



# Hawai'i Timeshare Quarterly Year-End 2016

## Statewide Timeshare Performance & Taxes

For the year, Hawai'i's timeshare industry achieved occupancy of 89.7%, a 2.4 percentage point increase from 2015. Hotel and condominium hotel occupancy averaged 79.2% in 2016 (+0.5 percentage points), according to STR Inc. data reported by CBRE.

The State of Hawai'i welcomed a total of 797,784 timeshare visitors during 2016, a 1.4% decrease from the previous year according to Hawai'i Tourism Authority ("HTA") data. Of the state's timeshare visitors in 2016, 77.9% were timeshare-only visitors who stayed exclusively in a timeshare resort.

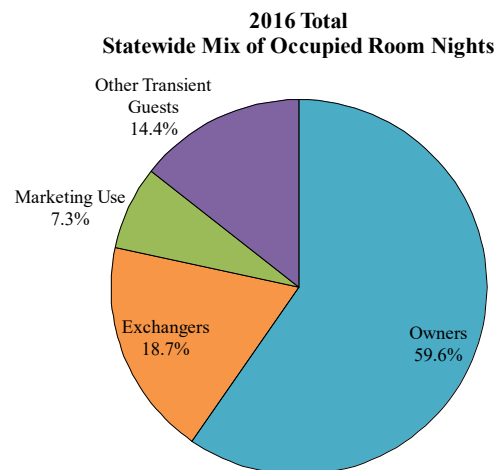
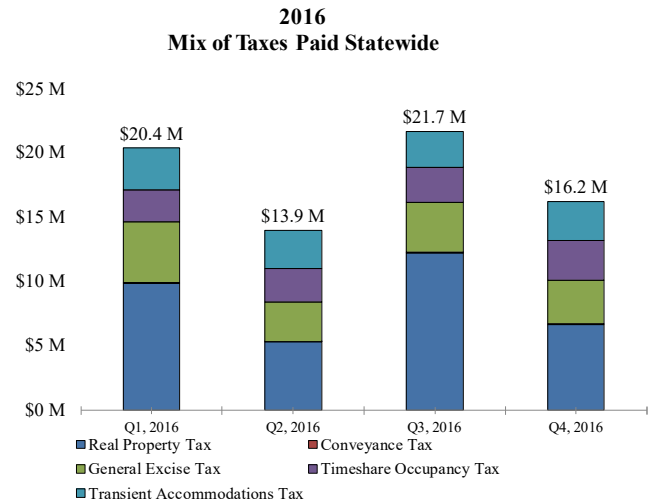
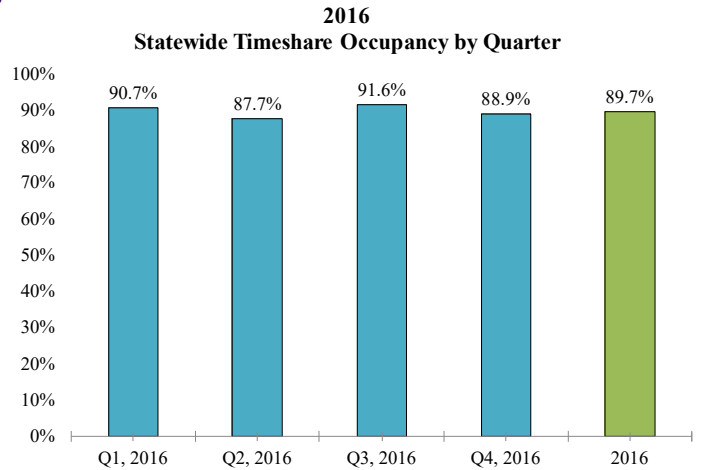
During 2016, 9.0% of all Hawai'i visitors were timeshare visitors, compared with 9.5% of all visitors during 2015. The average timeshare visitor had a 10.4 day length of stay in the state during 2016.

Owner use accounted for 59.6% of the occupied room nights at Hawai'i's timeshare resorts during 2016. Exchangers accounted for 18.7% of the occupied room nights, followed by transient rental, which represented 14.4% of room nights. Marketing use represented 7.3% of occupied room nights.

