

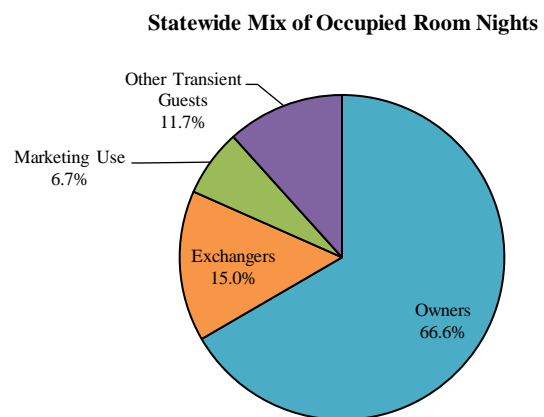
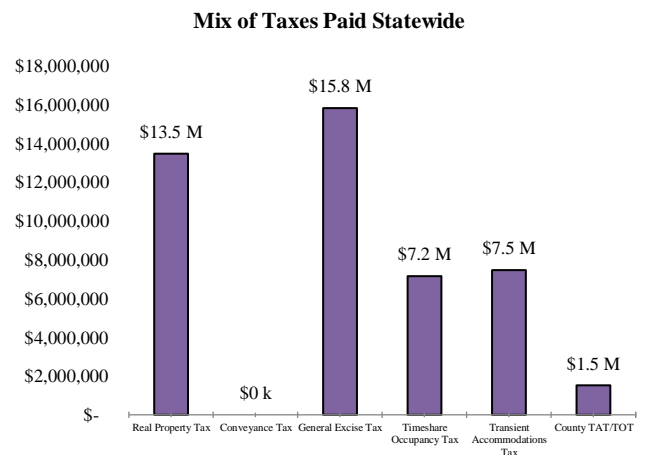
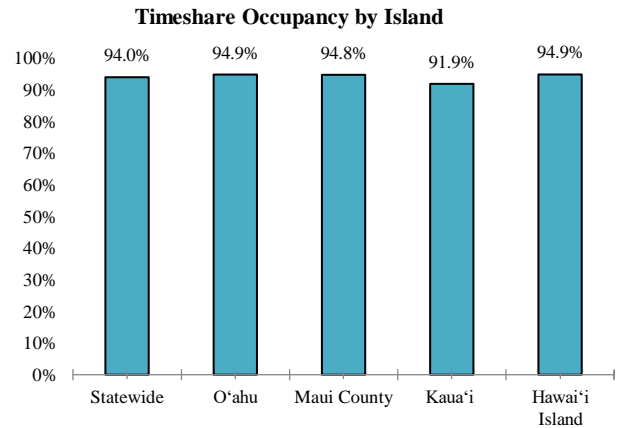
Statewide Timeshare Performance & Taxes

Hawai'i's timeshare industry achieved an average occupancy rate of 94.0% during the first quarter of 2024, an increase of 1.5 percentage points from the 92.5% occupancy reported for the first quarter of 2023. Statewide timeshare occupancy during the first quarter of 2024 exceeded the 92.0% occupancy achieved during Q1 2019 (“pre-pandemic”). Timeshare occupancy exceeded pre-pandemic levels in all counties except Maui County during the quarter. The traditional hotel and condominium hotel market in the state achieved occupancy of 76.5% during the first quarter of 2024, according to STR, Inc. data reported by the State of Hawai'i Department of Business, Economic Development & Tourism (“DBEDT”).

Owners staying in a timeshare they own represented 66.6% of the occupied room nights at Hawai'i's timeshare resorts during the first quarter. Exchangers (timeshare owners staying in a timeshare they do not own via a timeshare exchange program) represented 15.0% of the occupied room nights. Transient rental, which includes rental to owners and exchangers beyond their allotted timeshare stay, accounted for 11.7% of occupied room nights during the quarter. Marketing use represented 6.7% of occupied room nights. Compared to the pre-pandemic period, there was more owner use during Q1 2024 and less marketing and other transient guest use.

