

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2020

OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number 0-19292

BLUEGREEN VACATIONS CORPORATION

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction of
incorporation or organization)

03-0300793

(I.R.S. Employer
Identification No.)

4960 Conference Way North, Suite 100, Boca Raton, Florida 33431

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (561) 912-8000

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of Each class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$0.01 par value	BXG	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer

Accelerated Filer
Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant as of June 30, 2020, the last trading day of the registrant's most recently completed second fiscal quarter, was \$28.3 million (based on the closing sale price of the common stock on that date on the New York Stock Exchange).

As of February 26, 2021, there were 72,484,293 shares of the registrant's common stock, \$0.01 par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement for its 2021 Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, are incorporated by reference into Part III of this Annual Report on Form 10-K.

BLUEGREEN VACATIONS CORPORATION
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PART I

Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Forward-looking statements include all statements that do not relate strictly to historical or current facts and can be identified by the use of words such as “anticipates,” “estimates,” “expects,” “intends,” “plans,” “believes,” “projects,” “predicts,” “seeks,” “will,” “should,” “would,” “may,” “could,” “outlook,” “potential,” and similar expressions or words and phrases of similar import. Forward-looking statements include, among others, statements relating to our future financial performance, business prospects and strategy, anticipated financial position, liquidity and capital needs and other similar matters. These statements are based on management’s current expectations and assumptions about future events, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those expressed in, or implied by, the forward-looking statements as a result of various factors, including, among others:

These risks and uncertainties include, but are not limited to:

- ⌚ adverse trends or disruptions in economic conditions generally or in the vacation ownership, vacation rental and travel industries;
- ⌚ risks relating to public health issues, including in particular the Coronavirus Disease 2019 (“COVID-19”) pandemic and the effects of the pandemic. These risks include resort closures, travel and business restrictions, volatility in the international and national economy and credit markets, worker absenteeism, quarantines and other health-related restrictions; risks associated with the length and severity of the COVID-19 pandemic and our ability to successfully resume full business operations thereafter, governmental and agency orders, mandates and guidance in response to the COVID-19 pandemic and the duration thereof, which is uncertain and will impact our ability to fully utilize resorts, sales centers and other marketing activities and the pace of recovery following the COVID-19 pandemic; other risks include competitive conditions, liquidity and the availability of capital; our ability to successfully implement our strategic plans and initiatives to navigate the COVID-19 pandemic; risks that our current or future marketing alliances may not be available to us in the future; risks that default rates may increase and exceed our expectations; risks related to our indebtedness, including the potential for accelerated maturities and debt covenant violations; the impact of the pandemic on our dividend policy; the risk of heightened litigation as a result of actions taken in response to the COVID-19 pandemic; the impact of the COVID-19 pandemic on consumers, including their income, their level of discretionary spending both during and after the pandemic, and their views regarding travel and the vacation ownership industries; and the risk that our resort management fees and finance operations may not continue to generate recurring sources of cash during or following the pandemic to the extent anticipated or at all;
- ⌚ adverse changes to, expirations or terminations of, or interruptions in, and other risks relating to our business and strategic relationships, management contracts, exchange networks or other strategic marketing alliances, and the risk that our business relationship with Bass Pro under the revised terms of our marketing agreement and our relationship with Choice Hotels may not be as profitable as anticipated, or at all, or otherwise result in the benefits anticipated;
- ⌚ the risks of the real estate market and the risks associated with real estate development, including a decline in real estate values and a deterioration of other conditions relating to the real estate market and real estate development;
- ⌚ adverse events or trends in vacation destinations and regions where the resorts in our network are located, including weather-related events and adverse conditions related to the COVID-19 pandemic;
- ⌚ decreased demand from prospective purchasers of vacation ownership interests (“VOIs”);
- ⌚ our ability to maintain desired amounts of inventory of VOIs for sale;

- ① the availability of financing, our ability to sell, securitize or borrow against our VOI notes receivable on acceptable terms; and our ability to successfully increase our credit facility capacity or enter into capital market transactions or other alternatives to provide for sufficient available cash for a sustained period of time;
- ① our indebtedness may impact our financial condition and results of operations, and the terms of our indebtedness may limit, among other things, our activities and ability to pay dividends, and we may not comply with the terms of our indebtedness;
- ① changes in our senior management;
- ① our ability to comply with regulations applicable to the vacation ownership industry or our other activities, and the costs of compliance efforts or a failure to comply;
- ① our ability to successfully implement our marketing strategies and plans and the impact they may have on our results and financial condition, including that efforts to increase developed VOI sales, may not be successful and may adversely impact our cash flow;
- ① our ability to compete effectively in the highly competitive vacation ownership industry and against hotel and other hospitality and lodging alternatives;
- ① our ability to offer or further enhance the Vacation Club experience for our Vacation Club owners and risks related to our efforts and that expenses in connection therewith, including that they may not result in the benefits anticipated and expenses may be greater than anticipated;
- ① our customers' compliance with their payment obligations under financing provided by us, the increased presence and efforts of "timeshare-exit" firms and the success of actions which we may take in connection therewith, and the impact of defaults on our operating results and liquidity position;
- ① the ratings of third-party rating agencies, including the impact of any downgrade on our ability to obtain, renew or extend credit facilities, or otherwise raise funds;
- ① changes in our business model and marketing efforts, plans or strategies, which may cause marketing expenses to increase or adversely impact our revenue, operating results and financial condition, and such expenses as well as our investments, including investments in new and expanded sales centers, and other sales and marketing initiatives, including screening methods and data driven analysis, may not achieve the desired results;
- ① technology and other changes and factors which may impact our telemarketing efforts, including new cell phone technologies that identify or block marketing vendor calls;
- ① the impact of the resale market for VOIs on our business, operating results and financial condition;
- ① risks associated with our relationships with third-party developers, including that third-party developers who provide VOIs to be sold by us pursuant to fee-based services or just-in-time arrangements may not provide VOIs when planned and developers may not fulfill their obligations to us or to the homeowners associations that maintain the resorts they developed;
- ① risks associated with legal proceedings and regulatory proceedings, examinations or audits of our operations, including claims of noncompliance with applicable regulations or for development related defects, and the impact they may have on our financial condition and operating results;
- ① audits of our or our subsidiaries' tax returns, including that they may result in the imposition of additional taxes;
- ① environmental liabilities, including claims with respect to mold or hazardous or toxic substances, and their impact on our financial condition and operating results;
- ① risks that natural disasters, including hurricanes, earthquakes, fires, floods and windstorms may adversely impact our financial condition and operating results, including due to any damage to physical assets or interruption of access to physical assets or operations resulting therefrom, and the frequency or severity of natural disasters may increase due to climate change or other factors;
- ① our ability to maintain the integrity of internal or customer data, the failure of which could result in damage to our reputation and/or subject us to costs, fines or lawsuits;
- ① risks related to potential business expansion or other opportunities that we may pursue, including that they may involve significant costs and the incurrence of significant indebtedness and may not be successful;

- ② the updating of, and developments with respect to, technology, including the cost involved in updating our technology and the impact that any failure to keep pace with developments in technology could have on our operations or competitive position, and our information technology expenditures may not result in the expected benefits;
- ② the impact on our consolidated financial statements and internal control over financial reporting of the adoption of new accounting standards; and
- ② other risks and uncertainties inherent to our business, the vacation ownership industry and the ownership of our common stock, including those discussed in the “Risk Factors” section of, and elsewhere in, this Annual Report on Form 10-K.

These and other risks and uncertainties disclosed in this Annual Report on Form 10-K are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in or implied by any of the forward-looking statements. Other unknown or unpredictable factors could cause our actual results to differ materially from those expressed in any of the forward-looking statements. In addition, past performance may not be indicative of future results, and comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, and all such information should only be viewed as historical data.

Given these uncertainties, you are cautioned not to place undue reliance on forward-looking statements. You should read this Annual Report on Form 10-K with the understanding that actual future results, levels of activity, performance trends, and events and circumstances may be materially different from what we expect. We qualify all forward-looking statements by these cautionary statements.

Forward-looking statements speak only as of the date of this Annual Report on Form 10-K.

Terms Used in this Annual Report on Form 10-K

Except as otherwise noted or where the context requires otherwise, references in this Annual Report on Form 10-K to “Bluegreen Vacations,” “Bluegreen,” “the Company,” “we,” “us” and “our” refer to Bluegreen Vacations Corporation, together with its consolidated subsidiaries.

References to “EBITDA” means earnings, or net income, before taking into account interest income (excluding interest earned on VOI notes receivable), interest expense (excluding interest expense incurred on debt secured by our VOI notes receivable), income and franchise taxes and depreciation and amortization. References to “Adjusted EBITDA” means EBITDA, adjusted to exclude loss (gain) on assets held for sale, and other items that we believe are not representative of ongoing operating results. Accordingly, we exclude severance charges net of employee retention tax credits, incremental costs associated with the COVID-19 pandemic, and amounts paid, accrued or incurred in connection with the Bass Pro settlement in June 2019 in the computation of Adjusted EBITDA. For purposes of the EBITDA and Adjusted EBITDA calculations for each period presented, no adjustments were made for interest income earned on our VOI notes receivable or the interest expense incurred on debt that is secured by such notes receivable because they are both considered to be part of the ordinary operations of our business. References to “Adjusted EBITDA Attributable to Shareholders” means Adjusted EBITDA excluding amounts attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations, LLC (“Bluegreen/Big Cedar”) (in which we own a 51% interest). Refer to “Part II—Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Business and Financial Metrics Used by Management” for further discussion of EBITDA, Adjusted EBITDA, Adjusted EBITDA Attributable to Shareholders and certain other financial metrics which we believe represent important operating measures.

Market and Industry Data

Market and industry data used in this Annual Report on Form 10-K have been obtained from our internal surveys, industry publications, unpublished industry data and estimates, discussions with industry sources and other currently

available information. The sources for this data include, without limitation, the American Resort Development Association. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. We have not independently verified such data. Similarly, our internal surveys, while believed by us to be reliable, have not been verified by any independent sources. Accordingly, such data may not prove to be accurate.

Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward-looking statements contained in this Annual Report on Form 10-K, as described above.

Trademarks, Service Marks and Trade Names

We own or have rights to use a number of registered and common law trademarks, trade names and service marks in connection with our business, including, but not limited to, Bluegreen, Bluegreen Resorts, Bluegreen Vacations, Bluegreen Traveler Plus, Bluegreen Vacation Club, Bluegreen Wilderness Club at Big Cedar and the Bluegreen Logo. This Annual Report on Form 10-K also refers to trademarks, trade names and service marks of other organizations. Without limiting the generality of the preceding sentence, World Golf Village is registered by World Golf Foundation, Inc.; Big Cedar, Cabela's and Bass Pro Shops are registered by Bass Pro Trademarks, LP; Ascend, Ascend Hotel Collection, Ascend Resort Collection, Choice Privileges, Comfort Inn, Comfort Suites, Quality, Sleep Inn, Clarion, Cambria, MainStay Suites, Econo Lodge and Rodeway Inn are registered by Choice Hotels International, Inc.; and Suburban Extended Stay Hotel is registered by Suburban Franchise Systems, Inc. All trademarks, service marks or trade names referred to in this Annual Report on Form 10-K are the property of their respective holders. Solely for convenience, the trademarks, trade names and service marks referred to in this Annual Report on Form 10-K appear without the ® and ™ symbols, but such references are not intended to indicate in any way that we or the owner will not assert, to the fullest extent under applicable law, all rights to such trademarks, trade names and service marks.

Summary of Risk Factors

The following is a summary of the material risks described in Part I, Item 1A "Risk Factors" of this Annual Report on Form 10-K. While we believe that the risks described in the "Risk Factors" section are those that are material to investors, other factors not presently known to us or that we currently believe are immaterial may also adversely affect us, perhaps materially. The following summary should not be considered an exhaustive summary of the material risks facing us, and it should be read in conjunction with the "Risk Factors" section and the other information contained in this Annual Report on Form 10-K. The items discussed below and in the "Risk Factors" section of this Annual Report on Form 10-K involve or contain forward-looking statements. You should refer to the explanation of the qualifications and limitations on forward-looking statements described above.

Risks Related to Our Business and the Vacation Ownership Industry

- ① We are subject to the business, financial and operating risks inherent to the vacation ownership industry.
- ① Our business and operations, including our ability to market VOIs, may be adversely affected by general economic conditions and conditions affecting the vacation ownership industry and the availability of financing.
- ① The COVID-19 pandemic has adversely impacted our business and results, and the future effects of the pandemic are uncertain and will depend on future developments.
- ① We may not be able to compete successfully in the highly competitive vacation ownership industry.
- ① We generate significant sales from our strategic partnerships and relationships and are subject to risks related to those partnerships and arrangements, including if they are terminated or not renewed, or are not as successful as anticipated.
- ① We are subject to risks related to our ability to comply with applicable laws, rules and regulations, the costs of compliance or any failure to comply, and changes in laws, rules and regulations.
- ① Our business and results may be impacted if financing is not available on favorable terms, or at all.

- ① Our results and liquidity would be adversely impacted if we experience increased defaults on our notes receivable portfolio.
- ① The ratings of third-party rating agencies could adversely impact our ability to obtain, renew or extend credit facilities, or otherwise raise funds.
- ① We may not market products and services successfully and efficiently.
- ① We may be unable to develop or acquire VOI inventory or enter into and maintain fee-based relationships to source VOI inventory.
- ① Our capital-light business activities may not be successful.
- ① We are subject to risks associated with our management of resort properties and, with respect to properties not managed by us, risks associated with our dependence on the managers of those resorts.
- ① We may not continue to participate in, and our customers may not be satisfied with our, exchange networks and other strategic alliances.
- ① Our business and results could be adversely impacted if maintenance fees increase.
- ① Strategic transactions which we may pursue may not be successful and may have adverse impacts, including diversion of management attention and the incurrence of significant expenses.
- ① The resale market for VOIs could adversely affect our business.
- ① Our insurance policies may not cover all potential losses.
- ① Our business may be adversely impacted by negative publicity, including information spread through social media.

Risks Related to the Real Estate Market and Real Estate Development

- ① We are subject to the risks of the real estate market and real estate development, including a decline in real estate values, a deterioration of other conditions relating to the real estate market and real estate development, and potential environmental liabilities.

Risks Related to our Indebtedness

- ① Our indebtedness could limit our activities and adversely impact our results and financial condition.
- ① Changes to and replacement of the LIBOR benchmark interest rate could adversely affect our results of operations and liquidity.

Risks Related to Technology, Privacy and Intellectual Property Rights

- ① We would be adversely impacted if we fail to maintain the integrity of internal or customer data.
- ① We may not be able to keep pace with technological developments, and the cost involved in updating technology may be significant.
- ① A failure to protect our or our business partners' intellectual property rights could adversely affect our business.

Risks Related to Ownership of our Common Stock

- ① Ownership of our common stock involves risks associated with BVH's control position.
- ① We have suspended the payment of regular quarterly cash dividends on our common stock and may not resume paying dividends in the future.
- ① Provisions in our organizational documents may prevent a change in control, changes in our management and/or depress the trading price of our common stock, and our bylaws contain an exclusive forum provision.
- ① Future sales of our common stock (or the perception of future sales) may cause the market price of our common stock to decline.
- ① We are an "emerging growth company" and a "controlled company" and our reliance or ability to rely on certain exemptions as a result thereof may make our common stock less attractive to investors.

General Risks

- ⌚ Legal and regulatory proceedings could adversely affect our financial condition and operating results.
- ⌚ The loss of key management or personnel could adversely affect our business.
- ⌚ The preparation of our financial statements in accordance with GAAP involves estimates, judgments and assumptions, as to which there are inherent uncertainties, and changes thereto could adversely impact our operating results and financial condition.
- ⌚ Our stock price may be volatile or may decline regardless of our operating performance.
- ⌚ A failure to maintain proper and effective internal controls could have adverse impacts.
- ⌚ Our shareholders' interests may be diluted by future stock issuances.
- ⌚ If securities or industry analysts do not publish research or publish unfavorable research about our business, our stock price and trading volume could decline.

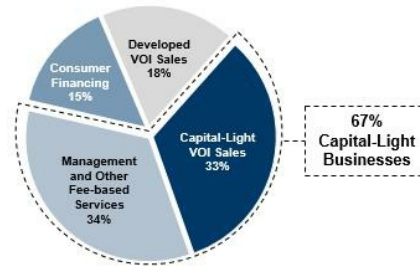
Item 1. Business.