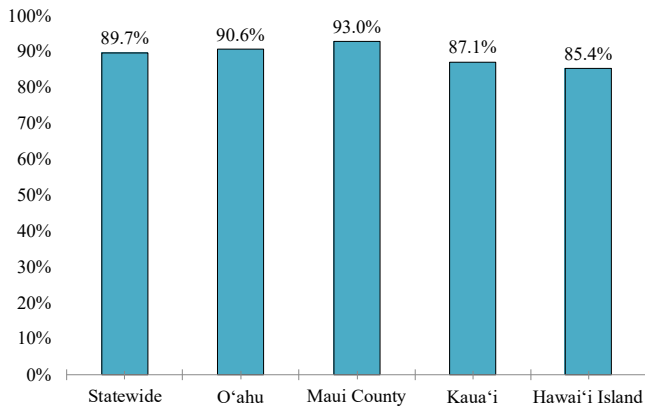
During 2016, Hawai'i's timeshare industry generated \$72.2 million in state and county taxes, with real property taxes accounting for 47.4% of the total.

Participating timeshare properties reported a total of 3,019 resort operations employees as of December 31, 2016, an increase of 334 employees compared with the start of the year. At year-end there were 1,783 sales and marketing employees at Hawai'i's timeshare properties, an increase of 324 employees compared with the start of the year.

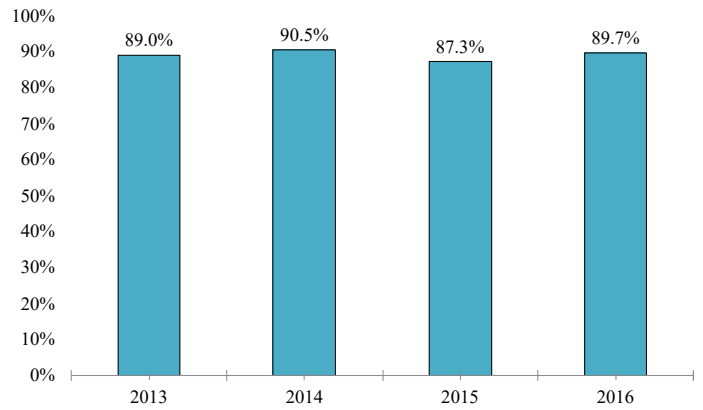
For the year, survey respondents reported total payroll of \$299.3 million, comprised of \$137.8 million in resort operations payroll and \$161.5 million in sales and marketing payroll.



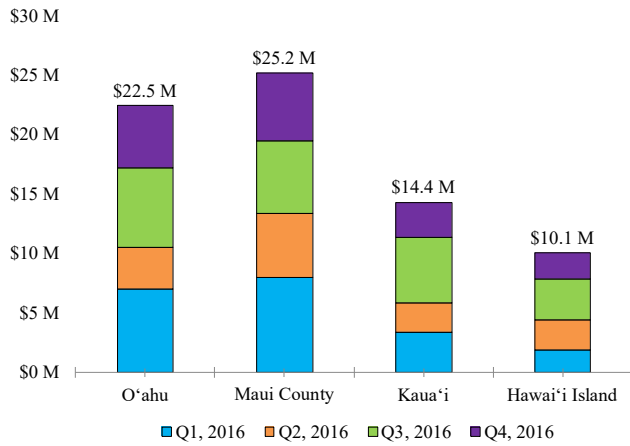
**2016  
Timeshare Occupancy by Island**



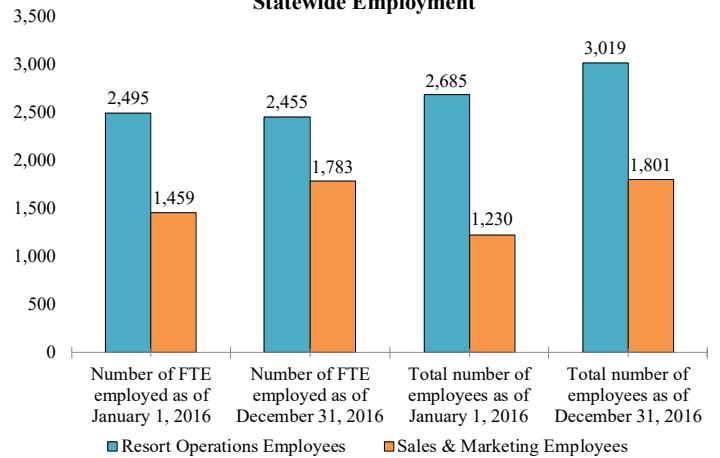
**Statewide Timeshare Occupancy  
2013 - 2016**



**2016  
Total Taxes by Island**



**2016  
Statewide Employment**



## O'ahu

Timeshare occupancy on O'ahu averaged 90.6% during 2016, a 1.7% point decrease from the prior year. For the year, hotel occupancy on the island averaged 84.2% (-0.9 percentage points).

