



RESORT AND SECOND HOME REBOUND— MARKET OVERVIEW

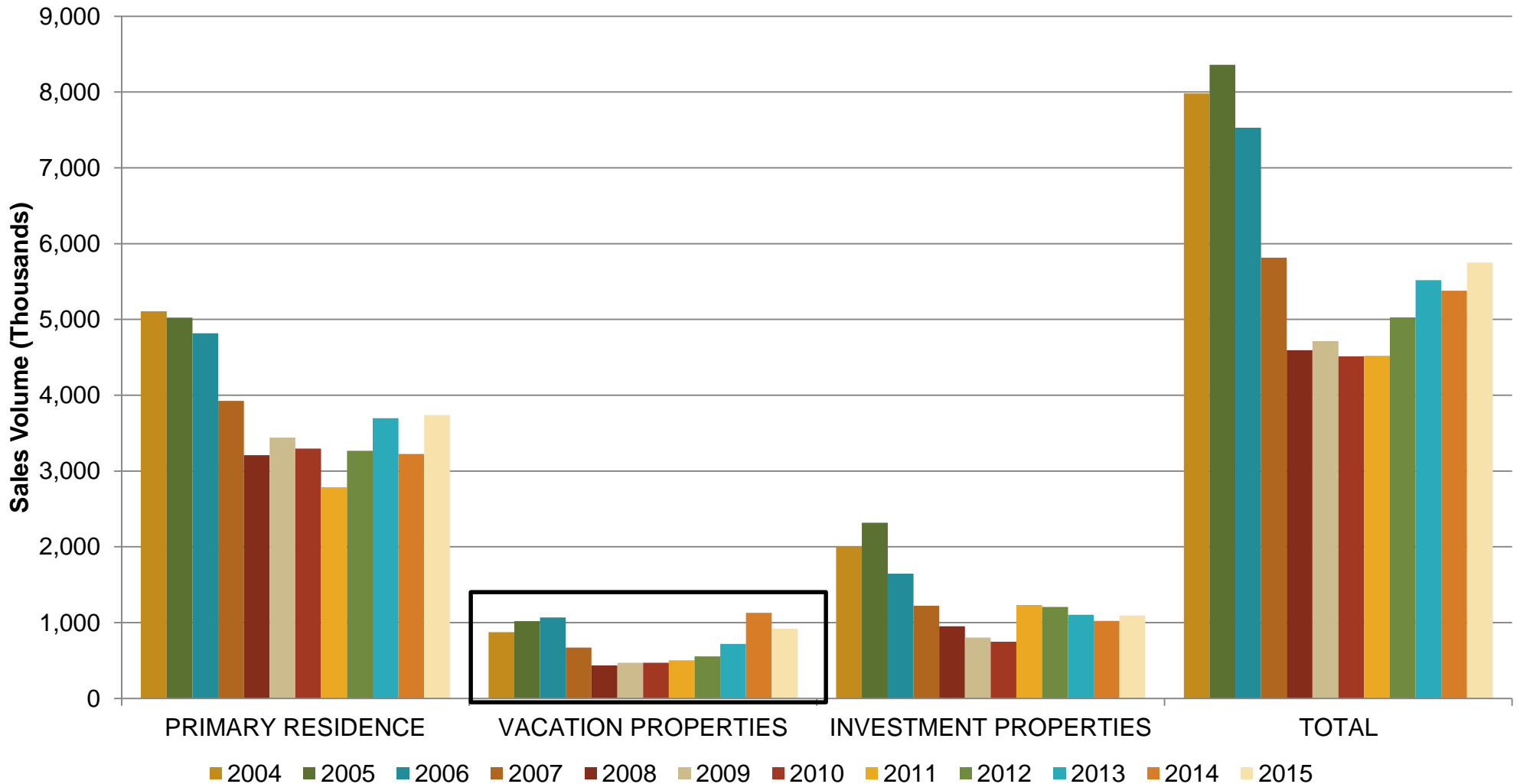


ULI Hotel and Resort Development: The Next Wave of Innovation
June 21, 2016

(UNDER APPRECIATED) FACTS ON THE GROUND: VACATION PROPERTIES LEADING HOUSING REBOUND?