Our Business

We are a leading vacation ownership company that markets and sells VOIs and manages resorts in popular leisure and urban destinations. Our resort network includes 45 Club Resorts (resorts in which owners in the Bluegreen Vacation Club (“Vacation Club”) have the right to use most of the units in connection with their VOI ownership) and 23 Club Associate Resorts (resorts in which owners in our Vacation Club have the right to use only a limited number of units in connection with their VOI ownership). Our Club Resorts and Club Associate Resorts are primarily located in high-volume, “drive-to” vacation locations, including Orlando, Las Vegas, Myrtle Beach, Charleston and New Orleans, among others. Through our points-based system, the approximately 218,000 owners in our Vacation Club have the flexibility to stay at units available at any of our resorts and have access to nearly 11,300 other hotels and resorts through partnerships and exchange networks. We have a robust sales and marketing platform supported by marketing relationships with nationally-recognized consumer brands, such as Bass Pro and Choice Hotels. These marketing relationships are intended to drive sales within our core demographic, which is described below.

Prior to 2009, our vacation ownership business consisted solely of the sale of VOIs in resorts that we had developed or acquired (“developed VOI sales”). While we continue to conduct such sales and development activities, we also derive a significant portion of our revenue from our capital-light business model, with the goal of utilizing our expertise and infrastructure to generate both VOI sales and recurring revenue from third parties without the significant capital investment generally associated with the development and acquisition of resorts. Our capital-light business activities include sales of VOIs owned by third-party developers pursuant to which we are paid a commission (“fee-based sales”) and sales of VOIs that we purchase under just-in-time (“JIT”) arrangements with third-party developers or from secondary market sources. In addition, we provide resorts and resort developers with other fee-based services, including resort management, mortgage servicing, title services and construction management. We also offer financing to qualified VOI purchasers, which generates significant interest income.

2020 Revenue ⁽¹⁾



(1) Excludes "Other Income, Net".

Our Vacation Club has grown from approximately 170,000 owners as of December 31, 2012 to approximately 218,000 owners as of December 31, 2020. The typical Vacation Club owner is 48 years old and has an average annual household income of approximately \$81,000. According to U.S. census data, households with an annual income of \$50,000 to \$100,000 represents approximately 29% of the total population. We believe our ability to effectively scale our transaction size to suit our customer, as well as our high-quality, conveniently-located, "drive-to" resorts are key to attracting our core target demographic.

Our History

We were organized in 1985 as a Massachusetts corporation named Patten Corporation, primarily focused on retail land sales to consumers. In 1994, we entered into the vacation ownership industry. In 1996, we changed our name to Bluegreen Corporation. From 1986 through April 2, 2013, our common stock was publicly listed and traded on the NYSE. On April 2, 2013, Woodbridge Holdings Corporation ("Woodbridge"), a wholly owned subsidiary of Bluegreen Vacations Holding Corporation (NYSE: BVH) ("BVH"), formerly BBX Capital Corporation, acquired all of the shares of our common stock not previously owned by it, and we became a wholly-owned subsidiary of Woodbridge. On March 10, 2014, we were redomiciled from a Massachusetts corporation to a Florida corporation. On September 25, 2017, we changed our name to Bluegreen Vacations Corporation. On November 17, 2017, we consummated an initial public offering of our common stock. Our common stock trades on the NYSE under the symbol "BXG." BVH owns approximately 93% of our issued and outstanding common stock. BVH is a Florida-based publicly traded holding company.

Our Reportable Segments

We report our results of operations through two reportable segments: (i) Sales of VOIs and financing; and (ii) resort operations and club management.

Our sales of VOIs and financing segment includes our marketing and sales activities related to the VOIs that we own, our VOIs we acquire under just-in-time and secondary market inventory arrangements, our sales of VOIs through fee based service arrangements with third-party developers, our consumer financing activities in connection with sales of VOIs that we own, and our title services operations through a wholly-owned subsidiary.

Our resort operations and club management segment includes our provision of management services for the Vacation Club and for a majority of the homeowners associations (“HOAs”) of the resorts within our Vacation Club. In connection with those services, we also provide reservation services, accounting services and billing and collections services to our Vacation Club and certain HOAs. Additionally, we generate revenue within our resort operations and club management segment from our Traveler Plus program, food and beverage and other retail operations, our third-party rental services activities, and the management of construction activities of certain of our fee-based clients.

See “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Note 17: Segment Reporting to our consolidated financial statements included in Item 8 of this Annual Report on Form 10-K for additional information regarding our reportable segments.

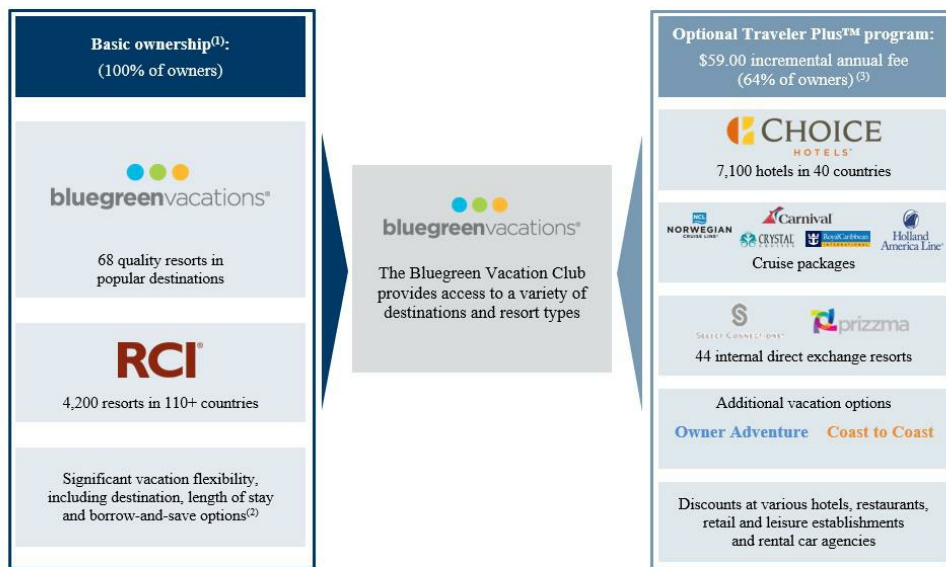
Products

Vacation Ownership Interests

Since entering the vacation ownership industry in 1994, we have generated over 733,000 VOI sales transactions, including over 181,000 fee-based sales transactions. Our Vacation Club owners receive an annual or biennial allotment of “points” in perpetuity (supported by an underlying deeded VOI held in trust for the owner) that may be used to stay at any of our 45 Club Resorts and 23 Club Associate Resorts. Vacation Club owners can use their points to stay in resorts for varying lengths of time, starting at a minimum of two nights. The number of points required for a stay at a resort depends on a variety of factors, including resort location, size of the unit, vacation season and the days of the week. Under this system, Vacation Club owners can select vacations according to their schedules, space needs and available points. Subject to certain restrictions and fees, Vacation Club owners are typically allowed to carry over any unused points for one year and to “borrow” points from the next year.

Each of our Club Resorts and Club Associate Resorts is managed by an HOA, which is governed by a board of directors or trustees. The board hires a management company to which it delegates many of the rights and responsibilities of the HOA, including landscaping, security, housekeeping, garbage collection, utilities, insurance procurement, laundry and repairs and maintenance. Vacation Club owners pay annual maintenance fees which cover the costs of operating all of the resorts in the Vacation Club system, including fees for real estate taxes and reserves for capital improvements. If a Vacation Club owner does not pay such charges, his or her use rights may be suspended and ultimately terminated, subject to the applicable lender’s first mortgage lien, if any, on such owner’s VOI. We provide management services to 49 resorts and the Vacation Club through contractual arrangements with HOAs. We have a 100% renewal rate on management contracts from our Club Resorts.

Our Vacation Club’s points-based platform offers owners significant flexibility. As reflected in the chart below, basic Vacation Club ownership entitles owners to use their points to stay at any of our 45 Club Resorts and 23 Club Associate Resorts, as well as to access more than 4,200 resorts available through the Resort Condominiums International, LLC (“RCI”) exchange network. For a nominal annual fee and transaction fees, Vacation Club owners can join and utilize our Traveler Plus program, which enables them to use their points to access an additional 44 direct exchange resorts, and other vacation experiences. Vacation Club owners can convert their Vacation Club points into Choice Privileges points, which can be used for stays in Choice Hotels’ properties. In addition, Traveler Plus members can directly use their Vacation Club points for stays in Choice Hotels’ Ascend Hotel Collection properties, a network of historic and boutique hotels located in the United States, Canada, Europe, Australia and Latin America. Overall, there are more than 7,100 hotels in the Choice Hotels network, located in over 40 countries and territories, and Choice Hotels’ brands include the Ascend Hotel Collection, Comfort Inn, Comfort Suites, Quality, Sleep Inn, Clarion, Clarion Pointe, Cambria Hotels and Suites, MainStay Suites, Suburban Extended Stay Hotel, Econo Lodge, Rodeway Inn, WoodSpring Suites and Everhome Suites. We continuously seek new ways to provide value to our Vacation Club owners, including enhanced product offerings, new resort locations, broader vacation experiences and further technological innovation, all of which are designed to increase guest satisfaction

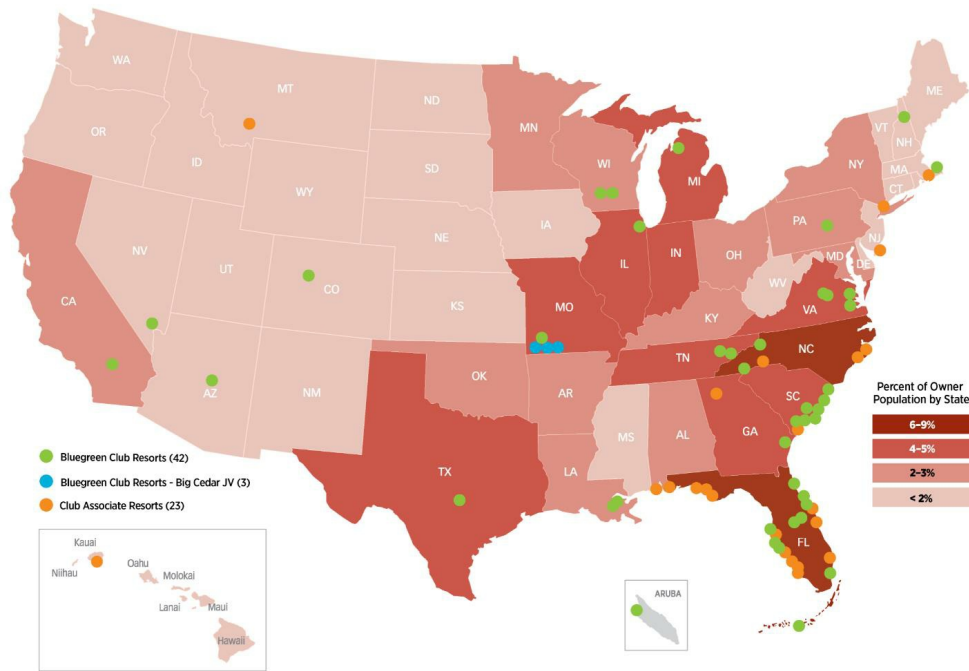


- (1) Requires annual payment of maintenance fees and club dues to the Vacation Club.
 (2) Ability to borrow additional points for 1 year and in most cases rollover up to 1 year's worth of points for a one-time fee.
 (3) Membership as of December 31, 2020.

Approximately 64% of Vacation Club owners were enrolled in Traveler Plus as of December 31, 2020. During the year ended December 31, 2020, approximately 4% of Vacation Club owners utilized the RCI exchange network. Historically, the owner utilization of RCI has been between 4% and 7%.

Vacation Club Resort Locations

As shown in the map below, our Vacation Club resorts are primarily located on the U.S. East Coast and Midwest. The 44 direct-exchange resorts available to Traveler Plus members are concentrated along the West Coast and Hawaii. We believe that, together, this provides a broad geographic offering of resorts available to our Vacation Club owners.



Vacation Club resorts are primarily “drive-to” resort destinations as approximately 88% of our Vacation Club owners live within a four-hour drive of at least one resort. Our resorts are generally located in popular vacation destinations, such as Florida, South Carolina, North Carolina, Tennessee, Virginia, Texas, Louisiana, and Nevada, and represent a diverse mix of resort and urban destinations, allowing Vacation Club owners the ability to customize their vacation experience.

Our resort network also offers a diverse mix of experiences and accommodations. Unlike some of our competitors that maintain static brand design standards across resorts and geographies, we seek to design resorts that capture the uniqueness of a particular location. The goal of our resorts offer authentic experience and connection to the resorts’ unique and varied locations.

Our resorts typically feature condominium-style accommodations with amenities such as fully equipped kitchens, entertainment centers and in-room laundry appliances. Many resorts feature a clubhouse (including a pool, game room, and lounge), hotel-type staff and concierge services.

We also own a 51% interest in Bluegreen/Big Cedar Vacations, which develops, markets and sells VOIs at three premier wilderness-themed resorts adjacent to Table Rock Lake near Branson, Missouri: The Bluegreen Wilderness Club at Big Cedar, The Cliffs at Long Creek and Paradise Point. The remaining 49% interest in Bluegreen/Big Cedar Vacations is held by Big Cedar, LLC (“BC LLC”), an affiliate of Bass Pro. As a result of our controlling interest in Bluegreen/Big Cedar Vacations, our consolidated financial statements include the results of operations and financial condition of Bluegreen/Big Cedar Vacations.

Vacation Club Resorts

	Club Resorts	Location	Total units ⁽¹⁾	Managed by Us ⁽²⁾	Fee-Based or JIT sales ⁽³⁾	Sales center ⁽⁶⁾
1	Cibola Vista Resort and Spa	Peoria, Arizona	343	✓	✓	✓
2	La Cabana Beach Resort & Casino ⁽⁴⁾	Oranjestad, Aruba	449			
3	The Club at Big Bear Village	Big Bear Lake, California	38	✓	✓	
4	The Innsbruck Aspen	Aspen, Colorado	17	✓		
5	Via Roma Beach Resort	Bradenton Beach, Florida	28	✓		
6	Daytona SeaBreeze	Daytona Beach Shores, Florida	78	✓		✓
7	Resort Sixty-Six	Holmes Beach, Florida	28	✓		
8	The Hammocks at Marathon	Marathon, Florida	58	✓		
9	The Fountains, Lake Eve and Oasis Lakes	Orlando, Florida	842	✓	✓	✓
10	Orlando's Sunshine Resort I & II	Orlando, Florida	84	✓		
11	Casa del Mar Beach Resort	Ormond Beach, Florida	118	✓		
12	Grande Villas at World Golf Village & The Resort at World Golf Village	St. Augustine, Florida	214	✓		✓
13	Bluegreen at Tradewinds	St. Pete Beach, Florida	160	✓	✓	✓
14	Solara Surfside	Surfside, Florida	60	✓		
15	Studio Homes at Ellis Square	Savannah, Georgia	28	✓	✓	✓
16	The Hotel Blake	Chicago, Illinois	160	✓	✓	✓
17	Bluegreen Club La Pension	New Orleans, Louisiana	64	✓		(7)
18	Marquee	New Orleans, Louisiana	94	✓	✓	✓
19	The Soundings Seaside Resort	Dennis Port, Massachusetts	69	✓	✓	
20	Mountain Run at Boyne & Hemlock	Boyne Falls, Michigan	205	✓		✓
21	The Falls Village	Branson, Missouri	293	✓		✓
22	Paradise Point Resort ⁽⁵⁾	Hollister, Missouri	150	✓		
23	Bluegreen Wilderness Club at Big Cedar ⁽⁵⁾	Ridgedale, Missouri	433	✓		✓
24	The Cliffs at Long Creek ⁽⁵⁾	Ridgedale, Missouri	106	✓		
25	Bluegreen Club 36	Las Vegas, Nevada	476	✓		✓
26	South Mountain Resort	Lincoln, New Hampshire	116	✓	✓	✓
27	Blue Ridge Village I,II and III	Banner Elk, North Carolina	132	✓		
28	Club Lodges at Trillium	Cashiers, North Carolina	54	✓	✓	
29	The Suites at Hershey	Hershey, Pennsylvania	78	✓		
30	The Lodge Alley Inn	Charleston, South Carolina	90	✓		✓
31	King 583	Charleston, South Carolina	50	✓	✓	
32	Carolina Grande	Myrtle Beach, South Carolina	118	✓		✓
33	Harbour Lights	Myrtle Beach, South Carolina	324	✓		✓
34	Horizon at 77 th	Myrtle Beach, South Carolina	88	✓	✓	
35	SeaGlass Tower	Myrtle Beach, South Carolina	136	✓		
36	Shore Crest Vacation Villas I & II	North Myrtle Beach, South Carolina	240	✓		✓
37	MountainLoft I & II	Gatlinburg, Tennessee	394	✓		✓
38	Laurel Crest	Pigeon Forge, Tennessee	298	✓		✓
39	Eilan Hotel and Spa	San Antonio, Texas	163	✓		✓
40	Shenandoah Crossing	Gordonsville, Virginia	136	✓		✓
41	Bluegreen Wilderness Traveler at Shenandoah	Gordonsville, Virginia	146	✓		
42	BG Patrick Henry Square	Williamsburg, Virginia	130	✓	✓	✓
43	Parkside Williamsburg Resort	Williamsburg, Virginia	107	✓	✓	
44	Bluegreen Odyssey Dells & Pirate's Lodge	Wisconsin Dells, Wisconsin	92	✓		
45	Christmas Mountain Village	Wisconsin Dells, Wisconsin	381	✓		✓
		Total Units	7,868			

