**Condo Hotel or Timeshare?**

Why a condo hotel is a better choice for those interested in purchasing a vacation residence?

"Timeshare" is a common word. Most people know what it is and what it means to purchase one. "Condo-hotel", however, is a term still unfamiliar to many people. The descriptions are quite similar a timeshare gives you partial ownership in a vacation property, a condo-hotel is a resort condominium unit also available for purchase.

Because the definitions are so similar, most people don’t think there’s much difference between a timeshare and a condo-hotel. But there are significant differences that could affect your decision if you’re considering purchasing a timeshare.

Timeshares became popular in Europe in the 1960’s when most people found themselves unable to afford purchasing vacation homes. A ski resort developer in the French Alps is credited with being the first to offer his guests the opportunity to "stop renting a room" and instead "buy the hotel". Since then, timeshares have become an increasingly popular way for people to own a vacation spot.

Condo Hotels, on the other hand, are just beginning to increase in popularity and demand. Though the most well-known and popular condo-hotels are in Southern Florida, they are being developed all around the world.

So now, if you’re in the market for a vacation home, you have a couple of choices. But how do you choose? Here are some of the important differences between timeshares and condo-hotels. Differences that you may find make a condo-hotel unit the more appealing choice.

**Condo Hotel Verse Time Share Usage**

If you own a timeshare, you often own exactly that – time: specific dates during which you can use a specific resort or network of resorts. That can pose some scheduling challenges if you’re not able to get the same week or two off of work every year. If that’s the case, you can trade your time through several timeshare networks, but it takes, well, time to do. Time to find a good network, time to find someone who wants to trade. If you want to exchange your time, you have to do it through a network that your timeshare is affiliated with. Most timeshares are only affiliated with one network, which reduces your chances of finding someone willing to trade. In addition, trading time costs money. Most timeshare networks charge a fee for every “transaction”.
Owning a condo hotel means your time is already flexible. You can stay at your condo during the same weeks every year if you’d like. But if your schedule is unpredictable, you have the option of staying whenever you’d like. And when you’re not in your condo, you can have the hotel’s management company rent it to hotel guests. They share the rental fee with you, which can help cover some of your ownership costs.

Some timeshares offer what’s called “floating time”. Floating time means you’re not locked into specific dates. The challenge is that you’re competing with several other people. Any one of them could reserve the dates you want before you get them. So, while floating time offers some flexibility, it also means you run the risk of not finding an open date that coincides with your schedule.

When you own a unit in a condo hotel, you’re the only owner. That means that, when it comes to reserving dates, you get first choice. Yes, others can rent your condo if you’re not there, but you’re not competing with them, because it’s your condo.

**Condo Hotel Verse Time Share Upkeep**

Most timeshare units require the “owners” to share the responsibilities of maintenance and upkeep of not only the unit, but the common areas of the resort as well. Timeshare owners must often elect people to a homeowners’ association that, in turn, handles maintenance, oversees the expenses of the property, and selects a resort management company.

By comparison, a condo hotel already has a management company in place to oversee the hotel and resort aspects of the property. This management company also assumes responsibility for the maintenance and upkeep of your condo unit when you’re not there. Most condominium hotels, because they are also five-star resorts, have daily cleaning services and a full-time maintenance staff. This frees you, and the other condo owners, from the responsibility of electing a homeowners association, or finding a management company.

**Resale value**

In an article titled "Time and Again: Buying and Selling Timeshares and Vacation Plans" the Federal Trade Commission is quick to point out that if you purchase a timeshare and later decide to sell it, it will likely sell for “a good deal lower than what you paid.”. While neither timeshares nor condo hotel units are meant to be strictly investment properties, the fact is, most people want to purchase property that will appreciate over time.
In contrast, though condo hotels are a relatively new concept, all indications are that re-sale values will increase (significantly in some cases). One reason for the difference in resale value is that a condo hotel is an actual residence. When you purchase a condo hotel unit, you’re not buying something as ambiguous as time, you’re buying real property. This fact alone makes a condo hotel unit more appealing than a timeshare.

Though there are many other differences between condo hotels and timeshares, these are the most important and most universal.

Ref.: http://searchwarp.com/swa50023.htm

**Condo or Condotel - What is the Difference?**

The word condotel is relatively new to the real estate vocabulary, but it is an important term for buyers to understand if they are interested in purchasing a condo in a resort location. High rise condos overlooking beautiful stretches of coastal shoreline have long been a favorite type of real estate for second homes, vacation getaways, real estate investments, and for those who are looking for a new type of well located, low maintenance, luxury home. The introduction of condotels has created a new dimension to the typical condo that will be explained in this article.

What is a Condotel?

To begin with, we need to understand what a condotel is and how it differs from a standard condo. Sometimes referred to as condo hotels or hotel-condos, this popular new type of real estate consists of high rise condos that are operated and managed as luxury hotels. This means that the condo units are individually owned, but branded together as a Westin, Ritz-Carlton, or other luxury hotel chain.

The typical luxury high rise condominium lacks this same luxury hotel branding and marketing, which sets a condotel apart from standard condos. The hotel works as the management company for the building, scheduling short term or long term stays around the times that you are occupying your condo. In addition, you get all of the luxuries of a world class hotel at home. Room service, gym and spa facilities, and a friendly staff to help answer your questions are just a few of the added perks that are missing from most traditional condo towers.
Advantages of a Condotel Over Condo Ownership

There are many reasons why condo hotels have become so popular over the last few years, especially when compared to a typical condo purchase.

Headache Free Investment Property or Second Home

When it comes to furnishing, maintaining, or renting out your hotel condominium, you are free from the decision making process. The hotel management company maintains the condo as they would any hotel room in one of their prestigious locations. This means that design and décor is kept similar from condo to condo, and the day to day running of the hotel takes the burden of making sure your property is well maintained out of your hands, while ensuring rental income when you are not using the property yourself.

Tax Advantages

Condo-hotel ownership that is not used as a primary residence can have an accelerated depreciation schedule that reduces the 39 year period to 27.5 years, 15, and even as little as 5 years. This accelerated depreciation means significant tax bill reductions in the years it is used. Your accountant will be able to explain how this can be helpful when applied to your specific financial situation and tax expectations.

Disadvantages of a Condotel

There are a few differences potential condotel owners need to know about before they decide to make their purchase. To begin with, many people prefer to add their own personal touches to their second homes and vacation properties. This isn’t possible with a condo hotel because the décor is mandated by the hotel to ensure that rooms are similar in look and amenities across the entire complex. In addition, those owners who would like to spend time in their condotel must make reservations weeks ahead of time for their own properties because the hotel service may book the room far in advance.

Now that you have a better understanding of what condotel means and how they differ from an average condo, you can make the decision as to what type of real estate will work best for you.

Ref.: http://www.articlemonster.com/finance/real-estate/condo-or-condotel-what-is-the-difference.html
What is the difference between a condo hotel and a timeshare property?

Condo hotels and timeshares are not the same thing! When participating in a timeshare you are a very small owner with only a right to use. With condo hotels, you are the full owner and receive an actual deed to the property.