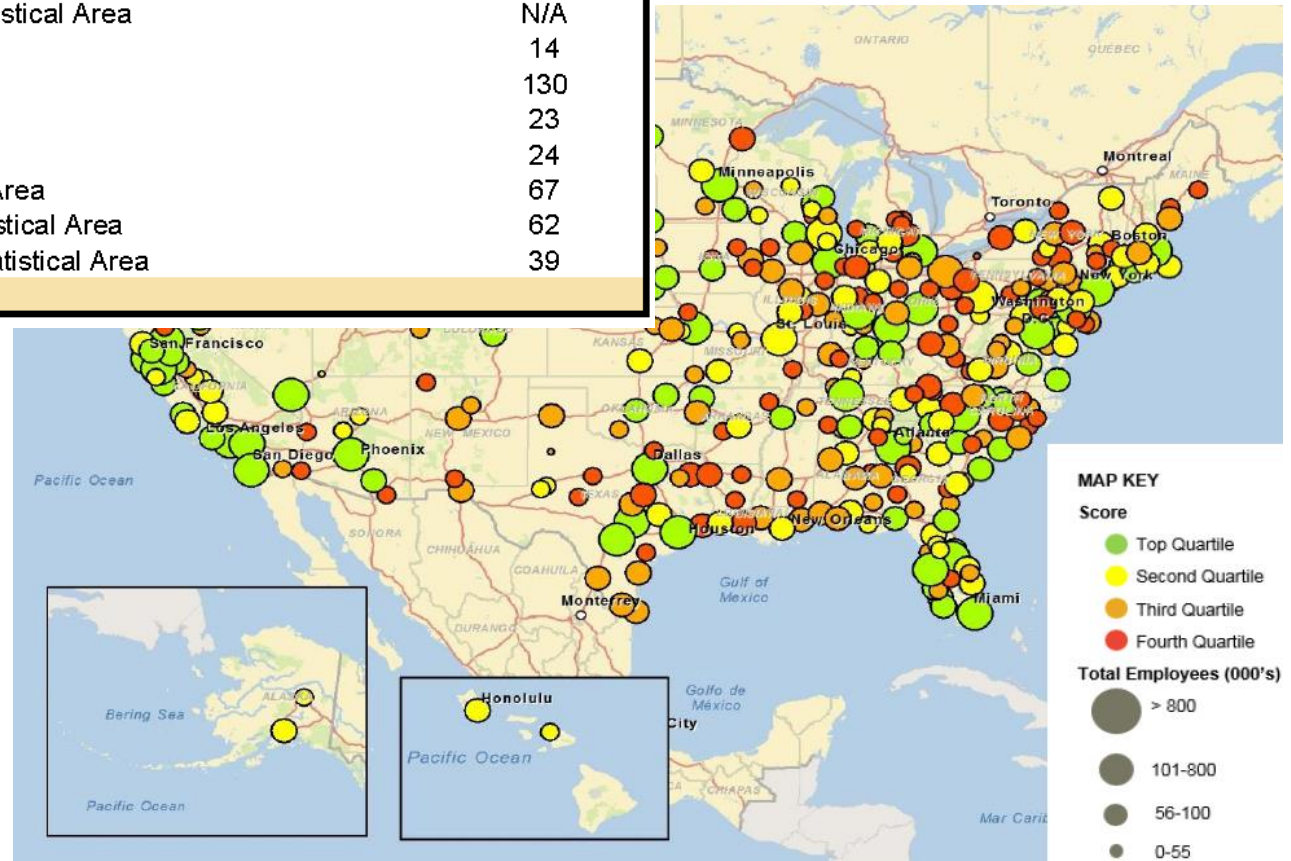
Residential Sales Volume (Existing and New) by Use Pattern: United States

