

INDUSTRY CATCHES ACQUISITION FEVER

The acquisition landscape heats up under the summer sun. Industry giant **Diamond Resorts International** (DRI) looks to scoop up **Bluegreen Corporation** for a hefty \$500M. **Housing Source Partners** could bail out the **Diablo Grande Winery & Resort** with a \$25M bid and a devilish amount more in debt (\$54M). **Skyline International Development Inc.** ponies up \$37M for the **Horseshoe Resort** in Ontario, Canada, and **Shell Vacations LLC** hits the surf in Hawaii.

Actually, you can blame the slumping real estate market for at least part of all this acquisition activity. Attentive buyers strike while the iron is hot, the price low and the seller desperate. Still, more than one resort seems to have slipped through the cracks lately. Consider **3700 Associates LLC** and its half-finished, \$3B **Cosmopolitan Resort & Casino** in Las Vegas, facing foreclosure proceedings searching for a willing investor despite having sold 84% of its 2,184 condos in presales. Then there's Oahu's troubled **Turtle Bay Resort**: If **Oaktree Capital Management LP** can't find a buyer by the end of 2008, the company stands to lose the 858-acre asset to its lenders, **Wells Fargo & Co.** and long-suffering **Credit Suisse**. However, **Dyer Mountain Associates**, written off by most long ago, may be catching a break. The company filed for Chapter 11 after its plan to develop a 6,700-acre ski resort in Lassen County, Calif., fell apart months ago due to a lack of capital, but now it looks like CEO **Grant Sedgwick**'s devotion to the cause may pay off. Word is the company lines up some investors willing to front the \$35M needed to get the company out of bankruptcy.

Don't get too excited about DRI's proposed buyout of Bluegreen Corporation. Yes, the mere suggestion sent Bluegreen's stock into the stratosphere, and sure, \$500M is more than twice what the company's worth, on paper. But DRI's letter of intent is non-binding, so nothing's set in stone. What kind of deal would DRI be getting? With a trailing 12 NOI of a little more than \$50M, CEO **Stephen Cloobek**'s looking at a cap rate of around 10%. But profits at **Bluegreen Resorts** and **Bluegreen Communities** dropped \$2M and \$5M, respectively, over Q1 2008 from their year-ago values. Inventory's up by \$25M from December 2007 to April 2008, while sales decline \$10M from Q1 2007 to Q1 2008. Uncollectible VOI notes for the quarter came in at an impressive \$16M, an increase of \$5M from a year ago. Bluegreen President **John Maloney** pins it, not surprisingly, on continuing problems in domestic residential real estate markets. However, Bluegreen maintains a decent conversion rate of 14% overall and 11% for new prospects, along with strong customer loyalty. Fully 46% of all sales in Q1 2008 derive from its 186,500 existing members, and Maloney's concentration on drive-to destinations should serve the company's new owners well, assuming the deal goes through. No word yet on whether Bluegreen will be assimilated into DRI, or if it will remain intact as a subsidiary.

Bluegreen grants DRI the exclusive right of negotiation through Sept. 15. During that time, Cloobek conducts the usual due diligence (but maybe with a little more diligence and a tad more due). Ironically, before being hired on to DRI, SVP of Resort Acquisition & Development **Doug Kinsey** held the same post at Bluegreen, a fact that couldn't have hurt negotiations. Rumor had it that **Equity Lifestyle Properties**, a REIT best known for its RV parks and retirement communities, had eyes for Bluegreen, but it looks like Cloobek beat them to the punch.

Bankrupt **Diablo Grande Winery & Resort** in Patterson, Calif., might just escape the auction block yet. **Housing Source Partners** puts up a \$25M bid for the property, along with the assumption of more than \$54M in debt. **Diablo Grande** currently includes 400 homes, a vineyard and two golf courses, but the drawing board's ambitious plans call for as many as 10,000 residences, plus a hotel, a conference center, retail, an equestrian center and six golf courses. **Housing Source Partners** Principal **Al Nevis** will have his work cut out for him at the 28,500-acre resort, which has long been dogged by water quality issues. The one-two punch of dealing with servicing costs and slumping sales finally knocked **Diablo Grande** into bankruptcy.