The first quarter 2024 timeshare survey findings, which is based on data provided by 47 individual timeshare properties, represent 79.1% of Hawai'i's 12,207 timeshare units.

According to DBEDT data, 199,864 visitors to the state chose to stay at a timeshare resort for all or part of their stay during the first quarter of 2024, up from 194,814 timeshare visitors reported for Q1 2023. The number of timeshare visitor arrivals increased, despite



an overall decrease in the total number of visitor arrivals. During the quarter, a total of 2.3 million visitors arrived in Hawai'i, down from the 2.4 million arrivals during Q1 2023.

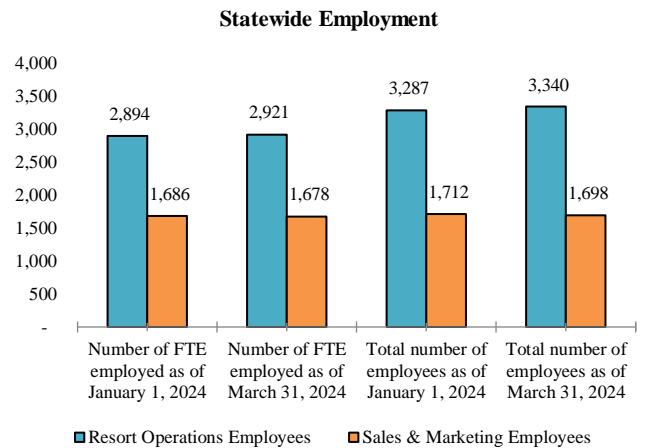
During Q1 2024, timeshare visitors represented 8.5% of all Hawai'i statewide visitor arrivals, compared to an 8.1% share during Q1 2023. The average timeshare visitor during the quarter stayed in the state a total of 10.6 days, down from an average timeshare visitor stay of 10.9 days during the first quarter of 2023.

Survey participants generated a total of \$45.4 million in state and county taxes, including real property tax (“RPT”), general excise tax (“GET”), timeshare occupancy tax (“TOT”), state transient accommodations tax (“TAT”), county transient accommodations tax (“CTAT”) and conveyance tax. Participants reported paying \$15.8 million in GET, which represented 34.8% of taxes paid by timeshare participants during the quarter. RPT totaled \$13.5 million, or 29.7% of the total. Participants reported statewide TOT of \$7.2 million during the quarter, or 15.7% of the total. TAT accounted for \$7.5 million of the total during the quarter, or 16.4%, with county TAT/TOT contributing an additional \$1.5 million. Please note that not all properties reported taxes for the first quarter and that some respondents chose not to report certain taxes for this survey.

Statewide Employment & Payroll

The total number of resort operations employees increased by 1.6% to 3,340 during the quarter. The number of sales and marketing employees decreased by 0.8% to 1,698.

Statewide payroll expenses for timeshare survey participants totaled \$91.5 million during the first quarter of 2024, including \$43.5 million for resort operations employees and \$48.1 million for sales and marketing employees.



O'ahu

Timeshare resorts on O'ahu achieved 94.9% occupancy during the first quarter of 2024, tied with Hawai'i Island for the highest in the state and a 3.0 percentage point increase from the prior year. O'ahu's timeshare occupancy during Q1 also exceeded the pre-pandemic occupancy of 93.5%. During Q1 2024, O'ahu's hotel occupancy averaged 80.4%.

Owner occupied room nights represented 65.7% of total occupied room nights at O'ahu's timeshare resorts during the quarter. Transient use represented 16.1% of occupied room nights during the quarter, the highest share among the counties by a wide margin. Exchange use accounted for 11.0% of occupied room nights at O'ahu's timeshare resorts. Marketing use represented 7.2% of occupied room nights on O'ahu during the quarter.

