

CONDO-HOTELS, TIMESHARES GET CREATIVE

Besides being the nation's second-largest hotel market, the Orlando metropolitan area is lesser known for being No. 1 in the US in terms of vacation ownership offerings. Now some of these resorts are becoming more creative in their efforts to attract buyers, beyond the usual lure of discount theme-park tickets.

Lake Buena Vista Resort, which is near Walt Disney World but not affiliated with the complex, added a 25,000-sf pool area called Pirate's Plunge in Oc-



A replica ship with a slide dominates Pirate's Plunge at Lake Buena Vista Resort.

tober. The \$3-million investment, which includes a replica pirate ship with a slide leading to a 7,500-sf pool, follows the popularity of Disney's longtime "Pirates of the Caribbean" ride, which spawned three popular feature films.

"We think it will go forever," Larry Cohen, senior vice president of Lake Buena Vista Resort Village, says of the piratemanía that has kept a spell on Central Florida for generations. "If my grandkids and several thousand other kids who have been playing there the last few weeks are any indication, it will be here to stay."

The condo-hotel resort, which has nearly 500 units in five buildings, could

certainly use a boost. Cohen says sales are off by approximately 40% from a year ago, though that is more related to the tightening credit market rather than waning investor interest.

"The biggest problem we have is with lenders and the meltdown of the second-home investment marketplace," he says. "There is a certain amount of cash buyers out there."

Other well-established names are entering the fractional ownership business lately. Intercontinental Hotels Group also launched Holiday Inn Club Vacations in October, starting with the 2,412-villa Family of Orange Lake Resorts in Lake Buena Vista. The 1,400-acre site was established in the early 1980s by Kemmons Wilson, who launched the Holiday Inn chain a half-century ago.

"The fact that these two companies are coming back together for this strategic partnership is fabulous," says Howard Nusbaum, president and CEO of the Washington, DC-based American Resort Development Association. He notes that Wilson developed Orange Lake as a means for working-class families to live in luxury for one week of every year while on vacation.

Disney is expanding its involvement in timeshares, unveiling two projects set to open next year: the 15-story Bay Lake Tower at the Contemporary Resort and the Treehouse Villas at Saratoga Springs Resort & Spa.

Although other hospitality companies are facing declines in timeshare sales this year, along with higher default levels, Nusbaum says the US timeshare industry remains resilient, having posted sales of \$10.6 billion last year, up 6% from 2006. "Timeshare is still the little engine that could," he says.