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Halifax Bank of Scotland has a \$20M note on the Diablo, and shelled out another \$1M recently just to keep the resort operational through mid-August. If Nevis' stalking-horse bid doesn't go through, look for Diablo Grande Developer **Donald Panoz** to put the property up for auction. Panoz and his partners dropped \$120M on the resort, only to have housing prices drop dramatically — by as much as 50%. It's hardly a sure thing for Nevis, who made a name for himself with condo renovations in Central California.

Skyline International shells out \$37M for Horseshoe Resort in Barrie, Ontario. Skyline Founder and President **Gil Blutrigh** likes the ski-and-golf resort's location: A scant 20-minute drive from his own **Port McNicoll** waterfront community of lots and condos on 825 acres at South Georgian Bay. The first phase is already 60% sold, but Blutrigh has future plans for additional residential components, a hotel, a marina, dining, a yacht club and 400 acres of preserved wetlands. The idea is that combining Port McNicoll with Horseshoe will present a compelling year-round resort product, especially with Toronto just 75 minutes away. Horseshoe already boasts two golf courses, 8,000 s.f. of meeting space and a 102-room hotel on 688 acres, plus the slopes themselves and plans to develop another 937 homes. Blutrigh aims to retain the ski resort's existing employees and management for a smooth transition.

Shell Vacations begins its due diligence to acquire the famed **Coco Palms Resort** in Kauai, Hawaii, from **Coco Palms Venture II LLC**. Coco Palms Principals **Walt Petrie** and **Phil Ross** acquired the property in 2006 for \$12.3M with the intent to restore it to an operational state, but when the housing market fell through last year it took Petrie and Ross' plans with it. The pair still has permits for 200 condos, 104 hotel rooms, dining and retail, but never established an asking price when they listed the property with Jones Lange LaSalle in September 2007. Oh, and those rumors about the artist **Wyland** buying Coco Palms? Untrue. Shell President **Tracy Sherles** has a potential hit on her hands if she can restore the Coco Palms to its former state of glory, when it served as the setting for the 1961 **Elvis** vehicle "Blue Hawaii."

DEVELOPERS GET TO KNOW THE NEIGHBORS

Across North America, the humble local resident emerges as the developer's best friend when it comes to buying vacation property. In California and Colorado, **Timbers Resorts'** neighbors can't get enough of their fracs. **The Shuler Group** finds plenty of buyers within a 30-minute drive of the North Shore at Lake Marion in South Carolina, near where others such as **Dubai World**, **Wyndham Vacation Ownership** and **The Beach Company** are also busy. And Canadian developer **Aviawest** does business aplenty with nearby residents.

The rise of drive-to destinations across the U.S. goes hand-in-hand with skyrocketing gas prices. The trend toward local vacation ownership indicates that, for many, \$4.50 gas is the new norm — or that they simply don't have the time or patience to put up with the hassles of air travel before relaxing. Indeed, the resort industry may be looking at a sea change in marketing, if not development.

Timbers' JV with the **PlumpJack Group** at Napa Valley's **Carneros Inn** blends the former's real estate expertise with the latter's savoir faire in hospitality and dining. The resort's PRC, **The Orchard**, averages nearly two fractional sales a week over the past two months at \$325K a pop. Timbers CEO **David Burden** sells the 17 residential cottages in 1/10th shares, mostly to young professionals from the San Francisco Bay Area who are pressed for time and in search of an easy getaway. A second phase, yet to have a groundbreaking date, brings larger, three-bed units — the current batch of two-beds measures about 2,500 s.f. in total — and the 20 whole-ownership homes are all sold out. Prices for the fracs started at less than \$300K when they first hit the market in March 2007, but Burden bumps them up on the strength of a steady demand despite a chilly economic climate combined with a dwindling supply.

PlumpJack and Timbers' partnership extends to **One Steamboat Place** in Steamboat Springs, Colo. Burden nets \$190M in sales for the development so far and projects \$285M in total sales revenue at sellout. Four-bed condos in the PRC sell in 1/8th shares for \$625K, while newly introduced three-beds sell in 1/12th shares for \$400K. Burden started taking reservations for the 20 1/8th-share units in January 2007, then went to contract in August.

