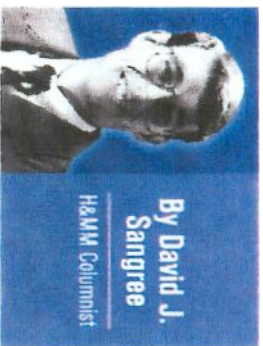


# Hotel condominium sales grow at indoor waterpark resorts

**C**ondominium hotels are the talk of the hotel industry, and there has been an increasing trend toward adding condominium units to existing and proposed indoor waterpark resorts.



By David J. Sangre  
H&MM Columnist

The table indicates the indoor waterpark resorts with

condominium units in the Mid-

west, where a majority of indoor waterpark resorts are. Compared with other parts of the country, such as Florida, the number of hotel condominium units is rather limited in Midwestern states.

However, condominium units at resorts with special amenities like indoor waterparks have been increasing in Midwestern states.

These indoor waterpark resorts represent two types of condominium hotel developments. A majority of them include hotel rooms owned by the resort as well as condominium units owned by individual owners.

The other type is the entirely condominium property such as Timber Ridge in Lake Geneva, Wis. This property is operated by the Marcus Corp., which also operates the adjacent Lake Geneva Resort.



International Society of Hospitality Consultants



The nine properties sold their hotel condominium units for a range of \$135 to \$454 per square foot. Sale prices for indoor waterpark resort condominium units have ranged from \$250,000 to \$900,000 for a two- to four-bedroom unit. The wide range in price is due to the differences in amenities, location and pricing strategy. The units typically come furnished and the prices include that. The

Kalahari condominium units at both locations are three-bedroom lockout units that can be rented as individual guestrooms. In all of these properties, the hotel management company offers the condominium owner the opportunity to provide rental services on a nightly basis at a management fee of between 32 percent and 50 percent of room revenue. The buyer of the condominium unit typically utilizes the unit only two to three weeks per year and hopes to achieve income from the rental to pay off the mortgage and earn a profit. The hotel company includes the condominium unit in its rental pool at all times, except when the unit's owner is utilizing it.

Many indoor waterpark resorts in the Midwestern states have used the sale of condominium hotel units to fund construction of resort improvements. There are a number of proposed resort projects where the money raised from the sale of the condominium units will pay for most or all of the new development.

The developer typically maintains ownership in common-area facilities, including restaurants, meeting space and indoor waterparks, and also has the ability to manage the facility. Most expenses for operating the hotel are paid out of the management company's share of the rental revenue, including various operating departments. Condominium owners typically pay for their share of taxes,

common-area expenses, utilities, administrative expenses and replacement of furniture, fixtures and equipment.

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*Source: US Realty Consultants (216-221-9191)*

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## Midwestern indoor waterpark resorts with condominiums

Condominium development	Location
Grand Bear Lodge at Starved Rock (U/C)	Utica, IL
Boyer Mountain Grand Lodge (U/C)	Boyer Falls, MI
Double JJ Ranch (U/C)	Rothbury, MI
Kalahari Resort Sandusky (U/C)	Sandusky, OH
Wilderness & Wilderness on the Lake	Lake Delton, WI
Kalahari Resort Wisconsin Dells	Lake Delton, WI
Chula Vista Resort (U/C)	Wisconsin Dells, WI
Timber Ridge	Lake Geneva, WI
Blue Harbor Resort	Sheboygan, WI

Note: U/C - Under Construction

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