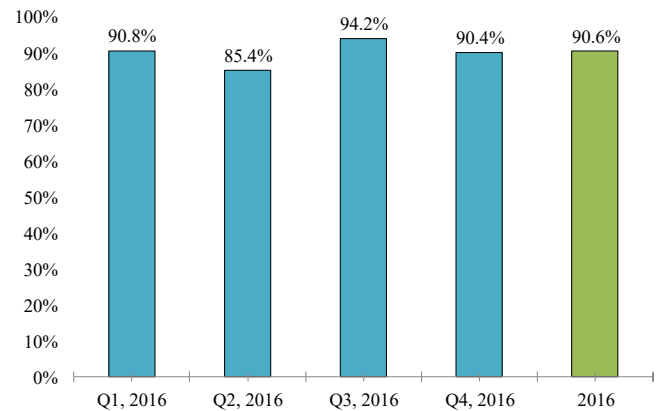
Owner use accounted for 62.8% of occupied room nights at O'ahu's timeshare properties during the year. Exchange use contributed 16.6% of occupied room nights, while transient use represented 14.5% of occupied room nights.

Participating O'ahu timeshare properties paid a total of \$22.5 million in state and county taxes in 2016, of which 49.1% were real property taxes.

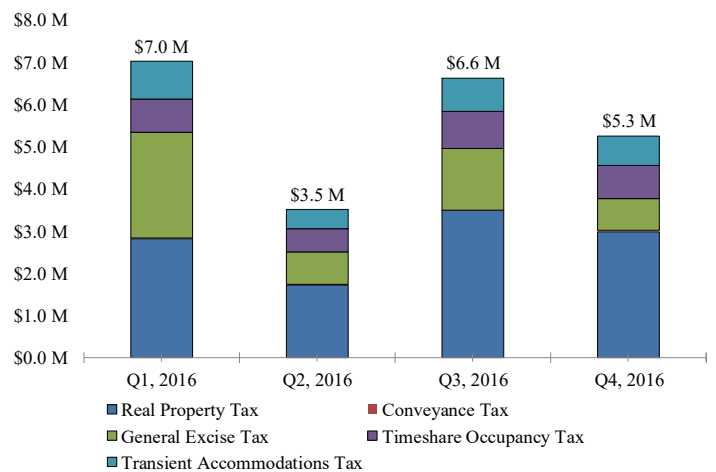
For the year, O'ahu welcomed 309,814 timeshare visitors, a 1.5% decrease from 2015. Timeshare visitors represented 5.7% of all O'ahu visitors during the year, the lowest share among the counties and a smaller share than the 5.9% share of total visitors reported for 2015. O'ahu timeshare visitors had a 7.2 day average length of stay in 2016, comparable to the 2015 length of stay.

Timeshare properties on O'ahu had payrolls totaling \$82.2 million in 2016, \$15.9 million for resort operations and \$66.3 million for sales and marketing.