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Burden's sold 10 in the past two months at Steamboat, but that's about half the sales rate of last summer. In addition to these 20 units, Burden earmarks another 10 as three-beds, but holds off on pigeonholing the remaining 12 as either 1/8ths or 1/12ths, taking a wait-and-see approach. He'll go with whichever sells better. Whole-ownership sales at One Steamboat Place, however, lag behind: Only two of the development's 38 whole-ownership, \$3.3M homes remain on the market, but the last of them sold in February 2007 after going on the market in November 2006. As a value-add, all PRC owners receive membership in Steamboat Springs' **Catamount Ranch and Club** and access to its exclusive golf course. Amenities include the aforesaid 3,200-acre Catamount, private wine storage, a concierge service, outdoor guides and PlumpJack's Truffle Pig restaurant. The development appeals to a broader demographic base than Carneros, attracting buyers both locally and from Texas, California, the Midwest and wherever flights originate.

The Timbers Reciprocity Exchange program lets members trade time internally between Timbers' properties for a \$350 premium — practically a necessity for any PRC these days. Burden tailors each development's financing to fit the project. Timbers' excellent reputation in the financial markets helps, nabbing the company \$160M in construction loans for One Steamboat Place from a German bank, supplemented by \$50M in equity and a sizable investment from a large real estate fund. Burden likes to include at least two products and two types of fractional offerings at each location to nab in a broad customer base. Look for Timbers to expand in Mexico in the future, and for Burden, PlumpJack President and CEO **Rick Riess** and PlumpJack Founder **Gavin Newsom** — now mayor of San Francisco — to be especially active in California.

The Shuler Group now places 17 of a planned 34 homesites on the market at its **North Shore at Lake Marion** development and already has two reserved. Bet on the rest of the 1/3-acre lots in South Carolina to go up for sale by the end of September, with prices ranging from \$70K to \$85K. President **Bert Shuler** also has 72 of 84 condos near completion and about 40 already sold since mid-May. The units vary in size from 1,500 s.f. for the two-beds to 2,400 s.f. for the fours, but the three-beds stand out as the best sellers. Look for buildout to occur sometime in 2010. Shuler plans on 42 townhomes as well, set to break ground and go on the market in spring 2009, but waits until next year to set price points. North Shore relies heavily on local buyers from within a 25-mile radius, as well as residents north and south along the Eastern Seaboard — especially boomers and retirees — as befits South Carolina's reputation as a convenient midpoint between New York and Florida. Site traffic remains high, despite the economy, but investor interest has dropped off significantly. Total buildout value should exceed \$45M for the 64-acre project, which runs along 3,500 feet of shoreline. Shuler lucked out when he set up a developer loan a year ago through a group of small to mid-sized banks. In last year's friendlier credit markets, he only had to front 15% of the loan in equity. The condos North Shore still has on the market stand out as the only remaining inventory on Lake Marion. The project also includes a 180-slip marina.

Real estate in South Carolina presents an iffy proposition. The market in Charlotte remains steady but relatively flat, while the likes of Myrtle Beach and Hilton Head practically drown in an overabundance of high-rise condos. Columbia's condos either sit empty or await buyers on the auction block, but the Lake Marion area continues to grow. What sets it apart is nothing less than an attention-grabbing perfect storm of luxury real estate. First you have Dubai World subsidiary **Jafza International**, which set up shop in Charleston in March, bringing with it \$600M worth of investment and development plans for the region — the company's first foray into the American market. Second is another Shuler project, the **Ballards Pointe** master-planned community in Santee, S.C. That's where **Wyndham Vacation Ownership** recently raised eyebrows by picking up 33 condo units there to be sold as timeshares, with the intent of purchasing another 78 more through early 2009. The final puzzle piece is the closest thing North Shore has to competition: the **Cantey Bay Plantation**, a 3,800-acre mixed-use resort property just a few miles away on the lakeshore. Details are sketchy on this property by developer **The Beach Company**, but look for it to cover a full 2 miles of lakefront real estate. Look for Beach President and CEO **John Darby** to break ground on Cantey Bay in 2010.

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Aviawest already sees 70% of **Parkside Victoria Resort & Spa**'s 126 fractional products in Victoria, B.C., sold since hitting the market in December 2007. Standard 1/4 fee-simple, deeded shares of the units go for \$150K. Just two sales have closed in the past two months, with many more reserved. Almost all of the development's nine whole-ownership offerings are already claimed; seven are reserved, although only one has actually sold, and that back in March. The homes sell for \$1.79M. Chairman **Andy Pearson** prepares to roll out 1/8th and 1/12th shares, the latter in two styles: one as a 4-week winter block for the snowbirds, and the other as two weeks in summer, one in the spring and one in the fall for those looking to take advantage of Vancouver Island's balmy months. The 1/8ths will go for \$95K and the 1/12ths for \$50K. Look for both to hit the market by the end of July. Pearson anticipates the 1/12ths being popular with Canadians from the Prairies and those on the East Coast who want to winter out West. Albertans remain a statistically significant buyer demographic, though no longer the dominant force they were a few years ago. A full 6,000 Aviawest owners reside in British Columbia's Lower Mainland a short ferry ride away, and consider Vancouver Island as a convenient vacation getaway.

