

## **Fractional Ownership; More Than A Second Home**

**By Tom Goetschius, RRP**

An upscale condominium is located slope side at The Canyons in Park City, Utah. A 4,000 square foot home overlooks the 5<sup>th</sup> hole of a golf course on Hilton Head, South Carolina. Ocean front, a family relaxes under a Bahamian sun on the deck of a two-story island home. On Martha's Vineyard, an historic inn is re-done to provide exquisite harbor view residences. On Lake Cadillac, in Michigan, an owner's pleasure craft is docked in front of their waterfront two or three bedroom vacation condo.

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All of the above are Fractional Ownership opportunities at locations where discriminating people seek refuge and enjoyment in a second home. The primary benefit of the Fractional Ownership programs across the country and around the world is that they provide a second or vacation home at a fraction of the cost of owning one in its entirety. In many cases, this affords a family the opportunity to own vacation homes in multiple locations. Most people enjoy a variety of activities and experiences and the idea of being able to have a home or condominium located where each of those activities are enjoyed would be a dream come true. Fractional Ownership makes it possible to have a home at a prime ski location for the winter and a beach one in the summer. How about a home where one could enjoy each of the four seasons. Fractional Ownership says, "Yes, you can do that!", and it probably would not cost as much as having a seven figure home in any one of them.

Another important benefit of Fractional Ownership is that it is worry and hassle free. All Fractional Ownership projects manage and maintain the property when residents aren't there. Even if one could afford two or three or four vacation homes, the upkeep and preventive maintenance would be daunting, if not horrendous. Even in a single vacation residence, the time opening up and closing, alone, steals time from more enjoyable pursuits. Upon arrival at a Fractional vacation home, one's personal decorative items might be appropriately displayed, their chosen wines and liquors waiting, refrigerator stocked and their sports equipment laid out for use.

Many Fractional Ownership enterprises operate a voluntary rental management program, returning some amount of revenue to the second home owner, which is a much less important consideration, but, never-the-less worth mentioning. Without diverting

attention from the benefits mentioned above, I think there is another aspect of this type of ownership; a way of looking at it, that is being overlooked.

***Fractional Ownership is the centerpiece  
of a leisure lifestyle portfolio.***

Fractional Ownership is a *Management System* around which one's entire leisure lifestyle revolves. Unlike timeshare, which is truly a vacation product, the pre-purchasing of a week or two of vacation, Fractional Ownership is the centerpiece of a leisure lifestyle portfolio. It is an asset and part of one's estate, when purchased as deeded real estate, and while timeshare is also mostly sold as such, the two products are used very differently. The second home Fractional buyer has a close relationship with their home's location. They return to that location periodically throughout the year for anywhere from three or four weeks to as many as twelve or thirteen, or maybe a month at a time. It serves not only as a vacation destination, but also as an escape weekend, a mid week hideaway, a gift to a friend or relative, a location for a business retreat, a family reunion, or any of a number of uses that one would make of a second home that is available periodically throughout the year.

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fine hotel.***

Fractional projects combine all of the benefits of owning a home with the added benefits of the amenities and services of a fine hotel. Usually when an owner is not scheduled in residence, they are granted day use of those amenities and services. With such things as onsite restaurants, spas, fitness centers and activities, the ownership is very much like a country club membership. As such, many of an owner/member's social activities revolve around their Fractional Ownership. They might include a weekday round of golf after work, a place to park one's boat and enjoy a picnic on the grounds. It may be a place to park the kids for a day's swim in the pool on a hot summer day or a set of tennis with the "girls" while dad is busy at the office and kids are in school.

Most Fractional Ownership resorts have an affiliation with an outside service provider like The World's Finest Resorts, headquartered in Scottsdale, Arizona, to further enhance the benefits that an owner can enjoy. The World's Finest Resorts is a "*collection of distinctive resorts, hotels, services and benefits designed by, and for, the owners of Fractional, wholly-owned condominiums, villas and homes in the most desirable destinations resorts and urban environments*". Membership in this club like organization, either individually or through the Fractional resort, gives one access to a 24 hour/7 day priority concierge, travel services for automobiles, airplanes (both private and commercial), and cruises. They also can provide for a host of unique vacation and leisure lifestyle activities and experiences from rafting to scuba diving and from spas to "enviro"

or “eco” adventures. WFR also, of course, arranges “reciprocal use” for owners from their “*collection of distinctive resorts*” around the world.

Fractional owners at some resorts may be affiliated with other similar companies like Resort Condominiums International (RCI) or Interval International (II), which share membership and services with timeshare owners.

***...the shining centerpiece of a families vacation,  
recreational, social and leisure lifestyle***

There is no doubt that Fractional Ownership fits the bill for the second home buyer who would rather not pay the high cost of whole ownership in the most desirable locations. It is a worry and hassle free alternative to the responsibilities of a second home. But, it is really a whole lot more. It is the shining centerpiece of a families vacation, recreational, social and leisure lifestyle. It is always there for their use and enjoyment and never far from their thoughts and fondest memories. It is a constant testimony to their hard work and success and is a lifestyle legacy that they can pass on to their heirs. Fractional Ownership is a way to manage one’s entire leisure lifestyle.