O'ahu welcomed 78,126 timeshare visitors during the quarter, more than any other county and an increase from the 71,872 timeshare arrivals reported for Q1 2023. A total of 5.6% of O'ahu's visitors planned to stay in a timeshare resort during the first quarter, by far the lowest share among the counties but higher than the Q1 2023 share of 5.4%. The average O'ahu timeshare visitor spent 7.3 days on the island, the shortest timeshare visitor length of stay ("LOS") among the counties.

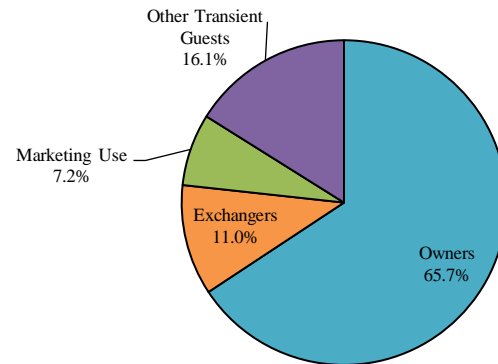
Participating properties on O'ahu reported a total of \$14.3 million in taxes during the first quarter, including \$4.9 million in GET and \$4.1 million in RPT.

During the quarter, O'ahu timeshare resorts reported a 2.2% increase in the number of resort operations employees and a 3.0% decrease in sales and marketing employment. Timeshare properties on O'ahu reported employee payroll expense of \$27.9 million during the first quarter of 2024, of which sales and marketing payroll accounted for \$15.6 million and resort operations payroll contributed \$12.3 million.

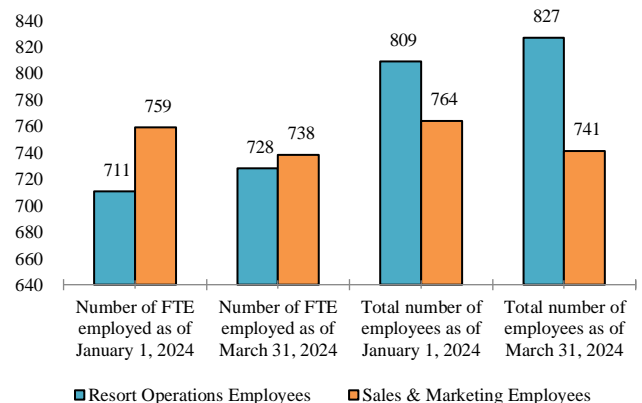
O'ahu Taxes



O'ahu Mix of Occupied Room Nights



O'ahu Employment



Maui County

Maui County’s timeshare properties achieved an average occupancy of 94.8% during the first quarter of 2024, a 0.6 percentage point increase from Q1 2023’s 94.2% occupancy. The Q1 2024 occupancy trailed the pre-pandemic timeshare occupancy of 95.6%. During the first quarter of 2024, Maui’s hotel occupancy averaged 71.5%.

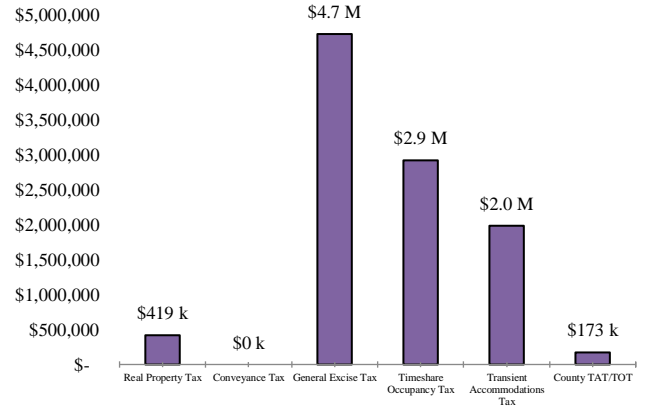
Owner occupancy accounted for 81.2% of occupied room nights at Maui County timeshare resorts during the quarter, the highest share among the counties. Transient guests contributed 8.8% of occupied room nights during the quarter. Exchange use accounted for 5.6% of occupied room nights, the lowest share among the counties. Marketing use represented 4.4% of occupied room nights in Maui County timeshares, the lowest share among the counties.