Parkside's deeded ownership proves a strong alternative to timeshare in the region when it comes to meeting vacation needs during a difficult economic time. The development's proximity to local landmarks like the **Empress Hotel** and Beacon Hill Park provides further motivation, as does its successful rental program. Parkside's management fee of 25% comes in about 10% to 15% below industry standards. The Platinum LEED-certified development offers hybrid rental cars and pulls in eco-conscious urbanites.

Only three of **Pacific Shores Resort & Spa**'s 1/8th-share fracs have sold since hitting the Victoria frac market in February 2008, and all since April. In that same time frame, only a single sale of a 1/4th-share unit closes, for \$150K. Price points for the 1/8ths come in less than \$100K. Pearson's just finishing up Phases 10 and 11 at the 15-acre oceanfront resort, which brings the unit count up to 135. Look for Phase 12's 19 units to break ground within two years. Pearson already has Phases 1 through 9 sold out. When complete, count on Pacific Shores to have 196 units. Future phases bring new fractional products, including 1/6th shares by the end of July, priced between \$35K and \$60K, and 1/16ths at \$40K. Though a share as small as 1/16th would normally be considered a timeshare, not a frac, Pearson expects owners to buy multiple shares, effectively molding a custom vacation ownership plan to meet their individual needs. Aviawest General Consul **Randall Walford** foresees travelers changing their travel plans to incorporate longer stays to counterbalance rising travel costs. Aviawest's resorts offer an exchange program through **Group RCI**.

MORE GREEN PROJECTS SPROUT

Environmentally friendly development thrives in today's eco-conscious atmosphere. **The Enchantment Way LLC** satisfies both Mother Nature and a rising demand for fracs in Las Vegas with its new project in Nevada, while **Dutch Pacific Resources LLC** favors nature over golf for its resort on Oregon's Metolius River.

Green development can carry with it cost premiums ranging from 1% to 10% or more, depending on the project and the level of commitment. Of course, figuring out just how much green building practices cost in the first place isn't so easy. Simply comparing the post-green budget with its non-green progenitor isn't so easy or accurate, as doing so assumes that the initial budget was adequate and that no other changes were made along the way. Nonetheless, green building has reached a critical mass of public attention, going from fringe movement to practically mainstream in the corporate and civic arenas. **Hearst Corporation**'s new headquarters in NYC uses solar energy and other sustainable practices, and even Chicago strives to attain LEED certification for all its public buildings. The more widespread green building becomes, the more consumers will want and expect it.

For Enchantment Way LLC Managing Partner **Frank Woodbeck**, bigger is better where fracs are concerned. The five-bedroom homes of **The Enchantment Way** measure an above-average 3,500 s.f. and sell in 1/12ths. The precise \$274.9K price tag hits a sweet spot in the market, according to Woodbeck's extensive market studies. Bet on the seven .5-acre units to move quickly in frac-starved Vegas.

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Development costs should be around \$11M, which means a profit of more than \$12M at sellout. Woodbeck relies on a combination of presales and construction loans to finance the project, using the former to guarantee the latter. The efficacy of that plan may change depending on how many buyers pay in cash rather than seeking financing of their own. Marketing efforts concentrate on boomers and second-home buyers, either with families or on their way to an empty nest. Look for The Enchantment Way to hit the market sometime in August or September.

Woodbeck shoots for LEED Gold certification for the five-acre development, making it the largest residential green-built project in Las Vegas. That fact, plus the resort's proximity to both the Strip and McCarran Airport, could help pull in potential investors. The Enchantment Way will have an exchange affiliate, though Woodbeck has yet to sign with anyone. A generous rental program gives the owner the lion's share in a 70%/30% split. Vegas hits just about the bottom in terms of real estate these days. Inventory's nearly dried up while the population's on the rise. Clark County expects more than 145,000 new jobs between now and 2010.