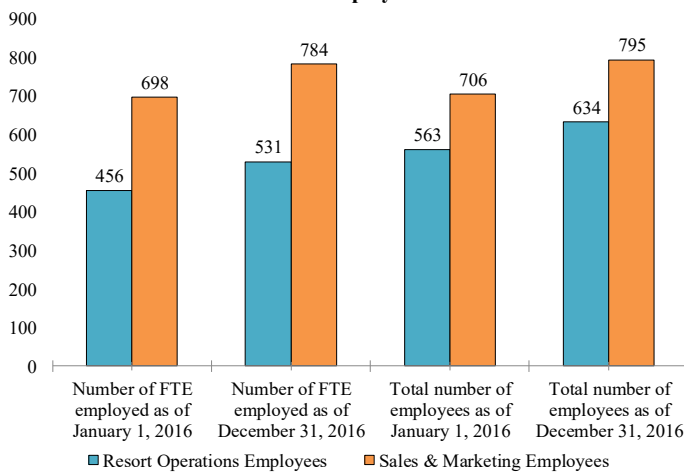
O'ahu Timeshare Occupancy by Quarter



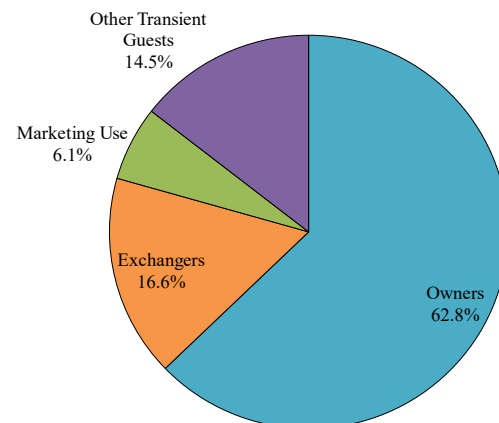
O'ahu Taxes



O'ahu Employment



O'ahu Mix of Occupied Room Nights



## Maui County

Maui County's timeshare occupancy on averaged 93.0% during 2016, a 7.0% point increase from the prior year. Hotel occupancy on Maui averaged 75.9% for the year (+1.6 percentage points).

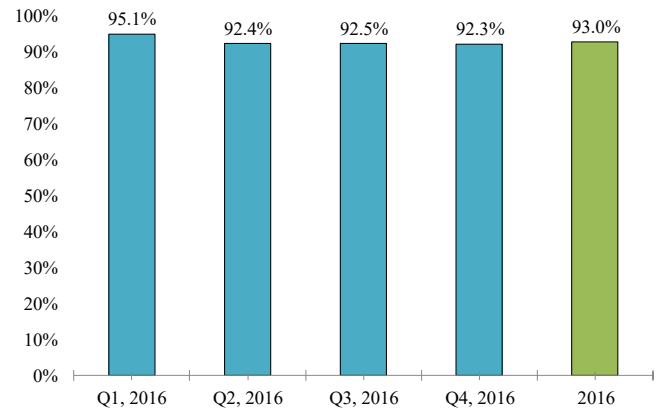
Owner use accounted for 61.3% of occupied room nights at Maui's timeshare properties during the year. Exchange use contributed 17.4% of occupied room nights, followed by transient use at 12.3% of occupied room nights.

Timeshare properties providing data paid a total of \$25.2 million in state and county taxes in 2016, of which 45.5% were real property taxes.

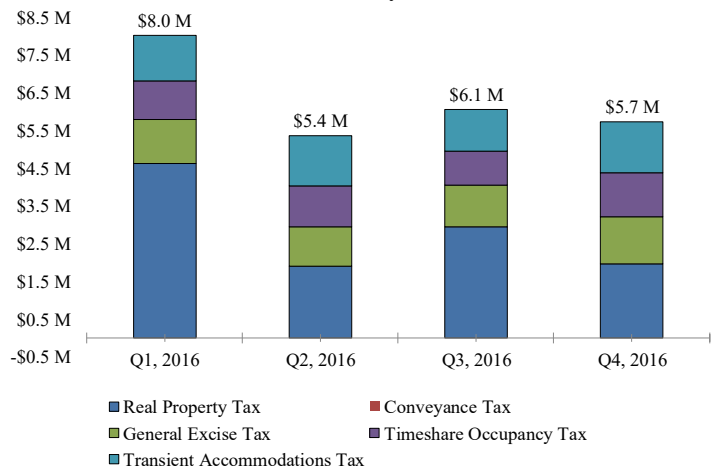
During 2016, 296,153 timeshare visitors arrived in Maui County. Timeshare visitors represented 11.0% of all Maui County visitors during the year, down from the 12.0% share of total visitors reported for 2015. Maui County timeshare visitors had a 9.3 day average length of stay in 2016, an increase from the 2015 average length of stay of 9.2.

Timeshare properties in Maui County that provided data reported total payroll of \$105.6 million in 2016, \$59.3 million for resort operations and \$46.4 million for sales and marketing.