Source: NAR; RCLCO



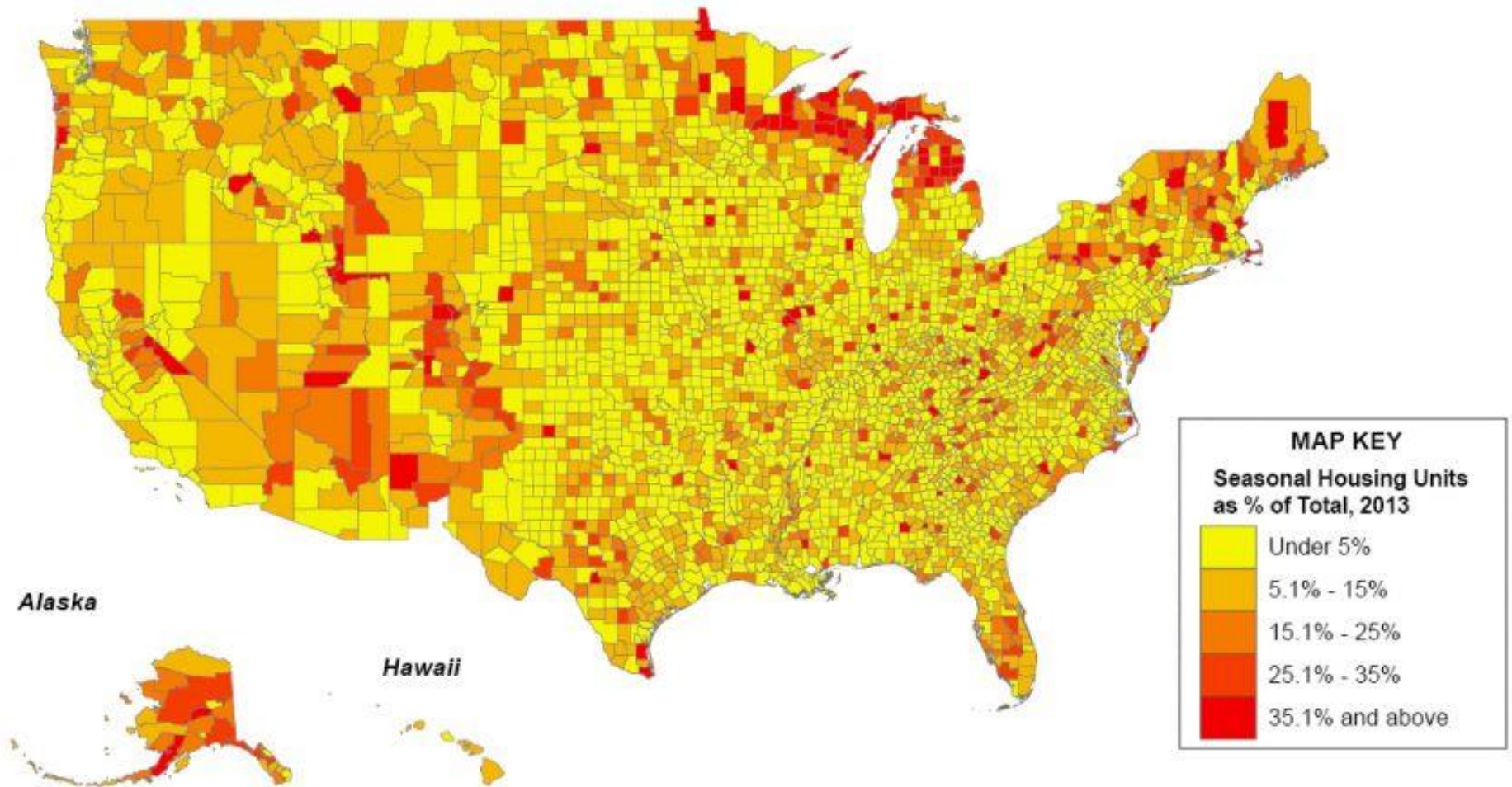
RCLCO “MARKET HOTNESS” INDEX – RESORT MARKETS MOST DYNAMIC SMALL ECONOMIES IN THE U.S.

Rank	MSA	Small MSA's ³	Prev Rank
1	Bend-Redmond, OR Metropolitan Statistical Area		4
2	Gainesville, GA Metropolitan Statistical Area		32
3	Hilton Head Island-Bluffton-Beaufort, SC Metropolitan Statistical Area		N/A
4	Napa, CA Metropolitan Statistical Area		114
5	Bismarck, ND Metropolitan Statistical Area		1
6	Winchester, VA-WV Metropolitan Statistical Area		26
7	Bremerton-Silverdale, WA Metropolitan Statistical Area		54
8	Kahului-Wailuku-Lahaina, HI Metropolitan Statistical Area		N/A
9	Prescott, AZ Metropolitan Statistical Area		14
10	Dalton, GA Metropolitan Statistical Area		130
11	Logan, UT-ID Metropolitan Statistical Area		23
12	Panama City, FL Metropolitan Statistical Area		24
13	Oshkosh-Neenah, WI Metropolitan Statistical Area		67
14	Santa Cruz-Watsonville, CA Metropolitan Statistical Area		62
15	Mount Vernon-Anacortes, WA Metropolitan Statistical Area		39