Dutch Pacific Resources emerges victorious from a legal quagmire in Jefferson County, Ore., to develop a 100-unit condo-hotel and 300 custom-home lots along the Metolius River. The condo-hotel units average 500 s.f., while plans call for the lots, priced at \$300K to \$500K, to accommodate single-family homes ranging from 2,000 s.f. to 2,500 s.f., although future development may bring larger floorplans. Expect those homes to sell for around \$600K. Development costs are still up in the air for the project, which breaks ground next year.

Dutch Pacific Partner **Jim Keane** confines construction on the 640-acre site to environmentally friendly clusters mixed in with mountain biking, hiking and equestrian trails — but no golf course. The Oregon Court of Appeals recently upheld Jefferson County's zoning of the land around the Metolius River as a destination resort zone, clearing the way for Keane to carry on with development. State law mandates spending \$10M on infrastructure improvement in resort zone, and Keane pledges to spend half that in off-site environmental efforts to help minimize the resort's impact on the local ecology. He's also setting aside 1/5th of HOA fees for an environmental fund and using solar and wind energy on the property.

DEVELOPERS FIND FRIENDS WITH BENEFITS

Developers with the right connections go far in a down economy. **Exito Resorts'** owner has the hook-up in Puerto Escondido. **Terramesa Hospitality Group** benefits from a right-place-right-time purchase around Austin, Texas, to see a development through, while **Timbers Resorts** rides high, financially speaking, thanks to a good reputation among lenders and some strong capital partners.

Certainly there's never been a better time to get a helping hand from a friend or two in the marketplace. A possible \$25B government bailout of Fannie Mae and Freddie Mac looms large on the horizon, consumer confidence sinks to its lowest levels since the early 1990s and housing starts just dropped another 30% last month.

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Despite that, experts expect the U.S. economy to grow nearly 2% this year and about 2.5% in 2009. Anyone who can develop now and have product ready to go when the economy recovers stands to turn a healthy profit.

Exito breaks ground on its first phase of condos at **VIVO Resorts** in Puerto Escondido in September, but sales begin as early as the end of the month. The two buildings and clubhouse of Phase I should run Exito as much as \$9M. Director of Sales and Marketing **Chuck Ashton** focuses his efforts on Americans and Canadians seeking warmer climes in winter. Ashton expected more retirees, but instead sees a great deal of interest from would-be buyers in their mid-40s looking to lay their hands on some land values in Puerto Escondido before they run out of reach. The condos come in two sizes: 1,350-s.f. two-beds or 3,900-s.f. four-beds. VIVO's custom-home lots are arranged in cul-de-sacs, and, in an unusual marketing stratagem, Ashton sells them on a bulk basis. Full cul-de-sacs run \$1.1M, while "half sacs" go for \$475K. Ashton's looking for legacy owners, not flippers, and anticipates the marketing scheme to attract companies looking to buy a private retreat for corporate purposes. The bulk sales also provide a useful injection of cash to supplement the project's private funding. Phase I should hit buildout somewhere between December 2009 and March 2010. Former Olympic skier **Cary Mullens** doesn't just own Exito Resorts — he owns VIVO as well, making development a relative breeze. Mullens plans a total of four development phases, but this is just the first of four condo sites. Mullens has zoning and permits for another three, meaning a total of 375 condos and 67 homesites when he's through. Intrawest's Resort to Resort provides exchange services for VIVO.

Terramesa President **Scott Covington**'s immediate future at **The Hollows** holds a 39-lot homesite release in August. After that, he starts in on Trailhead Village, a new collection of homesites and condos at the Lago Vista resort. Covington's still taking bids, leaving details like development costs or unit numbers a bit sketchy, but expect the lots to go for between \$100K and \$200K and the whole-ownership condos to start at \$250K. Financing for the new construction comes from a yet-to-be-chosen bank, but not parent company **Macfarlan Capital Partners LP**. The project targets second-home buyers, primarily from Texas and California, particularly active families with kids. Existing product at The Hollows draws everyone from 35-year-olds to boomers, so count on a broad demographic base to snap up the new offerings. The property's marketing relies on its positive word of mouth among existing owners to draw in new buyers.

