CHAPTER 15B

Timeshare Loan Securitization

Tara E. Castillo Mark W. Harris^{*}

Chapter Contents

- § 15B.01 Introduction
- § 15B.02 The Collateral
 - [1] Types of Timeshare Ownership
 - [a] Deeded Contracts
 - [b] "Right to Use"
 - [c] Points-Based Vacation Club
 - [2] Certain Economic Risks for VOIs
 - [a] Uninsured Losses and Natural Disasters
 - [b] International Resort Operations
- § 15B.03 Typical Transaction Structure
 - [1] Entitites and Legal Effect
 - [2] Rule 144A/Regulation S Markets and their Advantages
 - [3] Structuring Bank and Rating Agency Considerations
 - [a] Importance of the Originator and Servicer
 - [b] Resorts and Resort Management

^{*} Tara E. Castillo is a partner at Alston & Bird LLP, a member of its Finance practice group and leader of its Structured & Warehouse Finance team in the Washington, D.C. and New York offices. Mark W. Harris is a partner at Alston & Bird LLP and a member of its Finance practice group in the Dallas office.

The authors want to acknowledge the contribution of Bradford Patterson in the preparation of this chapter. Bradford is a Senior Associate at Alston & Bird LLP and a member of its Finance practice group in the Dallas office.