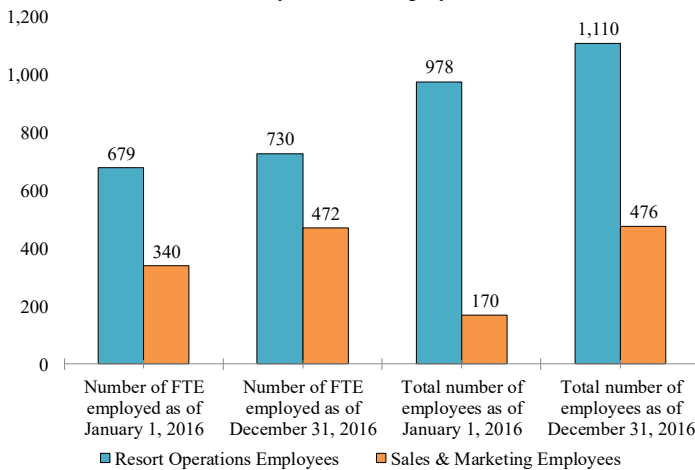
County of Maui Timeshare Occupancy by Quarter



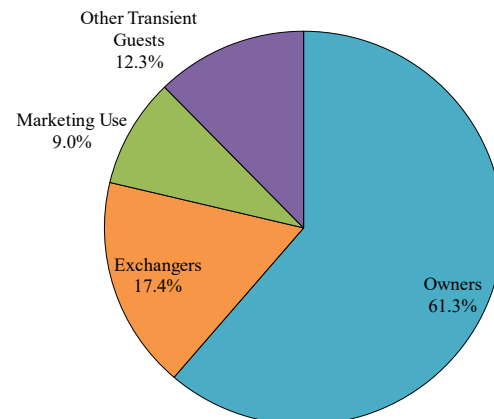
Maui County Taxes



County of Maui Employment



County of Maui Mix of Occupied Room Nights



## Kaua'i

Timeshare occupancy on Kaua'i averaged 87.1% during 2016, a 1.7% point increase from 2015. During 2016, hotel occupancy on the island averaged 72.6% (+1.5 percentage points).

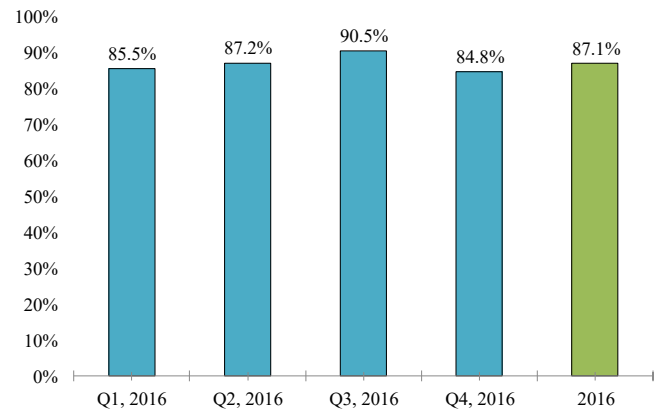
During 2016, Kaua'i's timeshare resorts reported the lowest owner use and the highest exchange use among the counties. Owner use accounted for 52.3% of occupied room nights at Kaua'i's timeshare properties during the year, while exchange use contributed 26.8% of occupied room nights. Transient use represented 15.5% of occupied room nights.

Participating Kaua'i timeshare properties paid a total of \$24.6 million in state and county taxes in 2016, of which 48.3% were real property taxes.

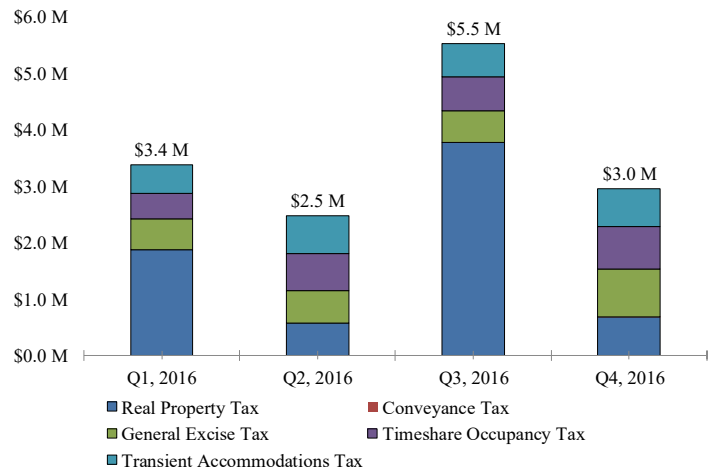
For the year, Kaua'i welcomed 213,561 timeshare visitors, a 1.1% decrease from 2015. Timeshare visitors represented 18.0% of all Kaua'i visitors during the year, by far the highest share among the counties but down slightly from the 18.5% share reported for 2015. In 2016, Kaua'i timeshare visitors had a 9.2 day average length of stay in 2016, comparable to the 2015 length of stay.