Covington's already halfway through construction on The Hollows condos and casitas. The former range in size from 870 s.f. to 1,735 s.f. and are priced between \$250K and \$500K, while the latter get as large as 2,545 s.f. and sell for \$600K or more. Don't be surprised if Covington adds more three-bedroom cottages (currently sold out) in a future phase. All told, plans for The Hollows call for 1,500 residences at buildout. Covington has about 15 competitors within 30 miles, including the 315-acre **Falls at Lake Travis**, consisting of 510 single-family homes developed by **WY Atlantis**, and **Rogers Ranch**, an 800-acre master-planned community, but the 1,500-acre Hollows doesn't share their density. The Hollows was one of six resort properties Terramesa acquired in April from **Centex Destination Properties** when that company decided to sell them and focus on its core homebuilding business.

Timbers CEO **David Burden** finances **The Preserve at Botany Bay** in St. Thomas, U.S. Virgin Islands, with strong backing from capital partners plus debt financing from Bank of America. He's going to need it: Caribbean construction costs are on the rise, and The Preserve easily runs Burden in excess of \$500/s.f. Plans call for 80 homesites total in Phase I, of which 22 have already been released. All but one of those have sold since hitting the market in January 2007, although the last sale closed about 10 months ago. Phase II brings another 30 units, but Burden isn't putting anything else on the market until the resort's hotel and PRC, now in development, are complete. Expect the project to announce a hotelier in August. In the meantime, Burden concentrates on the lengthy USVI approval process and the design of those next 30 units. The 3,000-s.f. hilltop villas will sell on a whole-ownership basis for \$4M and up. Burden remains cautiously optimistic about The Preserve, but sees the market as too unpredictable to get more inventory online just yet. The 297-acre site encompasses a 600-foot rise, making for dramatic views and an easily phased construction process.

PROJECTS ARE THEME OF BAD CHAPTER

The economy and bad luck take a heavy toll on a couple of unfortunate developers. It's the big sleep in Ten Sleep, Wyo., for **Big Horn Mountain Resorts**, while **Lake at Las Vegas Joint Venture LLC** rolls the dice on Lake Las Vegas and gets an 11 — Chapter 11, that is.

“Timeshare is resilient!” may be the industry’s rallying cry, but that doesn’t mean it’s bulletproof. **MVCI** may represent 30% of **Marriott International**’s business, but contract sales dropped 7% in Q2 2008. **Wyndham Worldwide** relies even more heavily on timeshare — **WVO**’s responsible for 46% of its parent company’s profits — which means similar softness for Wyndham if MVCI’s Q2 indicates a trend. As consumer confidence slips and “staycation” claims its stake as a household word, it’s a good bet that, in the long run, timeshare will spring a leak.

Big Horn Mountain Resorts Owner **Jim McCotter** swore up and down he’d repair and re-open two of his Wyoming properties shut down by the U.S. Forest Service back in May. But now it looks like the USFS is victorious after years of trying to force McCotter and his environmentally unfriendly resorts out of business. McCotter’s trio of resorts — **Big Horn Ski Resort, Deer Haven Resort, Meadowlark Lake** — gave him a virtual monopoly on vacation properties in the Big Horn Mountain Range, but it looks like his history of noncompliance with the USFS and the Department of Environmental Quality finally catches up with him. A sale of the resorts is likely, but let’s hope McCotter doesn’t start the bidding at \$47M, like he did last year. The highest bid he received was less than 1% of that. McCotter has until September to appeal the decision.

Atalon Group counted on Lake Las Vegas Resort’s unique luxury homes to lead the development to recovery in a depressed market when it took over the resort and \$540M in debt from **Transcontinental Corp.** earlier this year. Unfortunately, it looks Atalon CEO **Frederick Chin** may have been mistaken about the 3,952-acre resort’s chances. Atalon subsidiary and master developer Lake at Las Vegas Joint Venture files for Chapter 11 bankruptcy protection after failing to meet the resort’s hefty debt obligations to **Credit Suisse** and a bevy of unsecured creditors. Chin did manage to obtain post-bankruptcy financing of about \$130M, but just couldn’t scare up capital in today’s brutal real estate market. Still, Chin holds out hope that he and partner **James Coyne** can get things back in track. Land at Lake Las Vegas goes for around \$3.5M/acre, and Chin’s plans call for 9,000 residences at buildout, some priced as high as \$10M. Sellout value at the resort would be an impressive \$300M, leaving Chin only \$113M in debt.

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