	Club Associate Resorts	Location	Managed by Us ⁽²⁾	Fee-Based or JIT sales ⁽³⁾
1	Paradise Isle Resort	Gulf Shores, Alabama		
2	Shoreline Towers Resort	Gulf Shores, Alabama		
3	Dolphin Beach Club	Daytona Beach Shores, Florida	✓	
4	Fantasy Island Resort II	Daytona Beach Shores, Florida	✓	
5	Mariner's Boathouse and Beach Resort	Fort Myers Beach, Florida		
6	Tropical Sands Resort	Fort Myers Beach, Florida		
7	Windward Passage Resort	Fort Myers Beach, Florida		
8	Gulfstream Manor	Gulfstream, Florida	✓	
9	Outrigger Beach Club	Ormond Beach, Florida		
10	Landmark Holiday Beach Resort	Panama City Beach, Florida		
11	Ocean Towers Beach Club	Panama City Beach, Florida		
12	Panama City Resort & Club	Panama City Beach, Florida		
13	Surfrider Beach Club	Sanibel Island, Florida		
14	Petit Crest Villas and Golf Club Villas at Big Canoe	Marble Hill, Georgia		
15	Pono Kai Resort	Kapaa (Kauai), Hawaii		
16	The Breakers	Dennis Port, Massachusetts	✓	✓
17	Lake Condominiums at Big Sky	Big Sky, Montana		
18	Foxrun Townhouses	Lake Lure, North Carolina		
19	Sandcastle Village II	New Bern, North Carolina		
20	Waterwood Townhouses	New Bern, North Carolina		
21	Bluegreen at Atlantic Palace	Atlantic City, New Jersey		
22	The Manhattan Club	New York, New York		
23	Players Club	Hilton Head Island, South Carolina		

- (1) Represents the total number of units at the Club Resort. Owners in the Vacation Club have the right to use most of the units at each Club Resort in connection with their VOI ownership.
- (2) Resorts managed by Bluegreen Resorts Management, Inc., our wholly-owned subsidiary ("Bluegreen Resorts Management").
- (3) These resorts, or a portion thereof, were developed by third-parties, and we have arrangements to sell VOIs on behalf of the developer or acquire such VOIs as part of our capital-light business strategy.
- (4) This resort is managed by Casa Grande Cooperative Association I, which has contracted with Bluegreen Resorts Management to provide management consulting services to the resort. The services provided by Bluegreen Resorts Management to this resort pursuant to such agreement are similar in nature to, but less extensive than, the services provided by us or our subsidiaries to the other resorts listed in the table as "Managed by Us."
- (5) This resort is developed, marketed and sold by Bluegreen/Big Cedar Vacations.
- (6) In addition to the sales centers identified in the table, we also operate a sales center in Memphis, Tennessee.
- (7) Due to local restrictions resulting from the COVID-19 pandemic, this sales center was consolidated with the Marquee sales center, which is in close proximity to Bluegreen Club La Pension sales center.

Marketing and Sale of Inventory

VOI sales are typically generated by attracting prospective customers to tour a resort and attend a sales presentation. Our sales and marketing platforms utilize a variety of methods to attract prospective customers, drive tour flow and sell VOIs in our Vacation Club. We primarily utilize marketing alliances with nationally-recognized brands, which provide access to venues which target consumers generally matching our core demographic. In addition, sales prospects are sourced through programs which generate leads at high-traffic venues and in high-density tourist locations and events, as well as through telemarketing and referrals from existing owners and other guests at our properties.

While in the past historical performance provided a basis for estimating VOI sales based on packages sold, as a result of the COVID-19 pandemic, this has not been the case as purchasers of packages have not traveled to the same extent as they did previously pre-pandemic.

Many of our marketing programs intended to attract new customers involve the sale of a discounted vacation package that typically includes a two to three night stay in close proximity to one of our resort sales offices and requires participation in a sales presentation (a sales tour). Vacation packages are typically sold either in retail brick and mortar establishments, such as Bass Pro and Cabela's stores and malls, through our call transfer program with Choice, or via telemarketing. During the year ended December 31, 2020, we sold approximately 132,000 vacation packages and 19%

of our VOI sales were made to customers who had previously purchased a vacation package and attended a sales presentation. As of December 31, 2020, we had a pipeline of over 121,000 vacation packages sold to prospective new customers. In addition, we had a pipeline of nearly 15,000 vacation packages that were purchased by customers who already toured and indicated that they intend to tour again.

Bluegreen Vacations Unlimited (“BVU”), our wholly-owned subsidiary, has an exclusive marketing agreement with Bass Pro, a nationally-recognized retailer of fishing, marine, hunting, camping and sports gear, that provides us with the right to market and sell vacation packages at kiosks in Bass Pro’s and Cabela’s retail locations and through other means. We believe that Bass Pro has a loyal customer base that strongly matches our core demographic.

During the years ended December 31, 2020, 2019, and 2018, VOI sales to prospects and leads generated by the agreement with Bass Pro accounted for approximately 12%, 13% and 14%, respectively, of our VOI sales volume. As of December 31, 2019, we had sales and marketing operations at a total of 83 Bass Pro and Cabela’s Stores. In March 2020 as a result of the COVID-19 pandemic, we temporarily closed our retail marketing operations at Bass Pro and Cabela’s stores. Beginning in mid-May 2020, we started the process of recommencing our sales and marketing operations and by December 31, 2020, we were operating in a total of 98 Bass Pro and Cabela’s stores.

We also have an exclusive strategic relationship with Choice Hotels that involves several areas of our business, including a sales and marketing alliance that enables us to leverage Choice Hotels’ brands, customer relationships and marketing channels to sell vacation packages. Vacation packages are sold through customer reservation calls transferred to us from Choice Hotels and through outbound telemarketing methods utilizing Choice Hotels customer database. Our strategic relationship with Choice Hotels began in 2013 and was extended in August 2017 for a 15 year term, with an additional 15-year renewal term thereafter unless either party elects not to renew the arrangement.

We believe that our diverse strategic marketing alliances (including those with Bass Pro, Choice Hotels and other retail operators and entertainment providers) provides a potential strategic advantage over certain of our competitors that rely primarily on relationships with their affiliated hotel brands to drive lead generation and new owner growth. Our goal is to identify marketing partners with brands that attract our targeted owner demographic and to build successful marketing relationships with those partners. In addition to the programs described above, we may also engage in other local and national marketing programs from time to time.

In addition to sales to new customers, we also seek to sell additional VOI points to our existing Vacation Club owners. These sales generally have lower marketing costs and result in higher operating margins than sales generated through other marketing channels. During the years ended December 31, 2020, 2019, and 2018, sales to existing Vacation Club owners accounted for 64%, 55% and 52%, respectively, of our system-wide sales of VOIs. We target a balanced mix of new customer and existing Vacation Club owner sales to support our goal of sustainable long-term growth. We believe that the variety in our marketing relationships has historically facilitated a healthy mix of new owner sales vs. existing owner sales that compare favorably to our competitors.

We operate 24 sales offices, typically located adjacent to our resorts and staffed with sales representatives and sales managers. As of December 31, 2020, we had over 2,400 employees dedicated to VOI sales and marketing. We typically utilize a uniform sales process and offer ongoing training for our sales personnel with the goal of maintaining strict quality control policies. During the year ended December 31, 2020, 97% of our sales were generated from 20 of our sales offices which focus on both new customer and existing Vacation Club owner sales. Our remaining 4 sales offices are primarily focused on sales to existing Vacation Club owners staying at the respective resort. We also utilize our telesales operations to sell additional VOIs to Vacation Club owners.

Flexible Business Model

Our business model is designed to give us potential flexibility to capitalize on opportunities and adapt to changing market environments. We have the ability to adjust our targeted mix of capital-light vs. developed VOI sales, sales to new customers vs. existing Vacation Club owners, and cash vs. financed sales. While we may pursue opportunities that impact our short-term results, our long-term goal is to achieve sustained growth while maximizing earnings and cash flow.

For the year ended December 31, 2020



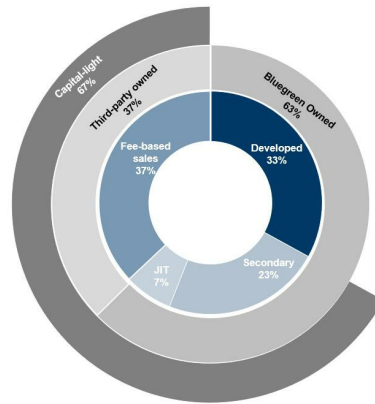
Note: Cash sales represent the portion of our system-wide sales of VOIs that is received from the customer in cash within 30 days of purchase.

VOI Sales Mix

Our VOI sales include:

- ⌚ Developed VOI sales, or sales of VOIs in resorts that we develop or acquire (excluding inventory acquired pursuant to JIT and secondary market arrangements);
- ⌚ Fee-based sales of VOIs owned by third-party developers pursuant to which we are paid a commission;
- ⌚ JIT sales of VOIs we acquire from third-party developers in close proximity to when we intend to sell such VOIs; and
- ⌚ Secondary market sales of VOIs we acquire from HOAs or other owners.

During 2020, sales of VOIs were comprised of the following:



Developed VOI Sales

Developed VOI sales are sales of VOIs in resorts that we have developed or acquired (excluding inventory acquired pursuant to JIT and secondary market arrangements). During the year ended December 31, 2020, developed VOI sales accounted for 33% of our system-wide sales of VOIs. We hold the notes receivable originated in connection with developed VOI sales. We also typically hold the HOA management contract associated with these resorts.

Fee-Based Sales

We offer sales and marketing services to third-party developers for a commission. Under these fee-based sales arrangements, which are typically entered into on a non-committed basis, we sell the third-party developers' VOIs as Vacation Club interests through our sales and marketing platform. We also provide third-party developers with administrative services, periodic reporting and analytics through our proprietary software platform. We seek to structure the fee for these services to cover selling and marketing costs, plus an operating profit. Historically we have targeted a commission rate of 65% to 75% of the VOI sales price. Fee-Based Sales comprised 37% of system-wide sales of VOIs during the year ended December 31, 2020. Notes receivable originated in connection with fee-based sales are held by the third-party developer and, in certain cases, are serviced by us for an additional fee. In connection with fee-based sales, we are not at risk for development financing and have no capital requirements, thereby increasing return on invested capital, or ROIC. We also typically hold the HOA management contract associated with these resorts.

Just-In-Time (JIT) VOI Sales

We enter into JIT inventory acquisition agreements with third-party developers that allow us to buy VOI inventory in close proximity to when we intend to sell such VOIs. While we typically enter into such arrangements on a non-committed basis, we may engage in committed arrangements under certain circumstances. Similar to fee-based sales, JIT sales do not expose us to risk for development financing. However, unlike fee-based sales, we hold the consumer finance receivables originated in connection with JIT sales. While JIT sales accounted for only 7% of system-wide sales of VOIs for the year ended December 31, 2020, JIT arrangements are often entered into in connection with fee-based sales arrangements. In general, acquisition of VOI inventory through JIT segments are at a higher cost compared to developed VOIs of secondary market sources. We also typically hold the HOA management contract associated with these resorts.

Secondary Market VOI Sales

We acquire VOI inventory from HOAs and other owners generally on a non-committed basis. These VOIs are typically obtained by the applicable HOA through foreclosure or termination in connection with HOA maintenance fee defaults or from charities from which a consumer has donated their VOI. In these cases, we generally purchase VOIs from secondary market sources at significant discount to retail price. During the year ended December 31, 2020, secondary market sales accounted for 23% of our system-wide sales of VOIs.

Future VOI Sales

The retail value of our completed VOI inventory increases or decreases from period to period due to the acquisition of inventory through JIT and secondary market arrangements, development of new VOI units, reacquisition of VOIs through notes receivable defaults and changes to sales prices and completed sales. As of December 31, 2020 and 2019, we owned completed VOI inventory (excluding units not currently being marketed as VOIs, such as model units) and had access to additional completed VOI inventory through fee-based and JIT arrangements having a retail sales value as follows (dollars are in thousands and represent the then-estimated retail sales value):

Inventory Source	As of December 31,	
	2020	2019
Owned completed VOI inventory	\$ 1,111,277	\$ 1,115,822
Inventory accessible through fee-based and JIT arrangements	293,056	312,816
Total	\$ 1,404,333	\$ 1,428,638

Based on current estimates and expectations, we believe this inventory, combined with inventory being developed by us or our third-party developer clients, and inventory that we may reacquire in connection with mortgage and maintenance fee defaults, can support our VOI sales at our current levels for approximately four years. We maintain relationships with numerous third-party developers and expect additional fee-based and JIT relationships to continue to provide VOI inventory to support our sales efforts. In addition, we are focused on strategically expanding our inventory through development at certain of our resorts over the next several years. We intend to continue to strategically evaluate opportunities to develop or acquire VOI inventory in key strategic markets where we identify growing demand and where we currently have or expect to have significant marketing and sales networks.

During the years ended December 31, 2020 and 2019, the estimated retail sales value and cash purchase price of the VOIs we acquired through secondary market arrangements were as follows (dollars in thousands):

	Year Ended December 31,	
	2020	2019
Estimated retail sales value	\$ 103,134	\$ 228,632
Cash purchase price	\$ 4,558	\$ 15,962

Active development activities consist primarily of additional VOI units being developed at The Cliffs at Long Creek and The Bluegreen Wilderness Club at Big Cedar in Ridgedale, Missouri.

Management and Other Fee-Based Services

We earn recurring management fees for providing services to HOAs. These management services include oversight of housekeeping services, maintenance and certain accounting and administrative functions. We believe our management contracts yield highly predictable cash flows that do not have the traditional risks associated with hotel management contracts that are linked to daily rate or occupancy. Our management contracts are typically structured as "cost-plus" management fees, pursuant to which we generally earn fees equal to 10% to 12% of the costs to operate the applicable resort. These agreements generally have an initial term of three years with automatic one year renewals. As of December 31, 2020, we provided management services to 49 resorts. We also earn recurring management fees for providing services to the Vacation Club. These services include managing the reservation system and providing owner billing and collection services. Our management contract with the Vacation Club currently provides for reimbursement of our costs plus a fee equal to \$10 per VOI owner. We may seek to expand our management services business, including to provide hospitality management services to hotels for third parties.

In addition to HOA and club management services, we also provide other fee-based services that produce revenue without the significant capital investment generally associated with the development and acquisition of resorts.

These services include title and escrow services for fees in connection with the closing of VOI sales, servicing notes receivable held by third parties (typically a fee equal to 1.5% of the principal balance of the serviced portfolio), and construction management services for third-party developers (typically fees equal to 4% of the cost of construction of the project). We also receive revenue from retail and food and beverage operations at certain resorts.

Customer Financing

We generally offer qualified purchasers financing for up to 90% of the purchase price of VOIs. The typical financing provides for a term of ten years and a fixed interest rate that is determined by the FICO score of the borrower and the amount of the down payment and existing ownership, is fully amortizing in equal installments, and may be prepaid without penalty. Purchasers may receive an additional 1% discount on the interest rate by participating in our pre-authorized payment plan. As of December 31, 2020, approximately 92% of our serviced VOI notes receivable participated in our pre-authorized payment plan. During the year ended December 31, 2020, the weighted-average interest rate on our VOI notes receivable was 15.0%.

VOI purchasers are generally required to make a down payment of at least 10% of the sales price. As part of our efforts to manage operating cash flows, we currently incentivize our sales associates to encourage cash sales and higher down payments on financed sales, with a target of 40-45% of the VOI sales price collected in cash. We also promote a point-of-sale credit card program sponsored by a third-party financial institution. As a result of these efforts, we have increased both the percentage of sales that are fully paid in cash and the average down payment on financed sales as compared to historical levels. Including down payments received on financed sales, approximately 42% of our system-wide sales of VOIs during the year ended December 31, 2020 were paid in cash within approximately 30 days from the contract date.

See “Sales/Financing of Receivables” below for additional information regarding our receivable financing activities.