SECONDS HOMES BROADLY DISPERSED THROUGHOUT THE COUNTY

Figure 3: Counties' Seasonal Housing Units as a Percent of Total, 2013



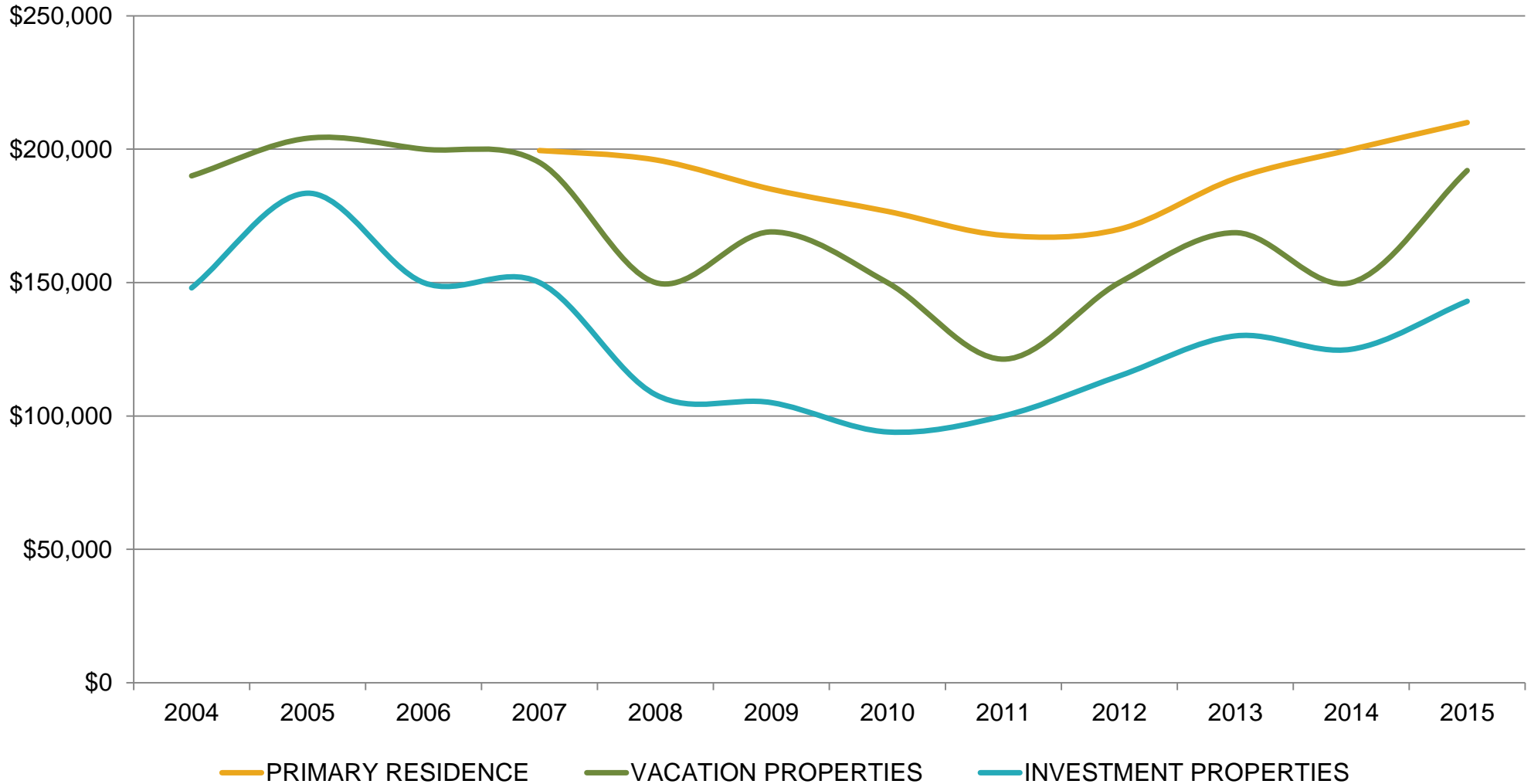
Source: ACS; ESRI; RCLCO



PRICES CATCHING UP TO PREVIOUS PEAK (ALBEIT ALMOST 10 YEARS LATER)