Timeshare properties on Kaua'i reporting data had payrolls totaling \$56.9 million in 2016, \$35.6 million for resort operations and \$21.3 million for sales and marketing.

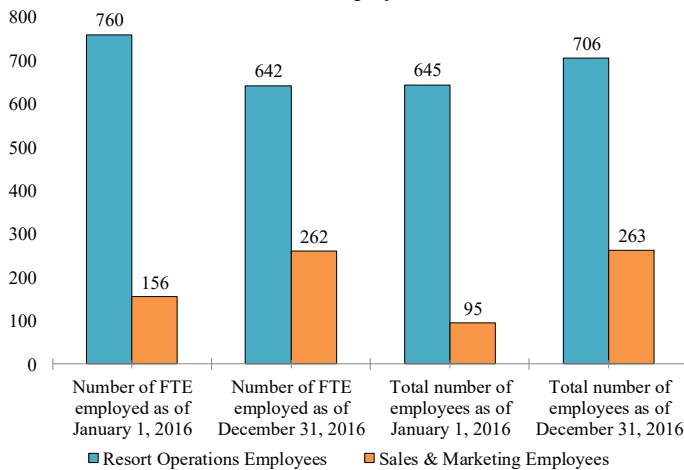
**Kaua'i Timeshare Occupancy by Quarter**



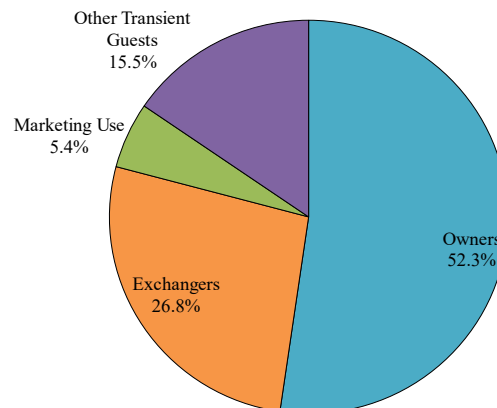
**Kaua'i Taxes**



**Kaua'i Employment**



**Kaua'i Mix of Occupied Room Nights**



## Hawai'i Island

Hawai'i Island's timeshare occupancy on averaged 85.4% during 2016, a 1.8% point increase from the prior year. Hotel occupancy on the island averaged 68.8% for the year (+3.1 percentage points).

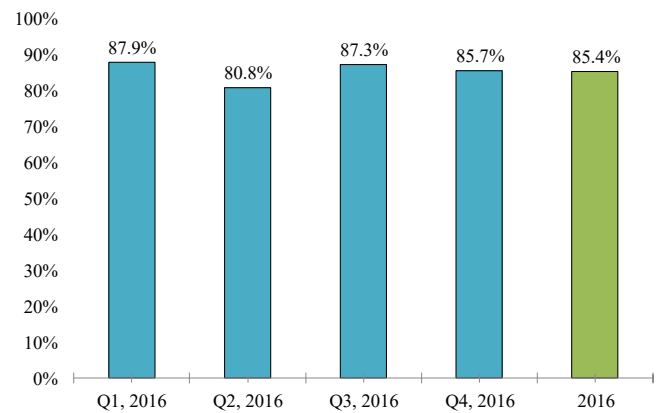
Owner use accounted for 59.4% of occupied room nights at Hawai'i Island's timeshare properties during the year, with exchange use contributing another 19.5% of occupied room nights.

Timeshare properties providing data paid a total of \$17.0 million in state and county taxes in 2016, of which 28.0% were real property taxes.