Loan Underwriting

We generally do not originate financing to customers with FICO scores below 575. However, we may provide financing to customers with no FICO score if the customer makes a minimum down payment of 20%. For loans made during 2020, the borrowers’ weighted-average FICO score after a 30-day, “same as cash” period from the point of sale was 725. Further information is set forth in the following table:

FICO Score	Percentage of originated and serviced VOI receivables
No Score ⁽¹⁾	1%
<600	2%
600 - 699	32%
700+	65%

(1) Financing to customers for which the obligor did not have a FICO score.

Collection Policies

Financed VOI sales originated by us typically utilize a note and mortgage. Collection efforts related to these VOI loans are managed by us. Collectors are incentivized through a performance-based compensation program.

We generally pursue collection efforts with respect to Vacation Club owners with outstanding loans secured by their VOI by mail, telephone and email (as early as 10 days past due). At 30 days past due, we mail a collection letter to the owner if a U.S. resident advising that if the loan is not brought current, the delinquency will be reported to a credit reporting agency. At 60 days past due, we mail a letter to the owner advising that he or she may be prohibited from making future reservations for lodging at a resort. At 90 days past due, we stop the accrual of, and reverse previously accrued but unpaid, interest on the note receivable and typically mail a notice informing the owner that unless the

delinquency is cured within 30 days, we may terminate the underlying VOI ownership. If an owner fails to bring the account current within the given timeframe, the loan is typically defaulted and the owner's VOI is terminated. In that case, we mail a final letter, typically at approximately 127 days past due, notifying the owner of the loan default and the termination of his or her beneficial interest in the VOI property. Thereafter, we may seek to resell the VOI to a new purchaser. In certain cases, at our discretion, we may not default the loan and terminate the underlying VOI, in which case the loan would remain delinquent.

Allowance for Loan Losses

We estimate uncollectible VOI notes receivable based on historical amounts for similar VOI notes receivable and do not consider the value of the underlying collateral. We hold large pools of homogeneous VOI notes receivable and assess uncollectibility based on pools of receivables as we do not believe there are significant concentrations of credit risk with any individual counterparty or groups of counterparties. In estimating future loan losses, management does not use a single primary indicator of credit quality, but instead evaluates our VOI notes receivable based upon a combination of factors, including a static pool analysis that incorporates the aging of the respective receivables, default trends, and prepayment rates by origination year, as well as the FICO scores of borrowers.

Substantially all defaulted VOI notes receivable result in the holder of such receivable acquiring the related VOI that secured such receivable, typically soon after default and at little or no cost. The reacquired VOI is then available for resale in the normal course of business.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information about the performance of our notes receivable portfolio.

Sales/Financing of Receivables

Our ability to sell or borrow against our VOI notes receivable has historically been an important factor in meeting our liquidity requirements. The vacation ownership business generally involves sales where a buyer is only required to pay 10% of the purchase price up front, while at the same time selling and marketing expenses related to such sales are primarily cash expenses that exceed the down payment amount. For the year ended December 31, 2020, our sales and marketing expenses totaled approximately 59% of system-wide sales of VOIs. Accordingly, having facilities for the sale or hypothecation of VOI notes receivable, along with periodic term securitization transactions, has been a critical factor in meeting our short and long-term cash needs. There are no assurances that sales, hypothecation or securitization of VOIs will be available to us in the future at acceptable terms or at all. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information about our VOI notes receivable purchase facilities and term securitizations.

Receivables Servicing

Receivables servicing includes collecting payments from borrowers and remitting the funds to the owners, lenders or investors in such receivables, accounting for principal and interest on such receivables, making advances when required, contacting delinquent borrowers, terminating a Vacation Club ownership in the event that defaults are not timely remedied and performing other administrative duties.

We receive fees for servicing our securitized notes receivable. These fees are included as a component of interest income. Additionally, we earn servicing fee income from third-party developers in connection with our servicing of their loan portfolios under certain fee-based services arrangements, which is netted against the cost of our mortgage servicing operations.

Our Core Operating and Growth Strategies

Grow VOI sales

Our goal is to utilize our sales and marketing platform to achieve VOI sales growth through the expansion of existing alliances, continued development of new marketing programs and additional VOI sales to our existing Vacation Club owners. We believe there are a number of opportunities within our existing marketing alliances to drive future growth, including the potential expansion of our marketing efforts with Bass Pro. In addition, through our agreement with Choice Hotels, we plan to enhance our marketing program through Choice Hotels' call-transfer programs. In addition to existing programs, we hope to utilize our sales and marketing expertise to identify unique marketing relationships with nationally-recognized brands that resonate with our core demographic. We will also continue to actively seek to sell additional VOI points to our existing Vacation Club owners, which typically involve significantly lower marketing costs and have higher conversion rates compared to sales to new customers. Our goal continues to be to expand and update our sales offices to more effectively convert tours generated by our marketing programs into sales. To this end, we have focused on identifying high traffic resorts where we believe increased investment in sales office infrastructure will yield strong sales results.

Continue to enhance our Vacation Club experience

We believe our Vacation Club offers owners exceptional value. Our Vacation Club offers owners access to our 45 Club Resorts and 23 Club Associate Resorts in popular vacation destinations, as well as access to nearly 11,300 other hotels and resorts and other vacation experiences, through partnerships and exchange networks. We continue to seek to add value and flexibility to our Vacation Club membership and enhance the vacation experience of our Vacation Club owners, including through the addition of new destinations, the expansion of our exchange programs and the addition of new partnerships offering increased vacation options. We also continuously seek to improve our technology, including websites and applications, to enhance our Vacation Club owners' experiences. We believe our focus, combined with our high-quality customer service, will continue to enhance the Vacation Club experience, supporting our objective to entice guests to vacation and drive sales to new owners and additional sales to existing Vacation Club owners.

Increase higher-margin, cash generating businesses

We seek to continue to grow our ancillary businesses, including resort management, title services and loan servicing. We believe these businesses can grow with little additional investment in infrastructure and potentially produce higher-margin revenue.

Increase sales and operating efficiencies across all customer touch-points

We actively seek to improve our operational execution across all aspects of our business. In our sales and marketing platform, we utilize a variety of screening methods and data-driven analyses intended to identify and attract high-quality prospects to our sales offices. We intend to seek to leverage our size, infrastructure and expertise to increase operating efficiency and profitability and hope to gain further operational efficiencies by streamlining our support operations, such as call centers, customer service, administration and information technology.

Maintain operational flexibility while growing our business

We believe we have built a flexible business model that allows us to capitalize on opportunities and quickly adapt to changing market environments. We intend to continue to pursue growth through what we believe to be an appropriate mix of capital-light sales vs. developed VOI sales, sales to new customers vs. sales to existing Vacation Club owners and cash sales vs. financed sales, all based on market factors, our financial condition and operating needs, and other factors that our management may deem relevant.

Pursue strategic transactions

As part of our growth strategy, we may seek to acquire other VOI companies, resort assets, sales and marketing platforms, management companies and contracts, and other assets, properties and businesses, particularly where we believe significant synergies and cost savings may be available. These acquisitions may be pursued directly or in partnership with third-party developers or others, including pursuant to arrangements where third-party developers purchase the resort assets and we sell the VOIs in the acquired resort on a commission basis. We believe our flexible sales and marketing platform may make these transactions possible in a variety of economic conditions.

Impact of the COVID-19 pandemic

Initial Impact and Response

The COVID-19 pandemic has resulted in an unprecedented disruption in the U.S. economy and the travel, hospitality and vacation ownership industries due to, among other things, resort closures, travel restrictions and restrictions on business operations, including government guidance and restrictions with respect to travel, public accommodations, social gatherings and related matters. Our operations have been and continue to be adversely impacted by the pandemic. On March 23, 2020, we temporarily closed all of our VOI sales centers, our retail marketing operations at Bass Pro Shops and Cabela's stores and outlet malls, and our Choice Hotels call transfer program. In connection with these actions we canceled existing owner reservations through May 15, 2020 and new prospect guest tours through June 30, 2020. Further, some of our Club Resorts and Club Associate Resorts were closed in accordance with government mandates and advisories. Beginning in mid-May 2020, we recommenced our sales and marketing operations and our closed resorts began to welcome guests as government mandates were lifted. By December 31, 2020, we were operating in a total of 98 Bass Pro and Cabela's stores, we reactivated our Choice Hotels call transfer program, all of our resorts were open, and all but two of our VOI sales centers were open. However, there is no assurance that our marketing operations at Bass Pro or Cabela's stores, or our VOI sales centers will remain open, including in the event of an increase in COVID-19 cases. Additionally, reflecting our temporary cessation of marketing activities in the beginning months of the COVID-19 pandemic in general, our pipeline of vacation packages was 121,900 at December 31, 2020 compared to 169,300 at December 31, 2019. However, utilization of the packages has been significantly lower as purchasers have not traveled at the same pace as was traveled pre-pandemic. For more detailed information please see "Results of Operations" included in Part II—Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations.

As a result of the effect of the pandemic, we implemented steps to mitigate our costs beginning in March 2020, including reductions in workforce of over 1,700 positions and the placement of another approximate 3,200 of our associates on temporary furlough or reduced work hours. As of December 31, 2020, approximately 3,200 associates had returned to work on a full-time basis for a total of approximately 4,600 full-time associates compared to approximately 5,900 full-time associates as of December 31, 2019. As a result of the effect of the COVID-19 pandemic, during the year ended December 31, 2020, we incurred \$5.0 million in severance and \$14.3 million of payroll and payroll benefit expense relating to employees on temporary furlough or reduced work hours. These payments and expenses are included in selling, general and administrative expenses in our consolidated statements of operations and comprehensive income for the year ended December 31, 2020. While we paid a special cash dividend of \$1.19 per share during August 2020, we suspended the payment of regular quarterly cash dividends during the second quarter of 2020 and there is no assurance that we will recommence paying regular dividends or pay any additional special dividends in the future.

As a precautionary measure to provide additional liquidity if needed, in March 2020, we drew down \$60.0 million under our lines-of-credit and pledged or sold receivables under certain of our receivable backed facilities to increase our cash position. As of December 31, 2020, we repaid the \$60.0 million borrowed under our lines-of-credit. Also, in June 2020, we amended our Liberty Bank Facility to extend the advance period and maturity date, reduced the outstanding borrowings from \$50.0 million to \$40.0 million, decreased the advance rate from 85% for qualified conforming receivables to 80% effective September 2020 and, commencing July 1, 2020, changed the interest rate from the Prime Rate with a floor of 4.00% to the Prime Rate minus 0.10% with a floor of 3.40%. In September 2020,

we amended our NBA Receivables Facility to extend the advance period and maturity date, decreased the advance rate from 85% for qualified receivables to 80%, and changed the interest rate from one month LIBOR plus 2.75% (with an interest rate floor of 3.50%) to one month LIBOR plus 2.25% (with an interest rate floor of 3.00%). In October 2020, we completed the 2020-A Term Securitization, a private offering and sale of approximately \$131.0 million of investment-grade, VOI receivable backed notes (the “Notes”) at an overall blended interest rate of approximately 2.60%. The gross advance rate for this transaction was 88.0% and the Notes mature in February 2036. Proceeds from the 2020-A Term Securitization were used to paydown approximately \$82.1 million owed on existing receivable-backed facilities, (thus creating additional availability on those facilities), to capitalize a reserve fund, to pay fees and expenses associated with the transaction, and for general corporate purposes. In December 2020, we amended our Quorum Purchase Facility to extend the advance period from December 2020 to December 2022 and extend the maturity date from December 2032 to December 2034. We continue to actively pursue additional credit facility capacity and capital market transactions. For more detailed information please see “Liquidity and Capital Resources” included in Part II —Item 7: Management’s Discussion and Analysis of Financial Condition and Results of Operations.

We have historically provided financing to customers for a majority of our sales of VOIs, and accordingly, are subject to the risk of defaults by our customers. GAAP requires that we reduce sales of VOIs by our estimate of uncollectible VOI notes receivable. The COVID-19 pandemic has had a material adverse impact on unemployment in the United States and economic conditions in general and the impact may continue for some time. We believe that the COVID-19 pandemic will continue to have an impact on the collectibility of our VOI notes receivable. Accordingly, the estimate of defaults for the 2021 year was increased by approximately \$6.0 million, based on historical experience, forbearance requests received from customers, and other factors, including, but not limited to, the seasoning of the notes receivable and FICO scores of the customers. The impact of the COVID-19 pandemic on default or delinquency rates is rapidly changing and highly uncertain.

The Coronavirus Aid, Relief, and Economic Securities Act (“CARES Act”) was signed into law on March 27, 2020 in response to the COVID-19 pandemic. As of December 31, 2020, we evaluated the income tax provisions of the CARES Act and determined they had no significant effect on the computation of our estimated effective tax rate for the year ended December 31, 2020. However, we have taken advantage of the deferral of the employer portion of the tax withholding amounts and the employee retention tax credits provided for in the CARES Act. During the year ended December 31, 2020, we recorded a tax withholding deferral of \$8.6 million and employee retention tax credits of \$7.1 million, which is included in selling, general and administrative expenses in our consolidated statements of operations and comprehensive income for the year ended December 31, 2020.

Continued Impact of COVID-19 on our Business

We continue to experience lower travel rates especially to high traffic destinations such as Orlando and Las Vegas. The occupancy rates at resorts with sales centers during the fourth quarter of 2020 was approximately 71% as compared to 80% during the fourth quarter of 2019. This trend of reduced travel was also reflected in utilization of vacation packages especially for vacation packages sold prior to the COVID-19 pandemic.

Industry Overview

The vacation ownership, or timeshare, industry is a growing segment of the global travel and tourism sector. By purchasing a VOI, the purchaser typically acquires either (i) a fee simple interest in a property (or collection of properties) providing annual usage rights at the owner’s home resort (where the owner’s VOI is deeded), or (ii) an annual or biennial allotment of points that can be redeemed for stays at properties included in the vacation ownership company’s resort network or for other vacation options available through exchange programs. Compared to hotel rooms, vacation ownership units typically offer more spacious floor plans and residential features, such as living rooms, fully equipped kitchens, laundry appliances and dining areas. Compared to owning a vacation home in its entirety, the key advantages of vacation ownership products typically include a lower up-front acquisition cost and annual expenses, resort-style features and services and, often, an established infrastructure to exchange usage rights for stays across multiple locations.

The vacation ownership industry was historically highly fragmented, with a large number of local and regional resort developers and operators having small resort portfolios of varying quality. We believe that growth in the vacation ownership industry has been driven by increased interest from resort developers and globally-recognized lodging and entertainment brands, increased interest from consumers seeking flexible vacation options, continued product evolution and geographic expansion. Approximately 9.9 million families (approximately 7.7% of U.S. households) own at least one VOI.

The average VOI owner is 40 years old and married and 81% have either graduated from or attended college. VOI owners have an average household income of over \$85,000.

Regulation

The vacation ownership and real estate industries are subject to extensive and complex governmental regulation and as a consequence we are subject to various federal, state, local, foreign, environmental, zoning, consumer protection and other laws, rules and regulations, including those regarding the acquisition, marketing and sale of VOIs, as well as various aspects of our financing operations. At the federal level, the Federal Trade Commission has taken an active regulatory role through the Federal Trade Commission Act, which prohibits unfair or deceptive acts or unfair competition in interstate commerce. In addition, many states have what are known as "Little FTC Acts" that apply to intrastate activity.

In addition to the laws applicable to our customer financing and other operations discussed below, we are or may be subject to the Fair Housing Act and various other federal laws, rules and regulations. We are also subject to various foreign laws with respect to La Cabana Beach Resort and Casino in Oranjestad, Aruba and Blue Water Resort at Cable Beach in Nassau, Bahamas. The cost of complying with applicable laws and regulations may be significant and while efforts are in place to monitor compliance, those efforts may not at all times be successful. Any failure to comply with current or future applicable laws or regulations could have a material adverse effect on our results and operations.

The vacation ownership product is subject to various regulatory requirements, including state and local approvals. In most states we are required to file with the jurisdictions a detailed offering statement describing our business and all material aspects of the project and sale of VOIs with the designated state authority. In addition, when required by state law, we provide our VOI purchasers with a public offering disclosure statement that contains, among other items, detailed information about the VOI product and the purchaser's rights and obligations as a VOI owner. Laws in each state where we sell VOIs generally grant the purchaser of a VOI the right to cancel a purchase contract at any time within a specified rescission period following the earlier of the date the contract was signed or the date the purchaser received the last of the documents required to be provided by us. Most states have other laws that regulate our activities, which may include real estate licensure requirements, sellers of travel licensure requirements, anti-fraud laws, telemarketing laws, prize, gift and sweepstakes laws, and labor laws.