Maui County was the only county to see a year-over-year decrease in timeshare arrivals during the first quarter, welcoming 68,231 timeshare visitors during the first three months of 2024, down from the 72,022 timeshare visitors during Q1 2023. The average Maui County timeshare visitor had a 10.0-day LOS during the first quarter, the longest average stay among the counties and matching the county’s Q1 2023 LOS. Timeshare visitors represented 11.9% of Maui County’s visitor market during the quarter, compared with a 9.8% share during Q1 2023.

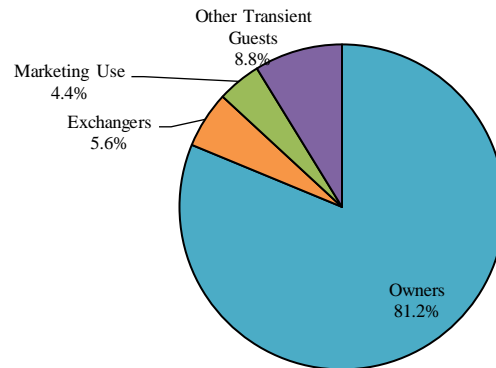
Maui County timeshare properties that provided survey data reported a total of \$10.2 million in state and county taxes during the first quarter. GET accounted for \$4.7 million of the total taxes during the quarter, or 46.2% of taxes paid.

In the first quarter, Maui County timeshare properties reported a 0.4% increase in the total number of resort operations employees during the quarter, while the number of sales and marketing employees increased by 3.0%. Maui timeshare properties providing survey data reported \$17.6 million in total payroll expense during the quarter, of which sales and marketing employee payroll accounted for \$12.1 million and resort operations payroll totaled \$5.5 million.

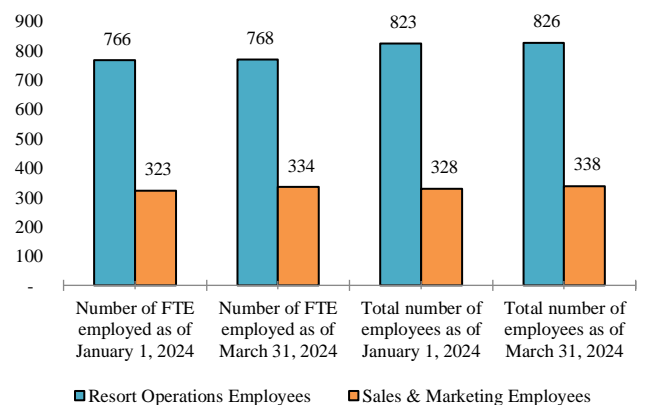
County of Maui Taxes



County of Maui Mix of Occupied Room Nights



County of Maui Employment



Kaua'i

Timeshare resorts on Kaua'i averaged 91.9% occupancy during the first quarter of 2024. While this was the lowest timeshare occupancy among the counties during the quarter, it did represent a 1.4 percentage point increase from the prior year and also exceeded the pre-pandemic occupancy of 86.1%. During the first quarter of 2024, Kaua'i's hotels and condominium hotels reported an average occupancy of 74.1%.