Median Sales Price by Use Pattern: United States

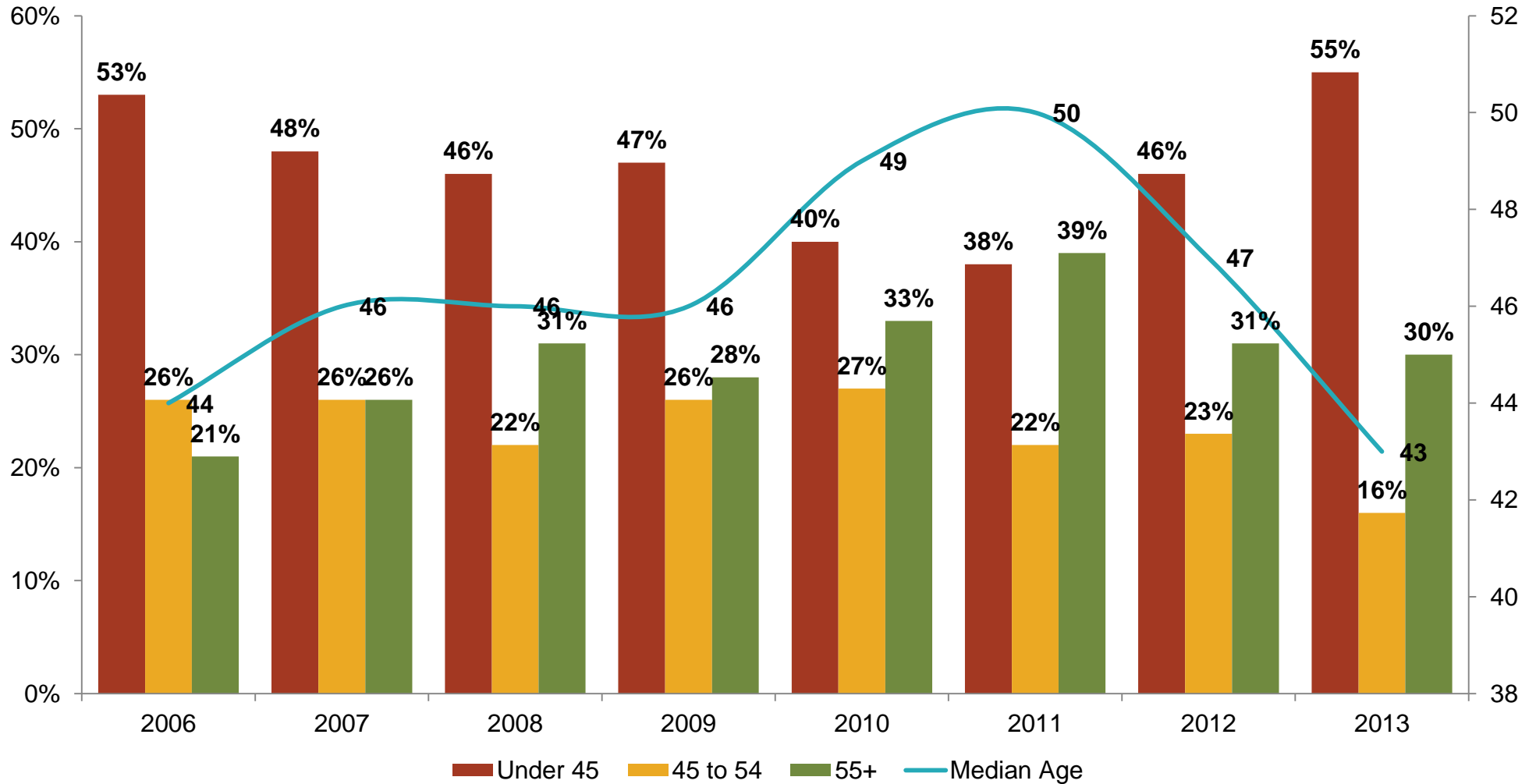
Source: NAR; RCLCO



SECOND HOME BUYERS GETTING YOUNGER AS WEALTH RECOVERY GAINS STRENGTH

Vacation Home Sales by Age Cohort; 2006- 2013

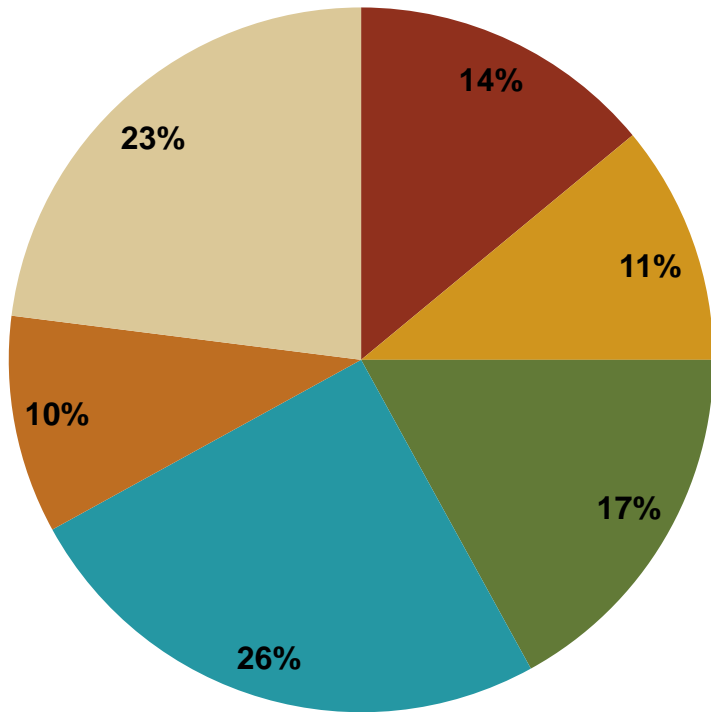
Source: NAR; RCLCO



FLY IN MARKETS STILL HEALTHY -- MUCH ANTICIPATED SHIFT TO DRIVE TO LOCATIONS NEVER MATERIALIZED