Under various federal, state and local laws, ordinances and regulations, the owner of real property is generally liable for the costs of removal or remediation of certain hazardous or toxic substances located on or in, or emanating from, the property, as well as related costs of investigation and property damage. These laws often impose liability without regard to whether the property owner knew of the presence of such hazardous or toxic substances. The presence of these substances, or the failure to properly remediate these substances, may adversely affect a property owner's ability to sell or lease a property or to borrow using the real property as collateral. Other federal and state laws require the removal or encapsulation of asbestos-containing material when such material is in poor condition or in the event of construction, demolition, remodeling or renovation. Other statutes may require the removal of underground storage tanks. Noncompliance with any of these and other environmental, health or safety requirements may result in the need to cease or alter operations or development at a property. In addition, certain state and local laws may impose liability on property developers with respect to construction defects discovered on the property or repairs made by future owners of such property. The development, management and operation of our resorts are also subject to the Americans with Disabilities Act.

Our marketing, sales and customer financing activities are also subject to extensive regulation, which can include, but is not limited to: the Truth-in-Lending Act and Regulation Z; the Fair Housing Act; the Fair Debt Collection Practices Act; the Equal Credit Opportunity Act and Regulation B; the Electronic Funds Transfer Act and Regulation E; the Home Mortgage Disclosure Act and Regulation C; the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”); Unfair or Deceptive Acts or Practices and Regulation AA; the Patriot Act; the Right to Financial Privacy Act; the Gramm-Leach-Bliley Act; the Fair and Accurate Credit Transactions Act; and anti-money laundering laws. Pursuant to the Dodd Frank Act, the Consumer Financial Protection Bureau (the “CFPB”) was created. The CFPB’s mandate is to protect consumers by carrying out federal consumer financial laws and to publish rules and forms that facilitate understanding of the financial implications of the transactions consumers enter into. Consistent with this mission, the CFPB amended Regulations X and Z to establish new disclosure requirements and forms pursuant to Regulation Z for most closed-end consumer credit transactions secured by real property. The practical impact upon us is the requirement to use a new Integrated Mortgage Disclosure Statement in lieu of the separate Good Faith Estimate and Closing Statement. In addition, our term securitization transactions must comply with certain requirements of the Dodd-Frank Act, including risk retention rules.

Our management of, and dealings with, HOAs, including our purchase of defaulted inventory from HOAs in connection with our secondary market arrangements, is subject to state laws and resort rules and regulations, including those with respect to the establishment of budgets and expenditures, rule-making and the imposition of maintenance assessments.

During the year ended December 31, 2020, approximately 4% of our VOI sales were generated by marketing to prospective purchasers obtained through internal and third-party vendors’ outbound telemarketing efforts. We attempt to monitor the actions and legal and regulatory compliance of these third parties, but there are risks associated with our and such third parties’ telemarketing efforts. In recent years, state and federal regulators have increased regulations and enforcement actions related to telemarketing operations, including requiring the adherence to state “do not call” laws. In addition, the Federal Trade Commission and Federal Communications Commission have implemented national “do not call” legislation. We have attempted to mitigate the risks associated with telemarketing through the use of “permission based marketing,” whereby we obtain the permission of prospective purchasers to contact them in the future, thereby exempting such calls from the various “do not call” laws. We have also implemented policies and procedures that we believe will help reduce the possibility that individuals who have requested to be placed on a “do not call” list are not contacted, but such policies and procedures do not ensure strict regulatory compliance.

To date, no material fines or penalties have been imposed on us as a result of our telemarketing operations. However, from time to time, we have been the subject of proceedings for violation of the telemarketing laws and other laws applicable to the marketing and sale of VOIs. See “See Note 12 to the Consolidated Financial Statements included in Part II Item 8 for additional information.”

Competition

We compete with various high profile and well-established companies, many of which have greater liquidity and financial resources than we do. Many of the world’s most recognized lodging, hospitality and entertainment companies develop and sell VOIs in resort properties. Major companies that now operate vacation ownership resorts directly, through subsidiaries or through strategic relationships include Marriott Vacations Worldwide Corporation, the Walt Disney Company, Hilton Grand Vacations, Travel + Leisure Co. (formerly Wyndham Destinations), and Diamond Resorts International. We also compete with numerous smaller owners and operators of vacation ownership resorts and from alternative lodging options available to consumers through both traditional methods of delivery as well as new web portals and applications, including private rentals of homes, apartments or condominium units, which have increased in popularity in recent years. Our ability to remain competitive and to attract and retain customers depends on our customers’ satisfaction with our products and services as well as on distinguishing the quality, value, and efficiency of our products and services from those offered by our competitors. In our fee-based services business, we typically compete with Hilton Grand Vacations and Travel + Leisure Co. In addition to competing for sales leads, prospects and fee-based service clients, we compete with other VOI developers for marketing, sales and resort management personnel.

Seasonality

We have historically experienced, and expect to continue to experience, seasonal fluctuations in our revenue and results of operations. This seasonality has resulted, and may continue to result, in fluctuations in our quarterly operating results. Due to consumer travel patterns, we typically see more tours and experience higher VOI sales during the second and third quarters. However, due to the impact of the COVID-19 pandemic, including the temporary closures of our marketing operations and VOI sales centers, we experienced significantly decreased sales of VOIs in the second, third and fourth quarters of 2020 as compared to prior years and currently expect such adverse impact to continue into 2021.

Human Resources

As of December 31, 2020, we had 4,637 employees, 458 of whom were located at our headquarters in Boca Raton, Florida, compared to 5,873 and 520 respectively, as of December 31, 2019. As of December 31, 2020, a total of 27 of our employees were covered by two collective bargaining agreements, which address the terms and conditions of their employment, including pay rates, working hours, certain employee benefits and procedures for settlement of labor disputes. We believe that our employee relations are good and our employees are important to achieving our business objectives.

On March 23, 2020, we temporarily closed all of our VOI sales centers and our marketing operations in connection with the COVID-19 pandemic. Further, some of our corporate offices, Club Resorts and Club Associate Resorts were closed in accordance with government mandates and advisories in connection with the COVID-19 pandemic. We also commenced remote work protocols for those employees that, based on their position, were capable of working from home. Beginning in mid-May 2020, we started the process of recommencing our sales and marketing operations and our closed resorts began to reopen as government mandates were lifted. Upon reopening, we had COVID-19 prevention protocols designed to minimize the spread of COVID-19 at our resorts and workplaces. These protocols, which remain in place, meet or exceed the Centers for Disease Control guidelines and where applicable, state mandates. We continue to encourage a remote work protocol for portions of the workforce due to the continuing pandemic. Further, we continuously evaluate our operations in light of recent resurgences of COVID-19, federal, state and local guidance, evolving data concerning the pandemic and the best interests of our employees and customers.

Bluegreen seeks to offer competitive compensation and benefit programs for our employees in our effort to attract and retain superior talent. In addition to competitive base wages, additional programs include: Incentive Compensation Plans, Long-Term Incentive Plans, a company matched 401(k) plan, healthcare and insurance benefits, a tuition assistance program, health savings and flexible spending accounts, paid time off, family leave, and employee assistance programs.

We are committed to foster an inclusive work environment that supports our workforce and the communities we serve. It is our policy to seek to hire the best qualified employees regardless of gender, ethnicity or other protected traits and to fully comply with all laws applicable to discrimination in the workplace.

Implications of Being an Emerging Growth Company

We qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). As an emerging growth company, we can take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies, including reduced financial disclosure, reduced disclosure about our executive compensation arrangements, exemption from the requirements to hold non-binding advisory votes on executive compensation or shareholder approval of golden parachute payments, and exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting. We expect to continue to take advantage of certain of the exemptions available to emerging growth companies until December 31, 2022 (the end of the fifth fiscal year following the completion of the initial public offering of our common stock) or such earlier time that we no longer qualify as an emerging growth company. We would cease to be an emerging growth company if we have more than \$1.07 billion in annual revenue, more than \$700.0 million in

market value of our stock is held by non-affiliates, or we issue more than \$1.0 billion of non-convertible debt securities over a three-year period.

Where You Can Find More Information

Our website address is www.bluegreenvacations.com. Information on, or that may be accessed through, our website is not incorporated by reference herein. We file reports with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and, in certain cases, amendments to these reports. Copies of these reports are available free of charge on our website as soon as reasonably practicable after we file the reports with the SEC. The SEC also maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

Item 1A. Risk Factors

Our business, financial condition and results of operations, and the ownership of our common stock, are subject to various risks, including those described below. The risks described below are not the only risks we face. Other risks not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition and results of operations, or the value of our common stock. The risks discussed below also include forward-looking statements, and actual results and events may differ substantially from those expressed in, or implied by, the forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements."

Risks Related to Our Business and the Vacation Ownership Industry

- ① We are subject to the business, financial and operating risks inherent to the vacation ownership industry.
- ① Our business and operations, including our ability to market VOIs, may be adversely affected by general economic conditions and conditions affecting the vacation ownership industry and the availability of financing.
- ① The COVID-19 pandemic has adversely impacted our business and results, and the future effects of the pandemic are uncertain and will depend on future developments.
- ① We may not be able to compete successfully in the highly competitive vacation ownership industry.
- ① We generate significant sales from our strategic partnerships and relationships and are subject to risks related to those partnerships and arrangements, including if they are terminated or not renewed, or are not as successful as anticipated.
- ① We are subject to risks related to our ability to comply with applicable laws, rules and regulations, the costs of compliance or any failure to comply, and changes in laws, rules and regulations.
- ① Our business and results may be impacted if financing is not available on favorable terms, or at all.
- ① Our results and liquidity would be adversely impacted if we experience increased defaults on our notes receivable portfolio.
- ① The ratings of third-party rating agencies could adversely impact our ability to obtain, renew or extend credit facilities, or otherwise raise funds.
- ① We may not market products and services successfully and efficiently.
- ① We may be unable to develop or acquire VOI inventory or enter into and maintain fee-based relationships to source VOI inventory.
- ① Our capital-light business activities may not be successful.
- ① We are subject to risks associated with our management of resort properties and, with respect to properties not managed by us, risks associated with our dependence on the managers of those resorts.
- ① We may not continue to participate in, and our customers may not be satisfied with our, exchange networks and other strategic alliances.
- ① Our business and results could be adversely impacted if maintenance fees increase.
- ① Strategic transactions which we may pursue may not be successful and may have adverse impacts, including diversion of management attention and the incurrence of significant expenses.

- ① The resale market for VOIs could adversely affect our business.
- ① Our insurance policies may not cover all potential losses.
- ① Our business may be adversely impacted by negative publicity, including information spread through social media.

We are subject to the business, financial and operating risks inherent to the vacation ownership industry, any of which could adversely impact our business, prospects and results.

We are subject to a number of business, financial and operating risks inherent to the vacation ownership industry, including, without limitation:

- ① significant competition from other vacation ownership businesses and hospitality and alternative lodging providers;
- ① market and/or consumer perception of vacation ownership companies and the industry in general;
- ① increases in operating and other costs (as a result of inflation or otherwise), including marketing costs, employee compensation and benefits, interest expense and insurance, which may not be offset by price or fee increases in our business;
- ① our ability to maintain, enhance or expand, or achieve the benefits achieved from, our marketing arrangements and relationships;
- ① changes in taxes and governmental regulations, including those that influence or set wages, prices, interest rates or construction and maintenance procedures and costs;
- ① the costs and efforts associated with complying with applicable laws and regulations, and the costs and consequences of non-compliance;
- ① risks related to the development or acquisition of resorts and inventory, including delays in, or cancellations of, planned or future resort development or inventory acquisition activities;
- ① shortages of labor or labor disruptions;
- ① the availability and cost of capital necessary for us and third-party developers with whom we do business to fund investments and capital expenditures and to service debt obligations;
- ① our ability to finance the receivables that we originate in connection with VOI sales;
- ① relationships with and the performance and the financial condition of third-party developers with whom we do business;
- ① relationships with the Vacation Club owners and HOAs;
- ① changes in the supply and demand for our products and services;
- ① lack of security over, or unauthorized access to, customer or Company records;
- ① private resales of VOIs and the sale of VOIs in the secondary market;
- ① the increased presence and effort of “timeshare-exit” firms and their impact on borrower default rates; and
- ① unlawful or deceptive third-party VOI resale, cease and desist, or vacation package sales schemes, and reputational risk associated therewith.

Any of these factors could increase our costs, limit or reduce the prices we are able to charge for our products and services, adversely affect our ability to develop or acquire new resorts, or otherwise adversely impact our business, prospects or results.

Our business and operations, including our ability to market VOIs, may be adversely affected by general economic conditions and conditions affecting the vacation ownership industry and the availability of financing.

Our business is subject to risks related to general economic and industry conditions and trends. Our results, operations and financial condition were and continue to be adversely impacted by the COVID-19 pandemic (as described below) and may be adversely affected by unfavorable general economic and industry conditions, such as high unemployment rates and job insecurity, declines in discretionary spending, declines in real estate values, the continuance of the

COVID-19 pandemic and the occurrence of any other public health crisis in the future, adverse weather or geopolitical conflicts, including if these or other factors adversely impact the availability of financing for us or our customers or the ability of our customers to otherwise pay amounts owed under notes receivable. Further, adverse changes affecting the vacation ownership industry, such as an oversupply of vacation ownership units, a reduction in demand for such units, changes in travel and other consumer preferences, demographic and vacation patterns, changes in governmental regulation of the industry, imposition of increased taxes by governmental authorities, the declaration of bankruptcy and/or credit defaults by other vacation ownership companies and negative publicity for the industry, could also have a material adverse effect on our business. This includes risks relating to conditions that negatively shape public perception of our resorts or of travel or the vacation ownership or hospitality industry generally, including travel-related accidents, disease outbreaks, whether in regions generally, at third party properties or at our resorts (including reputational damage, remediation costs and other potential liability and adverse impact of any such outbreak at our resorts). Our operations and results may be negatively impacted if we are unable to update our business strategy over time and from time to time in response to changing economic and industry conditions.

The COVID-19 pandemic has had, and the current and uncertain future outlook of the pandemic are expected to continue to have, a significant adverse effect on our business, financial condition, liquidity and results of operations.

The COVID-19 pandemic has resulted in, and continues to be, an unprecedented disruption in the U.S. economy and its rapid spread, as well as the escalating measures governments and private organizations have implemented in order to stem the spread of this pandemic, have had, and are expected to continue to have, a material adverse impact on our business, operating results and financial condition, including, without limitation, due to government guidance and restrictions with respect to travel, public accommodations, social gatherings and related matters. Moreover, additional currently unknown restrictions or other events adversely impacting the vacation ownership industry may occur and the adverse effects of the COVID-19 pandemic on our business, operating results and financial condition may otherwise be lengthened or exacerbated.

On March 23, 2020, we temporarily closed all of our VOI sales centers, our retail marketing operations at Bass Pro Shops and Cabela's stores and outlet malls, and our Choice Hotels call transfer program. In connection with these actions we canceled existing owner reservations through May 15, 2020 and new prospect guest tours through June 30, 2020. Further, some of our Club Resorts and Club Associate Resorts were closed in accordance with government mandates and advisories. Beginning in mid-May 2020, we recommenced our sales and marketing operations and our closed resorts began to welcome guests as government mandates were lifted. By December 31, 2020, we were operating in a total of 98 Bass Pro and Cabela's stores, we reactivated our Choice Hotels call transfer program, all of our resorts were open, and all but two of our VOI sales centers were open. However, there is no assurance that our marketing operations at Bass Pro or Cabela's stores, or our VOI sales centers will remain open, including in the event of an increase in COVID-19 cases.

In light of the pandemic, we also suspended the payment of regular quarterly cash dividends, reduced our new inventory acquisition and development expenditures and drew down \$60 million under our lines-of-credit, all of which was repaid as of December 31, 2020.

While these steps were implemented to mitigate the effects of the pandemic on our business, the measures themselves had and may continue to have negative consequences with respect to our business and operations, including by reducing sales. In addition, cost savings from these measures were not recognized immediately and will not completely offset the decrease in revenues and other adverse impacts of the pandemic.

In addition, we have historically financed a majority of our sales of VOIs, and accordingly, are subject to the risk of defaults by our customers. While we do not believe that the full impact of COVID – 19 is reflected in our default or delinquency rates as of December 31, 2020, we believe that the COVID-19 pandemic will continue to have an impact on the collectibility of our VOI notes receivable. Accordingly, the estimate of customer defaults for 2021 was increased as a result of the COVID–19 pandemic by \$6.0 million, based on historical experience, forbearance requests received from customers, and other factors, including, but not limited to, the seasoning of the notes receivable and FICO scores of the customers. We continue to evaluate the impact of the COVID-19 pandemic on our default or

delinquency rates as it is rapidly changing and highly uncertain. Accordingly, and due to other risks and uncertainties associated with assumptions and changing market conditions, our allowance may not prove to be accurate and may be increased in future periods, which will adversely impact our operating results for those periods.