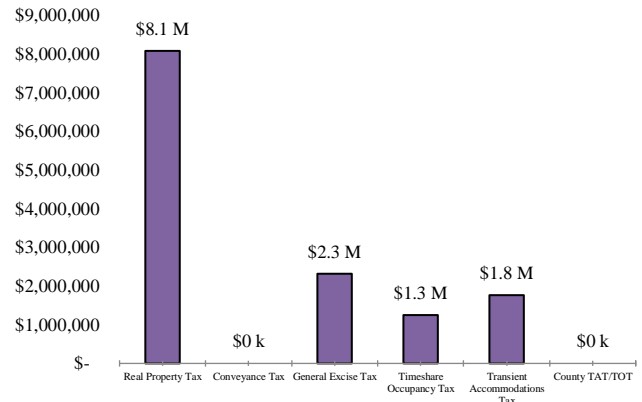
Owner use represented 61.8% of the occupied room nights during the first three months of 2024. Exchange use contributed 20.0% of occupied room nights on Kaua'i. Marketing use represented 7.7% of room nights, which was the highest share in the state and transient use represented 10.5% of occupied room nights during Q1.

During Q1, Kaua'i continued to be the island with the highest proportion of timeshare visitors, with 14.7% of the island's visitors choosing to stay in a timeshare resort, which is higher than the prior year's share of 14.4%. For the quarter, Kaua'i welcomed 48,662 timeshare visitors, up from Q1 2023's 47,602 timeshare arrivals. Kaua'i timeshare visitors spent an average of 9.7 days on Kaua'i during Q1, the second longest LOS among the counties and consistent with the Q1 2023 LOS.

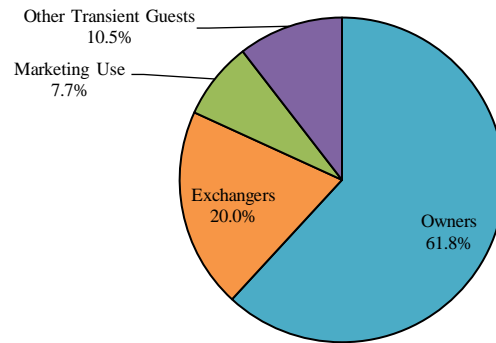
The Kaua'i timeshare resorts that provided survey data reported \$13.4 million in taxes during the first quarter, of which \$8.1 million were RPT.

Kaua'i timeshare properties reported that the total number of resort operations employees increased 1.6% and the number of sales and marketing employees increased by 2.4%. Participating respondents reported total payroll expense of \$27.8 million during Q1, of which \$15.5 million was resort operations payroll and \$12.3 million was sales and marketing payroll.

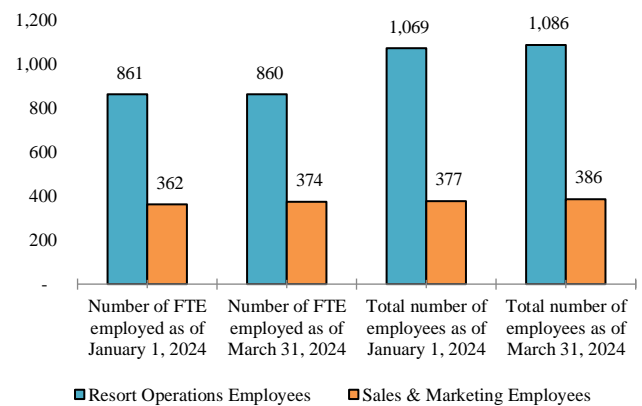
Kaua'i Taxes



Kaua'i Mix of Occupied Room Nights



Kaua'i Employment



Hawai'i Island

Timeshare resorts on Hawai'i Island reported an average occupancy of 94.9% during the first quarter of 2024, tied with O'ahu for the highest in the state and an increase of 2.5 percentage points from the prior year's 92.4% occupancy and above the pre-pandemic occupancy of 90.8%. During the same period, hotel occupancy on Hawai'i Island was 70.2%.