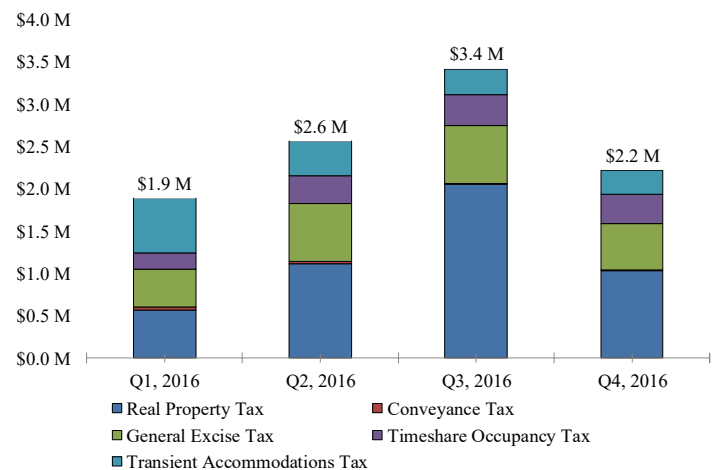
During 2016, Hawai'i Island welcomed 159,181 timeshare visitors, a 2.1% increase from the previous year. Timeshare visitors represented 10.3% of all Hawai'i Island visitors during the year, down slightly from the 10.4% share of total visitors reported for 2015. Hawai'i Island timeshare visitors had a 8.4 day average length of stay in 2016, a slight decrease from the 2015 average length of stay of 8.5 days.

Timeshare properties on Hawai'i Island that provided data reported total payroll of \$54.6 million in 2016, \$27.0 million for resort operations and \$27.6 million for sales and marketing.

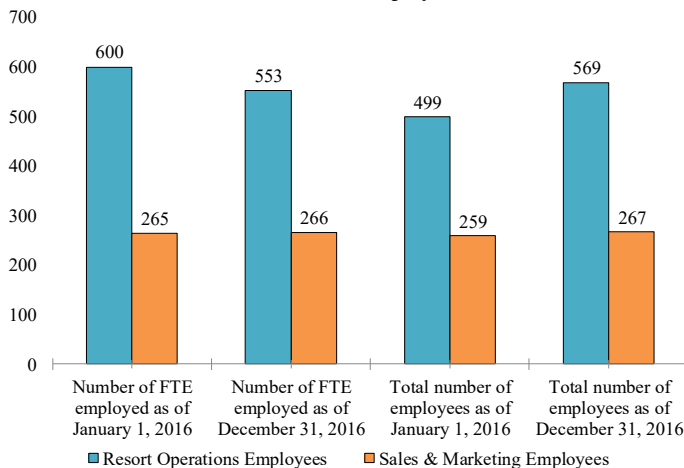
Hawai'i Island Timeshare Occupancy by Quarter



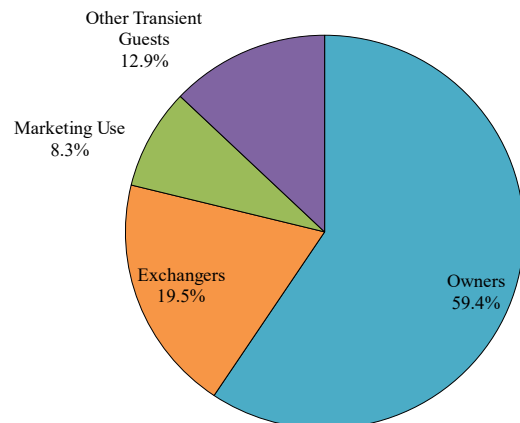
Hawai'i Island Taxes



Hawai'i Island Employment



Hawai'i Island Mix of Occupied Room Nights



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**Survey Overview**

Kloninger & Sims Consulting LLC was engaged by the Hawai'i Tourism Authority to conduct a recurring quarterly market performance survey of Hawai'i's timeshare industry. The purpose of the survey was to provide research and analysis in regards to the state of Hawai'i timeshare industry including the following:

- Overall Property Occupancy
- Occupancy Mix
- Taxes Generated
- Employment and Payroll

We acknowledge the American Resort Development Association (“ARDA”) for their continued support and cooperation with this survey.

The information provided in this report represents the aggregated actual operating results of the participating properties. No estimations were made for non-participants. Please also note that the methodology for this survey varies from the HTA's monthly visitor statistics. While this survey is based on actual operating data, accommodation choice data reported by the HTA are self-reported and visitors who are not part of a timeshare/exchange program may possibly select “hotel” or “condominium” as their accommodation type. In addition, HTA does not report the number of nights spent at each accommodation type.

**Survey Participation**

Participation rates in the statewide timeshare survey for the 2016 survey year ranged between 69.2 to 84.8 percent of registered timeshare units statewide, which ranged between 50 to 54 participating properties.