Further, the COVID-19 pandemic has resulted in instability and volatility in the financial markets. Our ability to borrow against or sell our VOI notes receivable has historically been a critical factor in our liquidity. If we are unable to renew credit facilities or obtain new credit facilities, our business, results of operations, liquidity, or financial condition may be materially, adversely impacted.

Our operations could also be negatively affected further if our employees are quarantined or sickened as a result of exposure to COVID-19, or if they are subject to governmental COVID-19 curfews or “shelter in place” health orders. Measures restricting the ability of employees to come to work may impair our service or operations, all of which could negatively affect our business.

We are unable to predict how long these conditions will persist, what additional measures may be introduced by governments or private parties or what effect any such additional measures may have on our business. Furthermore, not only is the duration of the pandemic and combative measures unknown, the overall situation is extremely fluid, and it is impossible to predict the timing of future changes in the situation and what their impact may be on our business. At this time we are also not able to predict whether the COVID-19 pandemic will result in permanent changes to our customers' or general consumer behavior, which may include, without limitation, continued or permanent decreases in discretionary spending and reductions in travel or vacation ownership stays or purchases, each of which would have a material adverse impact on our business, operating results and financial condition.

Our business and properties are subject to extensive federal, state and local laws, regulations and policies. Changes in these laws, regulations and policies, as well as the cost of complying with new or existing laws, regulations and policies and the imposition of additional taxes on operations, as well as new cell phone technologies that automatically identify or block marketing vendor calls, could adversely affect our business. Further, jurisdictions are increasingly seeking to identify additional sources of tax revenue and results of audits of our tax returns or those of our subsidiaries may also have a material adverse impact on our financial condition.

The federal government and the state and local jurisdictions in which we operate have enacted extensive regulations that affect the manner in which we market and sell VOIs and conduct our other business operations. In addition, federal, state and local regulators may enact new laws and regulations that may adversely affect our results or require us to modify our business practices substantially. Many states, including Florida and South Carolina, where certain of our resorts are located, extensively regulate VOI and timeshare-related activities, including the sale of VOIs, the creation and management of resorts, the marketing and sale of properties, the escrow of purchaser funds prior to the completion of construction and closing, the content and use of advertising materials and promotional offers, the delivery of an offering memorandum and the creation and operation of exchange programs and multi-site timeshare plan reservation systems. Moreover, with regard to sales conducted in South Carolina, the closing of real estate and mortgage loan transactions must be conducted under the supervision of an attorney licensed in South Carolina and otherwise in accordance with South Carolina's Timesharing Transaction Procedures Act.

Most states also have other laws that are applicable to our activities, such as timeshare project registration laws, real estate licensure laws, mortgage licensure laws, sellers of travel licensure laws, anti-fraud laws, consumer protection laws, telemarketing laws, prize, gift and sweepstakes laws, and consumer credit laws. Our management of, and dealings with, HOAs, including our purchase of defaulted inventory from HOAs in connection with our secondary market sales, are also subject to state laws and resort rules and regulations, including those with respect to the establishment of budgets and expenditures, rule-making, and the imposition of maintenance assessments.

We are authorized to market and sell VOIs in all locations at which our marketing and sales activities are conducted. If our agents or employees violate applicable regulations or licensing requirements, their acts or omissions could cause the states where the violations occurred to revoke or refuse to renew our licenses, render our sales contracts void or voidable, or impose fines on us based on past activities.

In addition, the federal government and the state and local jurisdictions in which we conduct business have generally enacted extensive regulations relating to direct marketing and telemarketing, including the federal government's national "do not call" list, the making of marketing and related calls to cell phone users, a significant development in light of cell phone usage becoming the primary method of communication, the Telemarketing Sales Rule, the Telephone Consumer Protection Act and the CAN-SPAM Act of 2003. These regulations, as well as international data protection laws, have impacted our marketing of VOIs. While we have taken steps designed to ensure compliance with applicable regulations, these steps have increased and are expected to continue to increase our marketing costs and may not prevent failures in compliance. Additionally, adoption of new state or federal laws regulating marketing and solicitation, new case law, and changes to existing laws, could adversely affect current or planned marketing activities and cause us to change our marketing strategy. If this occurs, we may not be able to develop adequate alternative marketing strategies, which could affect the amount and timing of our VOI sales. We cannot predict the impact that these legislative initiatives or any other legislative measures that may be proposed or enacted in the future may have on our marketing strategies and results. Further, from time to time, complaints are filed against us by individuals claiming that they received calls in violation of applicable regulations. See "Item 3. Legal Proceedings". Technology advances, including new cellphone technologies that automatically identify or block marketing vendor calls, may also adversely impact our telemarketing efforts or otherwise cause us to change our marketing strategy.

Most states have taxed VOIs as real estate, imposing property taxes that are billed to the respective HOAs that maintain the related resorts, and have not sought to impose sales tax upon the sale of the VOI or accommodations tax upon the use of the VOI. From time to time, however, various states have attempted to promulgate new laws or apply existing laws impacting the taxation of VOIs to require that sales or accommodations taxes be collected. Should new state or local laws be implemented or interpreted to impose sales or accommodations taxes on VOIs, our business could be materially adversely affected.

From time to time in the ordinary course of our business, consumers file complaints against us. We may be required to incur significant costs to resolve these complaints or enter into consents with regulators regarding our activities, including requiring the refund of all or a portion of the purchase price paid by the customer for the VOI. If we are found to have not complied with applicable federal, state and local laws and regulations, such violations may have adverse implications on us, including rendering our VOI sales contracts void or voidable, negative publicity, potential litigation and regulatory fines or other sanctions. The expense, negative publicity and potential sanctions associated with any failure to comply with applicable laws or regulations could have a material adverse effect on our business, results of operations or financial position.

Under the Americans with Disabilities Act of 1990 and the Accessibility Guidelines promulgated thereunder (collectively, the "ADA"), all public accommodations, including our properties, must meet various federal requirements related to access and use by disabled persons. Compliance with the ADA's requirements could require removal of access barriers or other renovations, and non-compliance could result in the imposition of fines or penalties, or awards of damages, against us. Our properties are also subject to various federal, state and local regulatory requirements, such as state and local fire and life safety requirements. Further, various laws govern our resort management activities, including laws and regulations regarding community association management, public lodging, food and beverage services, liquor licensing, labor, employment, health care, health and safety, accessibility, discrimination, immigration, and the environment (including climate change).

Our lending activities are also subject to a number of laws and regulations, including laws and regulations related to consumer loans, retail installment contracts, mortgage lending, fair debt collection and credit reporting practices, consumer collection practices, contacting debtors by telephone, mortgage disclosure, lender licenses and money laundering. The Consumer Finance Protection Bureau, created under the Dodd-Frank Act, has emphasized new regulatory focus on areas of our business such as consumer mortgage servicing and debt collection, credit reporting and consumer financial disclosures, all of which affect the manner in which we may provide financing to the purchasers of our VOIs and conduct our lending and loan servicing operations.

The vacation ownership and hospitality industries are highly competitive, and we may not be able to compete successfully.

We compete with various high profile and well-established operators, many of which have greater liquidity and financial resources than us. Many of the world's most recognized lodging, hospitality and entertainment companies develop and sell timeshare units or VOIs in resort properties. We also compete with numerous smaller owners and operators of vacation ownership resorts and also face competition from alternative lodging options available to consumers through both traditional methods of delivery as well as new web portals and applications, including private rentals of homes, apartments or condominium units, which have increased in popularity in recent years. Our ability to remain competitive and to attract and retain customers depends on our customers' satisfaction with our products and services as well as on distinguishing the quality, value, and efficiency of our products and services from those offered by our competitors. Customer dissatisfaction with experiences at our resorts or otherwise as a Vacation Club owner, including due to an inability to use points for desired stays, could result in negative publicity and/or a decrease in sales, or otherwise adversely impact our ability to successfully compete in the vacation ownership and hospitality industries. We may not be able to timely and sufficiently identify and remediate the cause of customer dissatisfaction. Any of these events could materially and adversely impact our operating results and financial condition.

There are risks associated with our strategic partnerships and arrangements.

We generate a significant portion of our new sales prospects and leads through our arrangements with various third parties, including Bass Pro and Choice Hotels, and are dependent upon these relationships in order to acquire new customers. VOI sales to prospects and leads generated by our marketing arrangement with Bass Pro accounted for approximately 12% and 13% of our VOI sales volume during the years ended December 31, 2020 and 2019, respectively. If our agreement with Bass Pro, or any other significant marketing arrangement, does not generate a sufficient number of prospects and leads or is terminated or limited and not replaced by another comparable source of sales prospects and leads, we may not be able to successfully market and sell our products and services at current sales levels, at anticipated levels or at levels required in order to offset the costs associated with our marketing efforts. In addition, our business relationship with Bass Pro under the revised terms of our marketing agreement entered into in June 2019 may not be as profitable as under the prior terms, or at all, or otherwise result in the benefits anticipated.

Our business and results may be impacted if financing is not available on favorable terms, or at all.

In connection with VOI sales, we generally offer financing to the purchaser of up to 90% of the purchase price of the VOI. However, we incur selling, marketing and administrative cash expenses prior to and concurrent with the sale. These costs, along with the cost of the underlying VOI, generally exceed the down payment we receive at the time of the sale. Accordingly, our ability to borrow against or sell our notes receivable has historically been a critical factor in our continued liquidity, and we therefore have depended on funds from our credit facilities and securitization transactions to finance our operations. If our pledged receivables facilities terminate or expire and we are unable to extend them or replace them with comparable facilities, or if we are unable to continue to participate in securitization-type transactions and "warehouse" facilities on acceptable terms, our liquidity, cash flow and profitability would be materially and adversely affected. Credit market disruptions have in the past, including in connection with the COVID-19 pandemic, adversely impacted the willingness of banks and other finance companies to provide "warehouse" lines of credit for VOI notes receivable and resulted from time to time in the term securitization market being unavailable. Future credit market disruptions may have similar effects or otherwise make obtaining additional and replacement external sources of liquidity more difficult and more costly, if available at all.

In addition, financing for real estate acquisition and development and the capital markets for corporate debt is cyclical. While we have increased our focus on encouraging higher down payments in connection with sales, there is no assurance that this initiative will enhance our financial position or otherwise be successful in the long-term.

We anticipate that we will continue to seek and use external sources of liquidity, including borrowings under our existing credit facilities, under credit facilities that we may obtain in the future, under securitizations in which we may participate in the future or pursuant to other borrowing arrangements, to:

- ① support our operations and, subject to declaration by our board of directors and contractual limitations, including limitations contained in our credit facilities, pay dividends;
- ① finance the acquisition and development of VOI inventory or property and equipment;
- ① finance a substantial percentage of our sales; and
- ① satisfy our debt and other obligations.

Our ability to service or refinance our indebtedness or to obtain additional financing (including our ability to consummate future term securitizations) depends on the credit markets and on our future performance, which is subject to a number of factors, including the success of our business, our results of operations, leverage, financial condition and business prospects, prevailing interest rates, general economic conditions, the performance of our receivables portfolio, and perceptions about the vacation ownership and real estate industries.

As of December 31, 2020, we had \$12.2 million of indebtedness scheduled to become due during 2021. Historically, much of our debt has been renewed or refinanced in the ordinary course of business. However, there is no assurance that we will be able to renew, extend or refinance all or any portion of our outstanding debt or otherwise obtain sufficient external sources of liquidity, in each case, on attractive terms, or at all. If we are unable to do so, our liquidity and financial condition may be materially, adversely impacted.

In addition, we have and intend to continue to enter into arrangements with third-party developers pursuant to which we sell their VOI inventory for a fee. These arrangements enable us to generate fees from the marketing and sales services we provide, and in certain cases from our provision of management services, without requiring us to fund development and acquisition costs. If these third-party developers are not able to obtain or maintain financing necessary for their development activities or other operations, we may not be able to enter into these fee-based arrangements or have access to their VOI inventory when anticipated, which would adversely impact our results.

We would suffer substantial losses and our liquidity position could be adversely impacted if an increasing number of customers to whom we provide financing default on their obligations.

Adverse conditions in the mortgage industry, including credit availability, borrowers' financial profiles, prepayment rates and other factors, including those outside of our control may increase the default rates we experience or otherwise negatively impact the performance of our notes receivable. In addition, in recent years, third parties have been discouraging certain borrowers from staying current on their note payments. Although in many cases we may have recourse against a buyer for the unpaid purchase price, certain states have laws that limit our ability to recover personal judgments against customers who have defaulted on their loans or we may determine that the cost of doing so may not be justified. Historically, we have generally not pursued such recourse against our customers. In the case of our notes receivable secured by VOIs, if we are unable to collect the defaulted amount due, we traditionally have terminated the customer's interest in the Vacation Club and then remarketed the recovered VOI. Irrespective of our remedy in the event of a default, we cannot recover the marketing, selling and administrative costs associated with the original sale and such costs generally exceed the cash received by us from the buyer at the time of the sale. In addition, we will need to incur such costs again in order to resell the VOI. We update our estimates of such future losses each quarter, and consequently, the charge against sales in a particular period may be impacted, favorably or unfavorably, by a change in expected losses related to notes originated in prior periods. In addition, defaults may cause buyers of, or lenders whose loans are secured by, our VOI notes receivable to reduce the amount of availability or advance rates under receivables purchase and credit facilities, or result in an increase in the interest costs associated with such facilities. In such an event, the cost of financing may increase and we may not be able to secure replacement or alternative financing on terms acceptable to us, if at all, which would adversely affect our earnings, financial position and liquidity.

Our VOI notes receivable financing facilities could be adversely affected if a particular VOI note receivable pool fails to meet certain performance ratios, which could occur if the default rate or other credit metrics of the underlying VOI notes receivable deteriorate. In addition, if we offer financing to purchasers of VOIs with terms longer than those generally offered in the industry, we may not be able to securitize those VOI financing receivables. Our ability to sell securities backed by our VOI notes receivable depends on the continued ability and willingness of capital market participants to invest in such securities. Asset-backed securities issued in our term securitization transactions could be downgraded by credit agencies in the future. If a downgrade occurs, our ability to complete other securitization transactions on acceptable terms or at all could be jeopardized, and we could be forced to rely on other potentially more expensive and less attractive funding sources, to the extent available. Similarly, if other operators of vacation ownership products were to experience significant financial difficulties, or if the vacation ownership industry as a whole were to contract, we could experience difficulty in securing funding on acceptable terms. The occurrence of any of the foregoing could adversely impact our business and results, including, without limitation, by reducing the amount of financing we are able to provide to VOI purchasers, which in turn may result in a reduction in VOI sales. As described above, the COVID-19 pandemic has had an adverse impact on our VOI notes receivable portfolio, which has resulted in an increase in our allowance for loan losses and may result in additional increases or other adverse impacts in the future.

In addition, under the terms of our pledged and receivable sale facilities, we may be required, under certain circumstances, to replace receivables or to pay down the loan to within permitted loan-to-value ratios. Additionally, the terms of our securitization transactions require us to repurchase or replace loans if we breach any of the representations and warranties we made at the time we sold the receivables. These agreements also often include terms providing for substantially all of our cash flow from our retained interest in the receivable portfolios sold to be paid to the parties who purchased the receivables from us in the event of defaults or delinquencies by customers in excess of stated thresholds, or if other performance thresholds are not met.

The ratings of third-party rating agencies could adversely impact our ability to obtain, renew or extend credit facilities, or otherwise raise funds.

Rating agencies from time to time review prior specific transaction ratings in light of tightened ratings criteria. Further, specific securitization transactions are reviewed by third-party rating agencies. If rating agencies were to downgrade their original ratings on certain bond classes in our securitizations, holders of such bonds may be required to sell bonds in the marketplace, and such sales could occur at a discount, which could impact the perceived value of the bonds and our ability to sell future bonds on favorable terms or at all. While we are not aware of any reasonably likely downgrades to the ratings of bond classes in our securitizations, such ratings changes can occur without advance notice.

Our future success depends on our ability to market our products and services successfully and efficiently and our marketing expenses have increased and may continue to increase in the future.

As previously described, we compete for customers with hotel and resort properties, other vacation ownership resorts and alternative lodging options, including private rentals of homes, apartments or condominium units. The identification of sales prospects and leads, and the marketing of our products and services to them are essential to our success. We incur expenses associated with marketing programs in advance of the closing of sales. If our lead identification and marketing efforts do not yield enough leads or we are unable to successfully convert sales leads to sales, we may be unable to recover the expense of our marketing programs and systems and our business, operating results and financial condition would be adversely affected. In addition, while sales to existing owners have increased recently, we also continue to focus our marketing efforts on selling to new customers, which typically involves a relatively higher marketing cost compared to sales to existing owners. These efforts may result in increases in our sales and marketing expenses. If we are not successful in offsetting the cost increase with greater sales revenue, our operating results and financial condition would be adversely impacted. In addition, our marketing efforts are subject to the risk of changing consumer behavior. Changes in consumer behavior may adversely impact the effectiveness of marketing efforts and strategies which we have in place and we may not be able to timely and effectively respond to such changes. In addition, we may not be able to continue to increase or maintain our level of sales to existing owners.