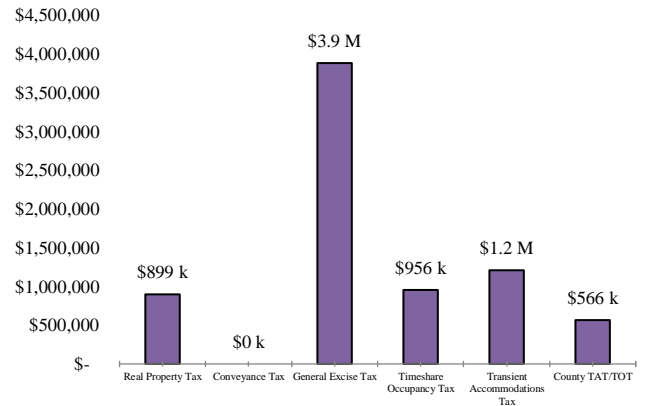
Owner use accounted for 59.0% of occupied room nights at timeshare properties on Hawai'i Island during the quarter, the lowest share among the counties. Exchange use represented 25.3% of occupied nights, the highest share among the counties. Transient use accounted for 8.8% of occupied room nights, while marketing use represented 6.9% of occupied room nights during the quarter.

Hawai'i Island reported a total of 43,893 timeshare visitors during the first quarter, an increase from the prior year's 41,516 Q1 timeshare arrivals. Timeshare visitors represented 9.9% of Hawai'i Island visitor arrivals during the quarter, higher than Q3 2023's 9.3% share. The average Hawai'i Island timeshare visitor had a 9.1-day LOS during the quarter, a decrease from the prior year's 9.4-day average.

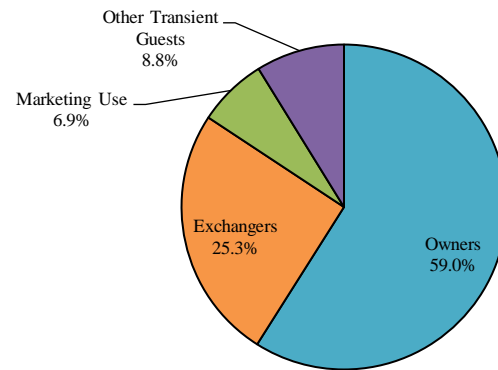
Hawai'i Island timeshare properties reporting data paid \$7.5 million in state and county taxes during the first quarter. GET represented \$3.9 million of the total, or 51.7%.

Timeshare resorts on Hawai'i Island reported a 2.6% increase in the number of resort operations employees and a 4.1% decrease in the number of sales and marketing employees during the quarter. Timeshare properties on the island providing survey data reported paying a total of \$18.3 million in payroll and benefits, of which resort operations payroll represented \$10.2 million and sales and marketing payroll contributed \$8.1 million.

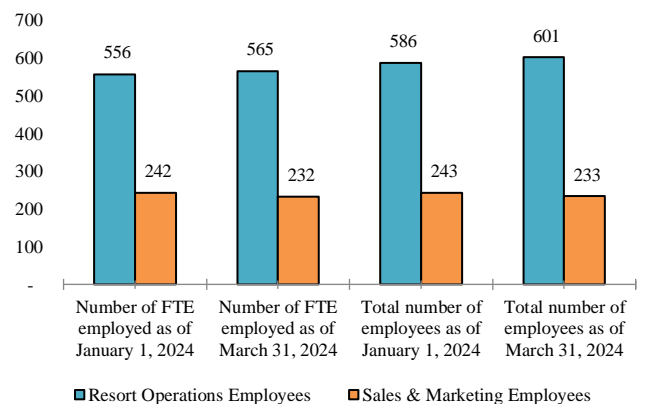
Hawai'i Island Taxes



Hawai'i Island Mix of Occupied Room Nights



Hawai'i Island Employment



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Survey Overview

Kloninger & Sims Consulting LLC was engaged by the State of Hawai'i Department of Business, Economic Development & Tourism 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 DBEDT's monthly visitor statistics. While this survey is based on actual operating data, accommodation choice data reported by DBEDT 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, DBEDT does not report the number of nights spent at each accommodation type.

Survey Participation

Participation rates in the statewide timeshare survey was 79.1 percent of registered timeshare units statewide, which represents 47 participating properties and 9,659 units.