



FREQUENTLY ASKED QUESTIONS

Q. WHAT IS FRACTIONAL REAL ESTATE OWNERSHIP?

A. Each owner is deeded an interest (fraction) of a specific condominium residence. They then pay a monthly or annual maintenance fee and annual real estate taxes based on their ownership. All the other related concerns of vacation home ownership or second home ownership including maintenance and furnishings replacement are left to the property management company.

Q. WHY SHOULD I PURCHASE FRACTIONAL REAL ESTATE OWNERSHIP?

A. Most people recognize that spending more than a couple of months a year at their vacation home is impractical. With fractional real estate ownership you get the quality and level of luxury you want and only pay for the time you actually plan to visit the residence. You never have to be concerned with finding renters for the months you're not there or worry about maintenance.

Q. WHY ARE FRACTIONAL REAL ESTATE OWNERSHIP RESIDENCES BEING DEVELOPED AS AN INTEGRAL PART OF THE HARBORWALK VILLAGE MASTER PLAN?

A. The Emerald Grande fractional real estate ownership plan was designed specifically to enhance the benefits of home ownership with the amenities and services of a luxury hotel. Owners will experience the comforts and services the most luxurious condominiums do not offer. This level of ownership enables the purchaser to maintain the delicate balance between how much leisure use they desire, with a financial commitment commensurate with their needs. Fractional real estate ownership meets the owner's goals described above and the needs of the community by adding an increased number of deeded owners that will use their residence more frequently, thus adding commerce to the HarborWalk Village retail and entertainment venues.

Q. HOW IS FRACTIONAL REAL ESTATE OWNERSHIP DIFFERENT THAN TIMESHARE OWNERSHIP?

A. Fractional real estate ownership properties are typically located in world-renown resort locations where prime real estate is coveted and in extremely short supply. The residences are characteristically larger and far more luxurious than timeshare accommodations and offer a significantly higher level of personal services, exclusivity and sophistication. Deeded fractional real estate ownership is evaluated as an alternative real estate purchase by the savvy investor who enjoys that specific location and would like to take advantage of the flexibility of using the residence and resort as their needs dictate. Letting family or business associates enjoy the additional time or take advantage of the rental management option are attractive alternatives to the owner's personal use. Whether deeded or right to use, timeshare is really a "pre-paid" vacation plan to be used or exchanged to varying locations.

Q. ARE THERE ANY DIFFERENCES BETWEEN FRACTIONAL RESIDENCE OWNERS AND WHOLE RESIDENCE OWNERS?

A. No; other than the fractional owner has specific deeded ownership use rights during rotating times throughout the year. Each owner has full access to every feature and amenity Emerald Grande has to offer when they are in residence.

Q. WHO WILL MANAGE OPERATIONS OF THE EMERALD GRANDE?

A. Property management and operations will be performed by Legendary Hospitality. The management company will manage all hospitality functions; guest check-in, food, beverage and catering services, housekeeping, maintenance and all resort and spa facilities.

Q. CAN A FRACTIONAL REAL ESTATE OWNER RENT THEIR UNUSED TIME?

A. Yes, the opportunity exists for their residence to be rented through the in-house rental management company or on their own. Additionally, their unused allocated ownership time can be gifted to friends, family or business associates.

- Q. WILL FRACTIONAL REAL ESTATE OWNERSHIP BE DEEDED OWNERSHIP?**
- A.** Yes; fractional real estate ownership is identical to whole ownership with regard to the options that exist when purchasing real estate; the ability to re-sell, rent, will or gift to family members. The only subtle difference is that the fractional owners will allow the management company the task of professionally managing and refurbishing the residence.
- Q. HOW WILL OWNERSHIP OF A CONDOMINIUM IN THE FRACTIONAL REAL ESTATE OWNERSHIP PLAN BE CONVEYED?**
- A.** Title is conveyed to the fractional real estate owner and is evidenced by a deed, which is recorded and guaranteed by a title insurance policy. Each owner receives a fee simple interest in a specific condominium residence including the elegant furnishings and accessories.
- Q. HOW DO FRACTIONAL OWNERS RESERVE THE USE OF THEIR RESIDENCE?**
- A.** To avoid the uncertainty of a first-come, first-serve reservation process, owners will be provided with a calendar detailing their reserved allocation for several years in advance. Any of the allocated time they choose not to occupy can be entered into the rental program.
- Q. WILL FRACTIONAL OWNERS ALWAYS STAY IN THE SAME RESIDENCE?**
- A.** Yes, as long as owners utilize their reserved time allocated during each season, they will be entitled to reside in their deeded residence.
- Q. CAN MORE THAN ONE FAMILY OR INDIVIDUAL OWN A FRACTIONAL INTEREST?**
- A.** Yes; more than one family or individual may own a fractional interest. However, it will be up to the joint owners to determine on their own who will occupy the residence during their reserved time of the year. Many of the residences are large enough to accommodate more than one family during a visit.
- Q. WILL THE EMERALD GRANDE RESIDENCES BE OPEN TO THE PUBLIC?**
- A.** Yes, but only through the resort rental program. The residential floors, the resort amenities and the Grande Vista Pool Deck of the Emerald Grande are for the exclusive use of its deeded owners, their guests or registered rental guests. The design of Emerald Grande will give access only to the above parties. HarborWalk Village is open to the public and it is designed for the entire Destin community and all Emerald Coast tourists visiting the area 365 days per year.
- Q. WILL FINANCING BE AVAILABLE FOR THE PURCHASE OF FRACTIONAL REAL ESTATE OWNERSHIP INTERESTS?**
- A.** Yes; fractional real estate ownership purchasers will be provided with the option to finance their interest similar to financing the purchase of a whole ownership residence. The terms and underwriting for this financing option will be made available, at the time of contracting, for reservation holders.
- Q. WHAT IS THE QUALITY OF THE EMERALD GRANDE'S CONSTRUCTION, FURNITURE AND ACCESSORIES?**
- A.** The construction of the Emerald Grande is of the highest quality and meets or exceeds all current building codes including the latest stringent hurricane construction codes. The building design was extensively wind tunnel tested prior to final architectural engineering. Additionally, the accessory package includes all electronic appliances, televisions, DVD players, stereos, bedding, linens, kitchen utensils, cookware, flatware, glassware, silverware, window coverings, drapery, blinds, wall hangings, patio furniture; decor accent pieces. The finest furniture items available in today's market are offered.
- Q. MUST I PLACE MY CONDOMINIUM (OR FRACTIONAL INTEREST) IN A RENTAL POOL?**
- A.** No; an owner is not required to participate in a rental pool, nor is any owner required to rent his or her condominium at all. If an owner chooses to rent his or her condominium or interest, the owner may do so using anyone he or she likes as a broker, or the owner may rent it without a broker. However, Legendary Hospitality will have a comprehensive program for rentals if an owner chooses to use Legendary Hospitality.