If we are unable to develop or acquire VOI inventory or enter into and maintain fee-based service agreements or other arrangements to source VOI inventory, our business and results would be adversely impacted.

In addition to developed VOI sales, we source VOIs as part of our capital-light business strategy through fee-based service agreements with third-party developers and through JIT and secondary market arrangements. If we are unable to develop or acquire resorts at the levels or in the time frames anticipated, or are unsuccessful in entering into agreements with third-party developers or others to source VOI inventory in connection with our capital-light business strategy, we may experience a decline in VOI supply or an increase in VOI cost, which could have a negative impact on our results and operations and/or a decrease in sales. In addition, a decline in VOI supply and sales could result in a decrease in financing revenue that is generated by VOI sales and fee and rental revenue that is generated by our management services.

Our capital-light activities, including fee-based sales and marketing arrangements, and JIT and secondary market sales activities, may not be successful or profitable, which would have an adverse impact on our results of operations and financial condition.

We offer fee-based marketing, sales, resort management and other services to third-party developers, which we believe enables us to leverage our expertise in sales and marketing, resort management, mortgage servicing, construction management and title services. We intend to continue our capital-light business activities as such activities generally produce positive cash flow and typically require less capital investment than our traditional vacation ownership business. We have attempted to structure these activities to cover our costs and generate a profit. Sales of third-party developers' VOIs must generate sufficient cash to comply with the terms of their financing obligations as well as to pay the fees or commissions due to us. The third-party developers may not be able to obtain or maintain financing necessary to meet their requirements, which could impact our ability to sell the developers' inventory. While we could attempt to utilize other arrangements, including JIT arrangements, where we would utilize our receivable credit facilities in order to provide fee-based marketing and sales services, this would reduce the credit otherwise available to us and impact profitability. We commenced our capital-light activities largely during the "Great Recession" in response to poor economic conditions and our fee-based and other capital-light business activities in the future may be adversely impacted by changes in economic conditions such as the adverse impact of the COVID-19 pandemic. When we perform fee-based sales and marketing services, we sell VOIs in resorts developed by third parties as an interest in the Vacation Club. This subjects us to a number of risks typically associated with selling products developed by others under our own brand name, including litigation risks. Further, these arrangements may expose us to additional risk as we will not control development activities or timing of development completion. If third parties with whom we enter into agreements are not able to fulfill their obligations to us, the inventory we expect to acquire or market and sell on their behalf may not be available when expected or at all, or may not otherwise meet agreed-upon specifications. Further, if these third parties do not perform as expected and we do not have access to the expected inventory or obtain access to inventory from alternative sources on a timely basis, our ability to maintain or increase sales levels would be adversely impacted.

We also sell VOI inventory through secondary market arrangements which require low levels of capital deployment. In connection with secondary market sales, we acquire VOI inventory from our resorts' HOAs, generally on a non-committed basis, in close proximity to the timing of when we intend to sell such VOIs. VOIs purchased from HOAs are typically obtained by the HOAs through foreclosure in connection with maintenance fee defaults and are generally acquired by us at a discount. While we intend to increase our secondary market sales efforts in the future, we may not be successful in doing so, and these efforts may not result in our achieving anticipated results. Further our secondary market sales activities may subject us to negative publicity, which could adversely impact our reputation and business.

We are subject to certain risks associated with our management of resort properties.

Through our management of resorts and ownership of VOIs, we are subject to certain risks related to the physical condition and operation of the managed resort properties in our network, including:

- ⌚ the presence of construction or repair defects or other structural or building damage at any of these resorts, or resorts we may develop in the future;
- ⌚ any noncompliance with or liabilities under applicable environmental, health or safety regulations or requirements or building permit requirements relating to these resorts;
- ⌚ any costs or damage to physical assets or interruption of access to physical assets or operations resulting from an outbreak of contagious diseases, such as the COVID-19 outbreak, or from natural disasters, such as hurricanes, earthquakes, fires, floods and windstorms, which may increase in frequency or severity due to climate change or other factors; and
- ⌚ claims by employees, members and their guests for injuries sustained on these resort properties.

Some of these risks may be more significant in connection with the properties for which we recently acquired management agreements, particularly any management agreements which were acquired from operators in financial distress. If an uninsured loss or a loss in excess of insured limits occurs as a result of any of the foregoing, we may be forced to incur significant costs.

Additionally, a number of U.S. federal, state and local laws, including the Fair Housing Amendments Act of 1988 and the ADA, impose requirements related to access to and use by disabled persons of a variety of public accommodations and facilities. A determination that our managed resorts are subject to, and that they are not in compliance with, these accessibility laws could result in a judicial order requiring compliance, imposition of fines or an award of damages to private litigants. If one of our managed resorts was required to make significant improvements as a result of non-compliance with these accessibility laws, assessments might be needed to fund such improvements, which additional costs may cause our VOI owners to default on their consumer loans from us or cease making required maintenance fee or assessment payments. Also, to the extent that we hold interests in a particular resort, we would be responsible for our pro rata share of the costs of such improvements. In addition, any new legislation may impose further burdens or restrictions on property owners with respect to access by disabled persons.

The resort properties that we manage are subject to federal, state and local laws and regulations relating to the protection of the environment, natural resources and worker health and safety, including laws and regulations governing and creating liability relating to the management, storage and disposal of hazardous substances and other regulated materials and the cleanup of contaminated sites. The resorts are also subject to various environmental laws and regulations that govern certain aspects of their ongoing operations. These laws and regulations control such things as the nature and volume of wastewater discharges, quality of water supply and waste management practices. To the extent that we hold interests in a particular resort, we would be responsible for our pro rata share of losses sustained by such resort as a result of a violation of any such laws and regulations.

In addition, we may from time to time have disagreements with VOI owners and HOAs relating to the management services we provide. Failure to resolve such disagreements may result in litigation and additional costs. Further, disagreements with HOAs could also result in the loss of management contracts, which would negatively affect our revenue and results, and may also have an adverse impact on our ability to generate sales from existing VOI owners.

Our management contracts are typically structured as “cost-plus,” with an initial term of three years and automatic one year renewals. If a management contract is terminated or not renewed on favorable terms or is renegotiated in a manner adverse to us, our revenue and cash flows would be adversely affected.

Our results of operations and financial condition may be materially and adversely impacted if we do not continue to participate in exchange networks and other strategic alliances with third parties or if our customers are not satisfied with the networks in which we participate or our strategic alliances.

We believe that our participation in exchange networks and other strategic alliances and our Traveler Plus program make ownership of our VOIs more attractive by providing owners with the ability to take advantage of vacation experiences in addition to stays at our resorts. Our participation in the RCI exchange network allows Vacation Club owners to use their points to stay at over 4,200 participating resorts, based upon availability and the payment of a variable exchange fee. During the year ended December 31, 2020, approximately 4% of Vacation Club owners utilized the RCI exchange network for a stay of two or more nights. We also have an exclusive strategic arrangement with Choice Hotels pursuant to which, subject to payments and conditions, certain of our resorts have been branded as part of Choice Hotels' Ascend Hotel Collection. Vacation Club owners can convert their Vacation Club points into Choice Privileges points. Choice Privileges points can be used for stays at Choice Hotels' properties. For a nominal annual fee and transactional fees, Vacation Club owners may also participate in our Traveler Plus program, which enables them to use points to access an additional 44 direct exchange resorts and for other vacation experiences such as cruises. In addition, Traveler Plus members can directly use their Vacation Club points for stays at Choice Hotels' Ascend Hotel Collection properties, a network of historic and boutique hotels in the United States, Canada, Scandinavia and Latin America. We may not be able to or desire to continue to participate in the RCI or direct exchange networks in the future or maintain or extend our other marketing and strategic networks, alliances and relationships. In addition, these networks, alliances and relationships, and our Traveler Plus program, may not continue to operate effectively, and our customers may not be satisfied with them. In addition, we may not be successful in identifying or entering into new strategic relationships in the future. If any of these events should occur, our results of operations and financial condition may be materially and adversely impacted.

If maintenance fees at our resorts and/or Vacation Club dues are required to be increased, our product could become less attractive, defaults could increase and our business could be harmed.

The maintenance fees, special assessments and Vacation Club dues that are levied by HOAs and the Vacation Club on VOI owners may increase as the costs to maintain and refurbish properties, and to keep properties in compliance with our standards and applicable regulations, increase. Increases in such fees, assessments or dues could negatively affect customer satisfaction with our Vacation Club or otherwise adversely impact VOI sales to both new customers and existing VOI owners or could contribute to additional defaults.

Our strategic transactions and relationships may not be successful and may divert our management's attention and consume significant resources.

We intend to continue our strategy of selectively pursuing complementary strategic transactions and relationships. We may also purchase management contracts, including from resort operators facing financial distress, and purchase VOI inventory at resorts that we do not manage, with the goal of acquiring sufficient VOI ownership at such a resort to become the manager of that resort. The successful execution of this strategy will depend on our ability to identify and enter into the agreements necessary to take advantage of these potential opportunities, and to obtain any necessary financing. We may not be able to do so successfully. In addition, our management may be required to devote substantial time and resources to pursue these opportunities, which may divert their attention away from our other operations.

Acquisitions and new strategic relationships involve numerous additional risks, including: (i) difficulty in integrating the operations and personnel of the acquired business or assets; (ii) potential disruption of our ongoing business and the distraction of management from our day-to-day operations; (iii) difficulty entering markets and relationships in which we have limited or no prior experience and in which competitors have a stronger market position; (iv) difficulty maintaining the quality of services that we have historically provided across new acquisitions; (v) potential legal and financial responsibility for liabilities of the acquired business or assets; (vi) potential overpayment in connection with transactions; (vii) increased expenses associated with transactions or an acquisition and amortizing any acquired intangible assets; (viii) risks associated with any debt incurred in connection with the financing of transaction; and (ix) challenges in implementing uniform standards, controls, procedures and policies throughout an acquired business.

We are dependent on the managers of resorts not managed, owned or operated by us to ensure that those properties meet our customers' expectations.

In addition to stays at our resorts, Vacation Club owners have access to other resorts and hotels as a result of our participation in exchange programs and our other strategic alliances. Accordingly, Vacation Club owners have access to resorts that we do not manage, own or operate. If those resorts are not maintained in a manner consistent with our standards of quality or our Vacation Club owners are otherwise dissatisfied with those resorts, we may be subject to customer complaints and our reputation and brand could be damaged. In addition, our agreements with these resorts or their owners may expire, be terminated or not be renewed, or may be renegotiated in a manner adverse to us, and we may be unable to enter into new agreements that provide Vacation Club owners with equivalent access to additional resorts, any or all of which could materially adversely impact our business, operating results and financial condition.

The resale market for VOIs could adversely affect our business.

We believe that resales of VOIs in the secondary market generally are made at net sales prices below the original customer purchase prices. The relatively lower sales prices are partly attributable to the high marketing and sales costs associated with the initial sales of such VOIs. Accordingly, the initial purchase price of a VOI may be less attractive to prospective buyers and we may compete with buyers who seek to resell their VOIs. While VOI resale clearing houses or brokers currently do not have a material impact on our business, the availability of resale VOIs at lower prices, particularly if an organized and liquid secondary market develops, could adversely affect our level of sales and sales prices, which in turn would adversely affect our business, financial condition and results of operations.

Our insurance policies may not cover all potential losses.

We maintain insurance coverage for liability, property and other risks with respect to our operations and activities. While we have comprehensive property and liability insurance policies with coverage features and insured limits that we believe are customary, market forces beyond our control may limit the scope of the insurance coverage we can obtain or our ability to obtain coverage at reasonable rates. The cost of insurance may increase and our coverage levels may decrease, which may affect our ability to maintain customary insurance coverage and deductibles at acceptable costs.

There is a limit as well as various sub-limits on the amount of insurance proceeds we will receive in excess of applicable deductibles. If an insurable event occurs that affects more than one of our properties, the claims from each affected property may be considered together to determine whether the individual occurrence limit, annual aggregate limit or sub-limits, depending on the type of claim, have been reached. If the limits or sub-limits are exceeded, each affected property may only receive a proportional share of the amount of insurance proceeds provided for under the policy. Further, certain types of losses, generally of a catastrophic nature, such as earthquakes, hurricanes and floods, terrorist acts, and certain environmental matters, may be outside the general coverage limits of our policies, subject to large deductibles, deemed uninsurable or too cost-prohibitive to justify insuring against. In addition, in the event of a substantial loss, the insurance coverage we carry may not be sufficient to pay the full market value or replacement cost of the affected resort or in some cases may not provide a recovery for any part of a loss. As a result, we could lose some or all of the capital we have invested in a property, as well as the anticipated future marketing, sales or revenue opportunities from the property. Further, we could remain obligated under guarantees or other financial obligations related to the property despite the loss of product inventory, and our VOI owners could be required to contribute toward deductibles to help cover losses.

Our business may be adversely impacted by negative publicity, including information spread through social media.

The proliferation and global reach of social media continues to expand rapidly and could cause us to suffer reputational harm. The continuing evolution of social media presents new challenges and requires us to keep pace with new developments, technology and trends. Negative posts or comments about us, the properties we manage or our brands on any social networking or user-generated review website, including travel and vacation property websites, could

affect consumer opinions of us and our products, and we cannot guarantee that we will timely or adequately redress such instances.

Risks Related to Our Indebtedness

- ⊕ Our indebtedness could limit our activities and adversely impact our results and financial condition.
- ⊕ Changes to and replacement of the LIBOR benchmark interest rate could adversely affect our results of operations and liquidity.

Changes to and replacement of the LIBOR benchmark interest rate could adversely affect our results of operations and liquidity.

In July 2017, the Financial Conduct Authority (the regulatory authority over LIBOR) stated they will plan for a phase out of regulatory oversight of LIBOR interest rate indices after 2021 to allow for an orderly transition to an alternate reference rate. The Alternative Reference Rates Committee (“ARRC”) has proposed that the Secured Overnight Financing Rate (“SOFR”) is the rate that represents best practice as the alternative to LIBOR for promissory notes or other contracts that are currently indexed to LIBOR. The ARRC has proposed a market transition plan to SOFR from LIBOR and organizations are currently working on transition plans as it relates to derivatives and cash markets exposed to LIBOR. Although our VOIs notes receivable are not indexed to LIBOR, as of December 31, 2020, we had \$110.8 million of LIBOR indexed junior subordinated debentures, \$40.5 million of LIBOR indexed receivable-backed notes payable and lines of credit, and \$127.5 million of LIBOR indexed lines of credit and notes payable that mature after 2021. We are evaluating the potential impact that the eventual replacement of the LIBOR benchmark interest rate could have on our results of operations and liquidity.

Our existing indebtedness, or indebtedness that we may incur in the future, could adversely impact our financial condition and results of operations, and the terms of our indebtedness may limit our activities.

Our level of debt and debt service requirements have several important effects on our operations. Significant debt service cash requirements reduce the funds available for operations and future business opportunities and increase our vulnerability to adverse economic and industry conditions, as well as conditions in the credit markets generally. In addition, our leverage position increases our vulnerability to economic and competitive pressures and may limit funds available for acquisitions, working capital, capital expenditures, dividends, and other general corporate purposes. Further, the financial covenants and other restrictions contained in indentures, credit agreements and other agreements relating to our indebtedness require us to meet certain financial tests and may limit our ability to, among other things, pay dividends, borrow additional funds, dispose of assets or make investments. If we fail to comply with the terms of our debt instruments, such debt may become due and payable immediately, which would have a material adverse impact on our cash position and financial condition. Significant resources may be required to monitor our compliance with our debt instruments (from a quantitative and qualitative perspective), and such monitoring efforts may not be effective in all cases. We may also incur substantial additional indebtedness in the future. If new debt or other liabilities are added to our current debt levels, the related risks that we face could intensify.

To the extent inflationary trends, tightened credit markets or other factors affect interest rates, our debt service costs may increase. If interest rates increased one percentage point, the effect on interest expense related to our variable-rate debt would be an annual increase of \$3.0 million, based on balances as of December 31, 2020.

Risks Related to the Real Estate Industry and Real Estate Development

- ⊕ We are subject to the risks of the real estate market and real estate development, including a decline in real estate values, a deterioration of other conditions relating to the real estate market and real estate development, and potential environmental liabilities.

