among the older timeshare companies are Classic Holidays, which manages 11 resorts mainly on the Gold Coast, and Holiday Concepts which has 12 resorts, largely in Victoria.

But growth in Australia's timeshare industry still lags behind the world growth figure of 12 per cent a year.

While flexibility is adding to the appeal for consumers, there are still issues such as the limited pool of investors for resales and the fact the purchaser never owns a property, which is still seen as a turn-off by some would-be buyers.



SCENIC site ... the historic Grand Mercure Mt Lofty House in the Adelaide Hills, bought by APVC for \$5 million

## Timeshare in Australia

- Timeshare owners in Australia total 125,700.
- Timeshare resorts in Australia, total 73 with most in Qld, NSW and Victoria.
- New sales during 2004-2005 were worth \$173.2 million.