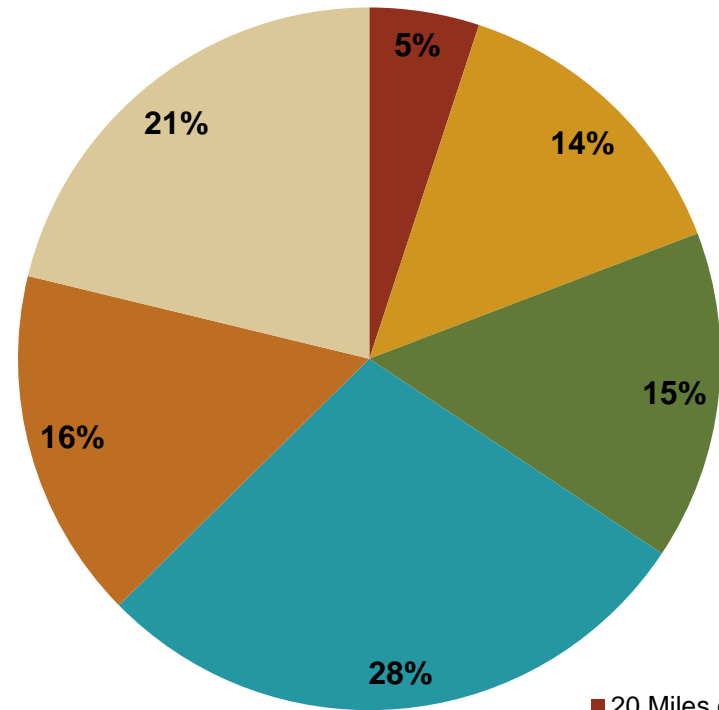
Second Home Average Distance in Miles from Primary Residence
 Source: NAR; RCLCO

2006



- 20 Miles or Less
- 21 to 50 Miles
- 51 to 100 Miles
- 101 to 500 Miles
- 501 to 1,000 Miles
- 1,001 Miles or More

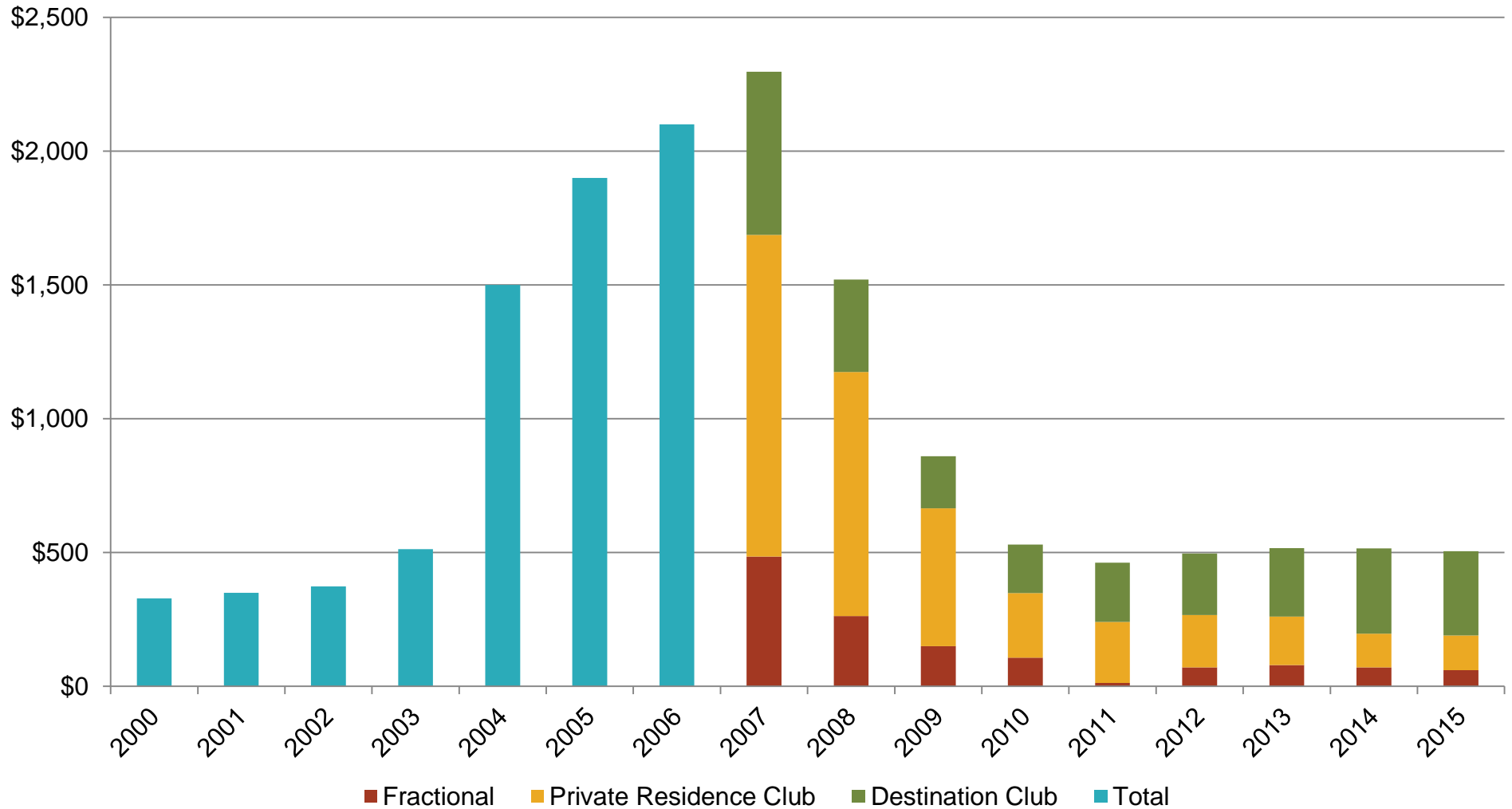
2015



- 20 Miles or Less
- 21 to 50 Miles
- 51 to 100 Miles
- 101 to 500 Miles
- 501 to 1,000 Miles
- 1,001 Miles or More

