B.2.4. Providers of non market accommodation services for own final use: owner occupied vacation homes and timeshares

Regarding the "classical" owneroccupied vacation home, the first issue for a country is to identify dwellings used for that purpose, a task for tourism statisticians. The second issue is then to associate with such dwellings an imputed annual rent to represent the value of the service, that value being an estimation of a tourism product. Such a task is the responsibility of national accountants when they are developing a TSA. The United Nations publication providing recommendations for housing censuses indicates how countries should identify dwellings not intended for yearround occupancy (see Box VI.5).

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Box VI.5

Principles and recommendations for population and housing censuses

3. **Occupancy status (core topic)**

**Recommended** tabulation: H4-R

2.463. Information should be obtained for each conventional dwelling to show whether the dwelling is occupied or vacant at the time of the census. For vacant units intended for yearround occupancy, the type of vacancy (for rent, for sale, and so forth) should be reported. Occupancy status applies only to conventional dwellings, since all other types of living quarters are required by definition to be occupied in order to fall within the scope of the census.

**Topics to be investigated in housing censuses**

2.464. The enumeration of vacant conventional dwellings is likely to pose difficult problems, but at least a total count should be made for purposes of controlling the enumeration. The type of vacancy is frequently indicated by "for sale" or "for rent" signs posted on the dwelling. Although it may not be feasible to investigate all of the topics included in the census for vacant units, as much information as possible should be collected, including information on whether the living quarters are vacant seasonally or nonseasonally.

2.465. Vacant units intended for seasonal occupancy may represent a substantial proportion of the housing inventory in resort areas and in areas where large numbers of seasonal workers are employed. The separate identification of such a category may be necessary for the correct interpretation of the overall vacancy rate, as well as for an evaluation of the housing situation in the area concerned. Vacant units may be further distinguished according to the type of occupancy for which they are intended, for example, as holiday home, seasonal workers' quarters and so forth.

2.466. Whether living quarters whose occupants are temporarily absent or temporarily present should be recorded as occupied or vacant will need to be considered in relation to whether a de jure or de facto population census is being carried out. In either case, it would seem useful to distinguish as far as possible conventional dwellings that are used as a second residence. This is particularly important if the second residence has markedly different characteristics from the primary residence, as is the case, for example, when agricultural households move during certain seasons of the year from their permanent living quarters in a village to rudimentary structures located on agricultural holdings. The recommended classification of occupancy status for conventional dwellings is as follows:

1 Occupied
2 Vacant

2.1 Seasonally vacant
   2.1.1 Holiday homes
   2.1.2 Seasonal workers' quarters
   2.1.3 Other

2.2 Nonseasonally vacant
   2.2.1 Secondary residences
   2.2.2 For rent
   2.2.3 For sale
   2.2.4 For demolition
   2.2.5 Other

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*Source: United Nations (2008c).*
On the basis of figures calculated for the census year, usually available with a detailed geographical breakdown, it will be possible to estimate the number of such dwellings in a current year. UNWTO has already developed some additional proposals for using different types of sources – censuses, surveys and administrative data – to determine the number and characteristics of vacation homes and identify those owned by nonresidents.

As mentioned earlier, once the number of vacation homes used by their owners has been established, the associated rent can be estimated using the method recommended in the 2008 SNA. The same treatment needs to be applied to all other vacation homes, whether located in the visitor’s country of residence or in another country.

Timeshare constitutes a slightly different case: the “owner” of a timeshare dwelling has the right to use a unit of accommodation (a unique one, or one of a family of such units) for a limited fraction of time (usually a week or multiples of a week) every year repeatedly (or according to another established frequency) over a particular (10, 20 or more) or infinite number of years. This right can be conferred by a deed or by any other type of contract, in which case the contract most often does not grant ownership over a physical asset.

The term “timeshare” covers a continuum of arrangements, ranging from an early prepayment of future holidays to real estate investment arrangements that vary from country to country and are highly dependent on the existing legal and tax setting.

Schematically, one may say that there are three major types of arrangements: (a) deeded ownership, (b) the “righttouse” type of ownership and (c) the membership system, subject to roughly the same conditions: an initial payment, and annual fees, including (a) annual management fees, (b) annual maintenance fees, (c) property taxes, (d) insurance and (e) occasional fees (special assessments) for major repairs and property refurbishment.

The number of timeshare units can be established more easily than that of vacation homes. This is because the specialized entities that are usually in charge of managing such rentals are thus able to report on the number of paidfor units which were actually rented.
Box VI.8

**Estimation of timeshare and vacation homes services: example of Egypt**

Two surveys were conducted with the assistance of the timeshare department of Egypt’s Ministry of Tourism: one focused on touristic villages with units of timeshare with a view to exploring the average imputed rent value and occupancy days, and the other covered on a sample of timeshare companies that were operating that kind of unit to obtain information on the annual fees paid by beneficiaries for use of timeshare facilities (e.g., linen and cleaning services).

As for vacation homes and furnished rented apartments, through the conduct of the Central Agency for Public Mobilization and Statistics (CAPMAS) survey of income, expenditure and consumption of households, was used to calculate the number of each kind of unit, the time of usage and the average rent could be calculated.

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*Source: Ministry of Tourism of Egypt (2011).*