

A Brief History of Timeshare at Elmers Court (1981–Present)

1. Introduction

The timeshare scheme at Elmers Court began in **1981**, initiated by **Vic Read**, a local entrepreneur. At the time, the concept of timeshare was well-established in **North America**, particularly in the **United States and Mexico**, but was **relatively new in the UK**.

2. Structural Challenges from the Outset

Timeshare success in countries like Mexico relied on two key factors:

- A **favourable climate** with a large number of "high season" weeks (e.g., Cancun has nearly all weeks in high demand).
- A **finite commitment**, typically ending in about **30 years**.

In contrast:

- The UK climate only offers limited "high season" weeks — essentially only during **school holidays**.
- Elmers Court timeshares were set with an **80-year end date**, making the commitment **multi-generational**.

As a result, a significant portion of weeks at Elmers Court were classified as **"low season"**, reducing their resale value and long-term appeal.

3. Ownership Transitions and Emerging Issues

Between **1981 and the mid-1990s**, ownership of the timeshare operation changed hands:

- **Vic Read** (Founder) – eventually **bankrupted**.
- A **local caravan company** briefly took over.
- Around **1985**, **MRL**, initially in partnership with **Barratt Developments**, assumed control.
- By the **mid-1990s**, **MRL became the sole Founder Member**.

4. Owner Disillusionment

By the **mid-1990s**, many owners — now aged in their 70s and 80s — discovered that:

- Their timeshare, originally promoted as a **"saleable asset"**, could **not be sold or even given away**.
- With decades still remaining, the obligation to pay **annual maintenance fees** could potentially extend **beyond their children's lifetimes**.

As a result:

- **Defaults on maintenance fees increased.** Leading to increased maintenance fees to cover these costs.
- **MRL**, on behalf of the Club, occasionally pursued legal action — but courts often favoured elderly owners, recovering little.

5. Initial Efforts to Address the Problem (2010)

In **2010**, MRL, in agreement with the Committee, introduced a **voluntary "hand-back" scheme**:

- If the **majority of owners** in a unit wished to leave, and the few wishing to remain could be **relocated to another unit**, MRL would **take back the unit**.
- This scheme saw partial success, particularly in the **Henry Tudor block**.

6. The Points-Based Scheme (2014)

By **2014**, the hand-back scheme had not resolved the growing problem. A new scheme was introduced:

- All owners were allocated **points** based on the **value of their original unit**.
- Owners could **exit** by paying a fee equivalent to **four times the annual management fee**, with **25% of that fee going to the Club's Sinking Fund**.
- The plan allowed exits only when **the number of owners wishing to leave exceeded the total weeks available in a unit**.

Flaws in the System

- The scheme failed to account for the **imbalance**: far more **low season** owners wanted to exit than the typical high/low season mix in a unit.
- It was **expected** that owners removed through this scheme could use their points to secure an **equivalent week**, either at Elmers Court or another MRL resort.
- **In practice, this has not been honoured.**

7. Actions by MRL That Exacerbated the Situation

Several MRL decisions have worsened the situation:

1. **Pushing for annual hand-backs**, despite the agreement being for bi-annual arrangements.
2. **Failing to reinvest** funds received into refurbishing units taken back.
3. **Introducing additional incentives** (e.g., a free exit after five years) at **no benefit to the Club** but with **additional cost to the members**.

8. The Current Landscape

Although all owners are now considered to have "former fixed weeks", there are essentially **two distinct groups**:

Group 1 – Owners with Units Still in the Club

- A minority want to **sell**, but not at the current prices.
- Seeking a **fairer and more transparent maintenance fee structure**.
- Interested in an **efficient in-house exchange and rental system**.

Group 2 – Owners Whose Units Have Been Removed

- Many want to **exit** but find the current exit cost prohibitive.
- Some are willing to **stay**, but only if their points can be **redeemed for equivalent value** in a **refurbished unit** at Elmers Court or another MRL resort.
- Also seek a **fairer fee structure** and a functional **exchange/rental system**.

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