EVEN HIGH-END VACATION OWNERSHIP STABLE – ARGUABLY CONSTRAINED BY LACK OF NEW PRODUCT

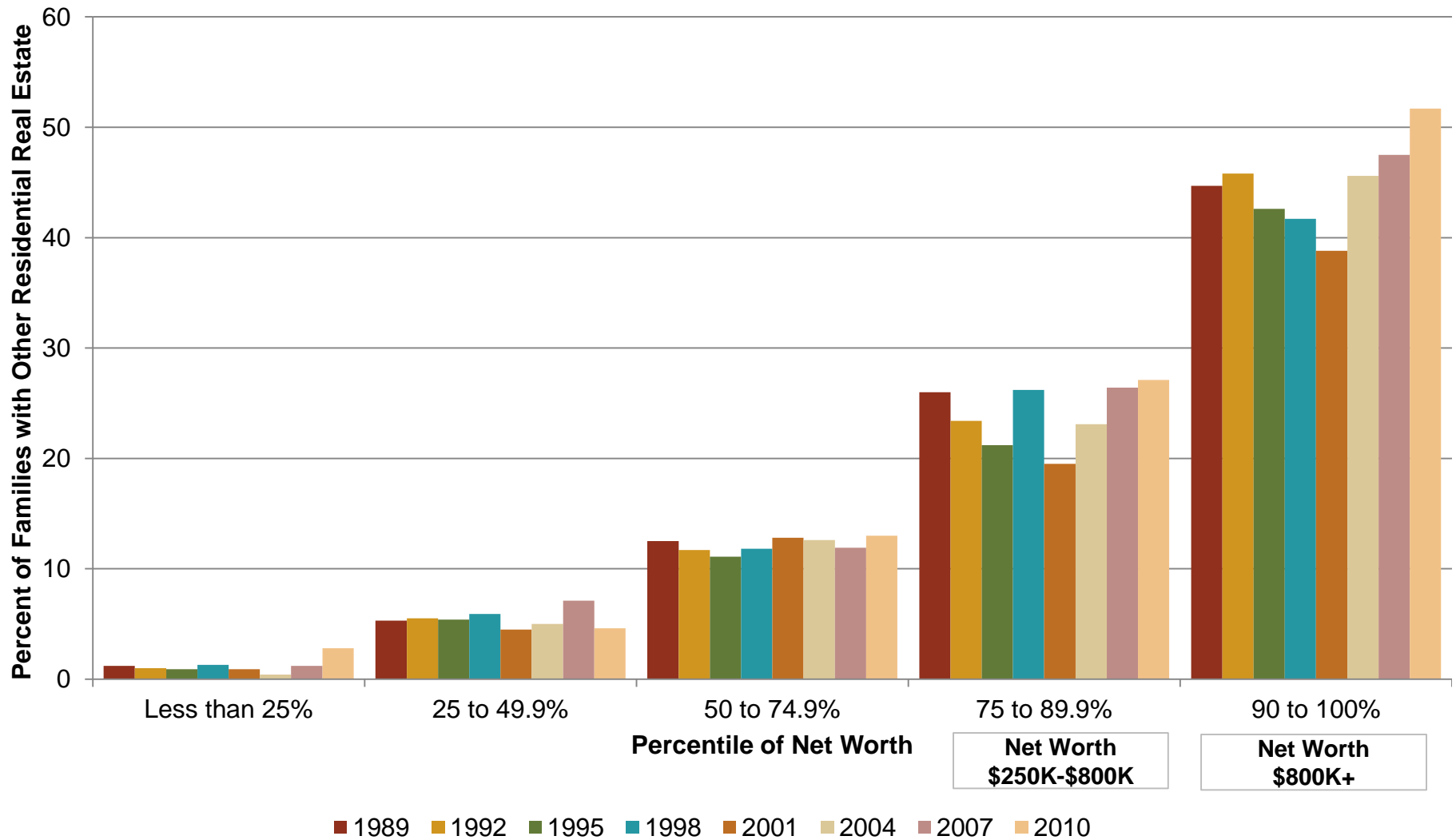
Vacation Ownership Sales by Product Type: United States; 2001- 2015
 Source: Survey of Consumer Finances 2010



U.S. SECOND HOME MARKET SPANS INCOME LEVELS, BUT ONLY VERY HIGH END HAS STRUCTURAL EXPANSION

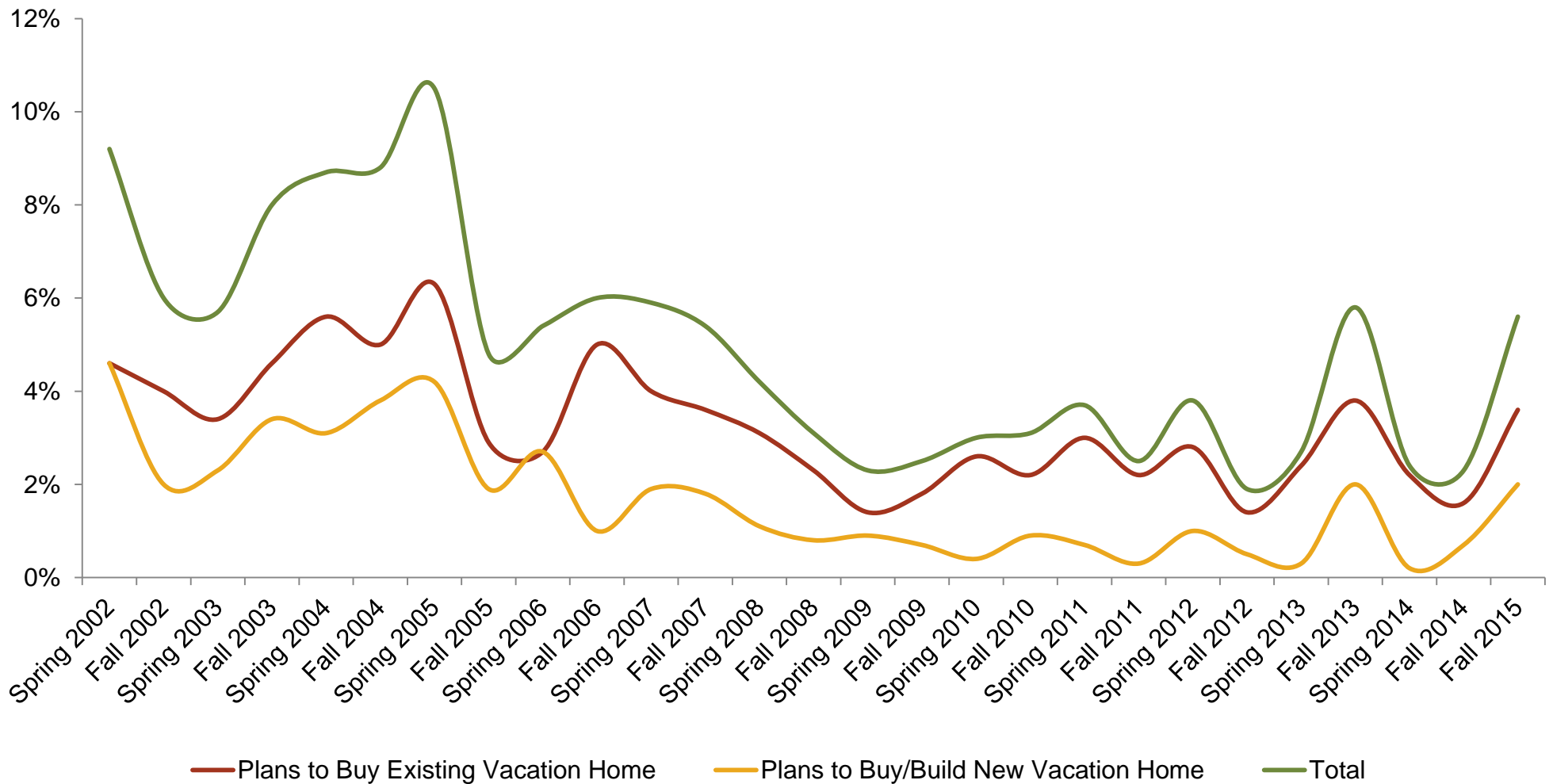
Percent of Families with other Residential Real Estate by Income Percentile: United States; 1989- 2010

Source: Survey of Consumer Finances 2010



REPORTED INTENT TO PURCHASE TRYING AGAIN TO REBOUND, BUT NO SIGNS OF BEING FROTHY

Expressed Intent to Purchase a Second Home in the Next 12 Months
Top 10% of U.S. Households by Wealth
 Source: American Affluence Research Center/RCLCO Annual Survey



PRODUCT INTEREST VARIED BY LIFESTYLE AND SPENDING POWER; WITH 15%-25% PRICE TO WEALTH PATTERN HOLDING

Vacation Home Type and Price Point Preference Among U.S. Households with \$1M+ Net Worth; 2015

Source: Resonance Report