We are subject to the risks of the real estate market and the risks associated with real estate development, including a decline in real estate values and a deterioration of other conditions relating to the real estate market and real estate development.

Real estate markets are cyclical in nature and highly sensitive to changes in national and regional economic conditions, including:

- ① levels of unemployment;
- ① levels of discretionary disposable income;
- ① levels of consumer confidence;
- ① the availability of financing;
- ① overbuilding or decreases in demand;
- ① interest rates; and
- ① federal, state and local taxation methods.

A deterioration in general economic conditions or in the real estate market would have a material adverse effect on our business.

We expect to seek to acquire more real estate inventory in the future. The availability of land for development of resort properties at favorable prices will be critical to our profitability and the ability to cover our significant selling, general and administrative expenses, cost of capital and other expenses. If we are unable to acquire such land or resort properties at a favorable cost, our results of operations may be materially, adversely impacted. The profitability of our real estate development activities is also impacted by the cost of construction, including the costs of materials and labor and other services. Should the cost of construction materials and services rise, the ultimate cost of our future resorts inventory when developed could increase and have a material, adverse impact on our results of operations. We are also exposed to other risks associated with development activities, including, without limitation:

- ① adverse conditions in the capital markets may limit our ability to raise capital for completion of projects or for development of future properties;
- ① construction delays, zoning and other local, state or federal governmental approvals, cost overruns, lender financial defaults, or natural disasters, such as earthquakes, hurricanes, floods, fires, volcanic eruptions and oil spills, increasing overall construction costs, affecting timing of project completion or resulting in project cancellations;
- ① any liability or alleged liability or resulting delays associated with latent defects in design or construction of projects we have developed or that we construct in the future adversely affecting our business, financial condition and reputation;
- ① failure by third-party contractors to perform for any reason, exposing us to operational, reputational and financial harm; and
- ① the existence of any title defects in properties we acquire.

In addition, the third-party developers from whom we source VOI inventory as part of our capital-light business strategy are exposed to such development-related risks and, therefore, the occurrence of such risks may adversely impact our ability to acquire VOI inventory from them when expected or at all.

Environmental liabilities, including claims with respect to mold or hazardous or toxic substances, could have a material adverse impact on our financial condition and operating results.

Under various federal, state and local laws, ordinances and regulations, as well as common law, we may be liable for the costs of removal or remediation of certain hazardous or toxic substances, including mold, located on, in or emanating from property that we own, lease or operate, as well as related costs of investigation and property damage at such property. These laws often impose liability without regard to whether we knew of, or were responsible for, the presence of the hazardous or toxic substances. The presence of such substances, or the failure to properly remediate such substances, may adversely affect our ability to sell or lease our property or to borrow money using such property

or receivables generated from the sale of such property as collateral. Noncompliance with environmental, health or safety requirements may require us to cease or alter operations at one or more of our properties. Further, we may be subject to common law claims by third parties based on damages and costs resulting from violations of environmental regulations or from contamination associated with one or more of our properties.

Risks Related to Technology, Privacy and Intellectual Property Rights

- ① We would be adversely impacted if we fail to maintain the integrity of internal or customer data.
- ② We may not be able to keep pace with technological developments, and the cost involved in updating technology may be significant.
- ③ A failure to protect our or our business partners' intellectual property rights could adversely affect our business.

Failure to maintain the integrity of internal or customer data could result in faulty business decisions or operational inefficiencies, damage our reputation and/or subject us to costs, fines or lawsuits.

We collect and retain large volumes of internal and customer data, including social security numbers, credit card numbers and other personally identifiable information of our customers in various internal information systems and information systems of our service providers. We also maintain personally identifiable information about our employees. The integrity and protection of that customer, employee and company data is critical to us. We could make faulty decisions if that data is inaccurate or incomplete. Our customers and employees also have a high expectation that we and our service providers will adequately protect their personal information. The regulatory environment as well as the requirements imposed on us by the payment card industry surrounding information, security and privacy is also increasingly demanding, in both the United States and other jurisdictions in which we operate. Our systems may be unable to satisfy changing regulatory and payment card industry requirements and employee and customer expectations, or may require significant additional investments or time in order to do so.

Our information systems and records, including those we maintain with our service providers, may be subject to security breaches, cyber attacks, system failures, viruses, operator error or inadvertent releases of data. A significant theft, loss, or fraudulent use of customer, employee or company data maintained by us or by a service provider could adversely impact our reputation and could result in remedial and other expenses, fines or litigation. A breach in the security of our information systems or those of our service providers could lead to an interruption in the operation of our systems, resulting in operational inefficiencies and a loss of profits.

The cost involved in updating technology may be significant, and the failure to keep pace with developments in technology could impair our operations or competitive position.

The vacation ownership and hospitality industries require the utilization of technology and systems, including technology utilized for sales and marketing, mortgage servicing, property management, brand assurance and compliance, and reservation systems. This technology requires continuous updating and refinements, including technology required to remain competitive and to comply with the legal requirements such as privacy regulations and requirements established by third parties. We are taking steps to update our information technology platform, which has required, and is likely to continue to require, significant capital expenditures. Older systems which have not yet been updated may increase the risk of operational inefficiencies, financial loss and non-compliance with applicable legal and regulatory requirements and we may not be successful in updating such systems in the time frame or at the cost anticipated. Further, as a result of the rapidly changing technological environment, systems which we have put in place or expect to put in place in the near term may become outdated requiring new technology, and we may not be able to replace those systems as quickly as our competition or within budgeted costs and time frames. Further, we may not achieve the benefits that may have been anticipated from any new technology or system.

In addition, conversions to new information technology systems require effective change management processes and may result in cost overruns, delays or business interruptions. If our information technology systems are disrupted,

become obsolete or do not adequately support our strategic, operational or compliance needs, our business, financial position, results of operations or cash flows may be adversely affected.

Our intellectual property rights, and the intellectual property rights of our business partners, are valuable, and the failure to protect those rights could adversely affect our business.

Our intellectual property rights, including existing and future trademarks, trade secrets and copyrights, are and will continue to be valuable and important assets of our business. We believe that our proprietary technology, as well as our other technologies and business practices, are competitive advantages and that any duplication by competitors would harm our business. The measures we have taken to protect our intellectual property may not be sufficient or effective. Additionally, intellectual property laws and contractual restrictions may not prevent misappropriation of our intellectual property. Finally, even if we are able to successfully protect our intellectual property, others may develop technologies that are similar or superior to our technology. We also generate a significant portion of our new sales prospects and leads through arrangements with third parties, including Bass Pro. The failure by these third parties to protect their intellectual property rights could also harm our business.

Risks Related to Ownership of Our Common Stock

- ① Ownership of our common stock involves risks associated with BVH's control position.
- ① We have suspended the payment of regular quarterly cash dividends on our common stock and may not resume paying dividends in the future.
- ① Provisions in our organizational documents may prevent a change in control, changes in our management and/or depress the trading price of our common stock, and our bylaws contain an exclusive forum provision.

- ① Future sales of our common stock (or the perception of future sales) may cause the market price of our common stock to decline.
- ① We are an "emerging growth company" and a "controlled company" and our reliance or ability to rely on certain exemptions as a result thereof may make our common stock less attractive to investors.

BVH's controlling position in our common stock limits our shareholders' ability to influence corporate matters, including the outcome of director elections and other matters requiring shareholder approval and such controlling position and the overlap of management with BVH may result in conflicts of interest and competition for management time or attention.

BVH holds approximately 93% of our outstanding common stock. As a result of such ownership position, BVH is able to exercise control over all matters requiring shareholder approval, including the election of directors, amendments of our Amended and Restated Articles of Incorporation and approval of significant corporate transactions. This control could have the effect of delaying or preventing a change in control or changes in management and will make the approval of certain transactions impossible without the support of BVH. Alan B. Levan, our Chairman, President and Chief Executive Officer and the Chairman and Chief Executive Officer of BVH, John E. Abdo, our and BVH's Vice Chairman, Jarett S. Levan, the son of Mr. Alan Levan and a director of our company and BVH, and Seth M. Wise, a director of our company and former director of BVH, may be deemed to control BVH by virtue of their collective ownership of the Class A Common Stock and Class B Common Stock of BVH represents, a majority of BVH's total voting power. The interests of BVH and Mr. Alan Levan, Mr. Abdo, Mr. Jarett Levan, and Mr. Wise may conflict with our interests or the interests of our other shareholders, including that they may have an interest in pursuing acquisitions, divestitures and other transactions that, in their judgment, could enhance BVH's investment in us or improve BVH's financial condition, even though such transactions might involve risks to us. In addition, this concentration of ownership could deprive shareholders of an opportunity to receive a premium for their shares of our common stock as part of a sale of our Company and ultimately might affect the market price of our common stock.

We have suspended the payments of regular quarterly cash dividends and may not resume paying dividends on our common stock.

We paid a cash dividend of \$0.13 per share on our common stock during the first quarter of 2020. On April 22, 2020, our board of directors suspended regular quarterly cash dividends on our common stock due to the impact of the COVID-19 pandemic. On July 22, 2020, we declared a special cash dividend of \$1.19 per share on our common stock which was paid on August 21, 2020 to shareholders of record as of the close of trading on August 6, 2020. Any future dividends, including the timing and amount thereof, will be at the discretion of our board of directors and will be subject to applicable law and contractual restrictions, including restrictions contained in our credit facilities, and our financial condition, results of operations, available cash, capital requirements, general business conditions and prospects, and other factors that our board of directors may deem relevant. It is uncertain when or if our board will reinstate regular quarterly cash dividends or otherwise declare any dividends.

Provisions in our Amended and Restated Articles of Incorporation and our Fourth Amended and Restated Bylaws, as well as provisions of Florida law, might discourage, delay or prevent a change in control or changes in our management and/or depress the trading price of our common stock.

Our Amended and Restated Articles of Incorporation and our Fourth Amended and Restated Bylaws contain, and Florida law contains, provisions that may discourage, delay or prevent a merger, acquisition or other change in control that shareholders may consider favorable, including transactions in which shareholders might otherwise receive a premium for their shares of our common stock, and attempts by our shareholders to replace or remove our management. These provisions include those which:

- ① grant our board of directors the authority to approve the issuance of additional shares of common stock or preferred stock and to fix the relative rights and preferences of the preferred stock (in each case, without any action or vote of our shareholders), which could be used for, among other things, the adoption of a shareholder rights plan if determined to be advisable by our board of directors;
- ① permit our board of directors to establish the number of directors and fill any vacancies and newly-created directorships; and
- ① specify advance notice procedures that must be complied with by shareholders in order to make shareholder proposals or nominate directors.

As a Florida corporation, we are also subject to the provisions of the Florida Business Corporation Act (the "FBCA"), including those limiting the voting rights of "control shares." Under the FBCA, subject to certain exceptions, including mergers and acquisitions effected in accordance with the FBCA, the holder of "control shares" of a Florida corporation that has (i) 100 or more shareholders, (ii) its principal place of business, its principal office or substantial assets in Florida and (iii) either more than 10% of its shareholders residing in Florida, more than 10% of its shares owned by Florida residents or 1,000 shareholders residing in Florida, will not have the right to vote those shares unless the acquisition of the shares was approved by a majority of each class of voting securities of the corporation, excluding those shares held by interested persons.

"Control shares" are defined in the FBCA as shares acquired by a person, either directly or indirectly, that when added to all other shares of the issuing corporation owned by that person, would entitle that person to exercise, either directly or indirectly, voting power within any of the following ranges: (i) 20% or more but less than 33% of all voting power of the corporation's voting securities; (ii) 33% or more but less than a majority of all voting power of the corporation's voting securities; or (iii) a majority or more of all of the voting power of the corporation's voting securities.

Any provision of our governance documents or Florida law that has the effect of delaying or deterring a change in control could limit the opportunity for our shareholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our common stock.

Our Fourth Amended and Restated Bylaws has an exclusive forum provision, which could limit our shareholders' ability to obtain a different judicial forum for disputes with us or our directors, officers or other employees.

Our Fourth Amended and Restated Bylaws has an exclusive forum provision providing that, unless our board of directors consents to the selection of an alternative forum, the Circuit Court located in Palm Beach County, Florida (or, if such Circuit Court does not have jurisdiction, another Circuit Court located within Florida or, if no Circuit Court located within Florida has jurisdiction, the federal district court for the Southern District of Florida) shall be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of our Company; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our shareholders; (iii) any action asserting a claim against us or any of our directors, officers or other employees arising pursuant to any provision of the FBCA, our Amended and Restated Articles of Incorporation or our Fourth Amended and Restated Bylaws (in each case, as amended or amended and restated from time to time); or (iv) any action asserting a claim against us or any of our directors, officers or other employees governed by the internal affairs doctrine of the State of Florida (each, a "Covered Proceeding"). Further, the exclusive forum provision provides that if any Covered Proceeding is filed in a court other than a court located within Florida in the name of any shareholder, then such shareholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts located within Florida in connection with any action brought in any such court to enforce the exclusive forum provision and (ii) having service of process made upon such shareholder in any such enforcement action by service upon such shareholder's counsel in the action as agent for such shareholder. Unless waived, the exclusive forum provision may limit our shareholders' ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find the exclusive forum provision to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition and results of operations.

Future sales of our common stock, or the perception in the public markets that these sales may occur, may cause the market price of our common stock to decline.

Due to the limited public float of our common stock as a result of BVH's approximate 93% interest, there is limited trading volume in our common stock, the market price of our common stock may be volatile and shareholders may not be able to sell their shares in the amounts desired without impacting the market price of our common stock. In addition, we believe that certain shareholders have significant holdings of shares of our common stock within the public float. The market price of our common stock could decline significantly as a result of sales of a large number of shares of our common stock. These sales, or the perception that these sales might occur, could depress the market price of our common stock and make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

If our shareholders sell substantial amounts of our common stock in the public market, or if the public perceives that such sales could occur, including as any restrictions on resale end, there could be an adverse impact on the market price of our common stock, even if there is no relationship between such sales and the performance of our business.

In the future, we may also issue shares of our common stock in connection with investments or acquisitions or pursuant to any equity compensation plans that we may adopt. The number of shares of our common stock issued in connection with an investment or acquisition or pursuant to equity compensation plans could be material. Any issuance of additional shares of our common stock would result in dilution to our shareholders.

We are an "emerging growth company" and are permitted to rely on exemptions from disclosure requirements applicable to emerging growth companies and this may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and will remain an emerging growth company until December 31, 2022, we have more than \$1.07 billion in annual revenue, we have more than \$700.0 million in market value of our stock held by non-affiliates or we issue more than \$1.0 billion of non-convertible debt securities

over a three-year period. We have relied, and for so long as we remain an emerging growth company, we are permitted, and intend, to rely, on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include reduced financial disclosure, reduced disclosure obligations regarding executive compensation, exemptions from the requirements to hold non-binding advisory votes on executive compensation and golden parachute payments, exemptions from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, and exemptions from any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements. Investors may find our common stock to be less attractive as a result of our reliance on some or all of these exemptions which may adversely impact the trading levels with respect to our common stock and our stock price, and cause our stock price to be more volatile.

We are a “controlled company” within the meaning of the listing standards of the NYSE and, as a result, we qualify for, and may rely on, exemptions from certain corporate governance requirements applicable to non-controlled companies.

As a result of BVH's controlling position with respect to our common stock, we are a “controlled company” within the meaning of the listing standards of the NYSE. As a “controlled company,” we may elect not to comply with certain corporate governance requirements set forth in the listing standards of the NYSE, including:

- Ⓢ the requirement that a majority of our board of directors consists of independent directors under the NYSE listing standards;
- Ⓢ the requirement that nominating and corporate governance matters be decided solely by a nominating/corporate governance committee consisting of independent directors under the NYSE listing standards; and
- Ⓢ the requirement that employee and officer compensation matters be decided by a compensation committee consisting of independent directors under the NYSE listing standards.

While we currently do not rely on or intend to utilize any of these exceptions, we may, in our board of directors' discretion, choose to utilize one or more of the exceptions in the future. In that case, our shareholders will not have the same protections as a shareholder of a company that is subject to all of the corporate governance requirements of the NYSE and the market price of our common stock may be adversely affected.

General Risks

- Ⓢ Legal and regulatory proceedings could adversely affect our financial condition and operating results.
- Ⓢ The loss of key management or personnel could adversely affect our business.
- Ⓢ The preparation of our financial statements in accordance with GAAP involves estimates, judgments and assumptions, as to which there are inherent uncertainties, and changes thereto could adversely impact our operating results and financial condition.
- Ⓢ Our stock price may be volatile or may decline regardless of our operating performance.
- Ⓢ A failure to maintain proper and effective internal controls could have adverse impacts.
- Ⓢ Our shareholders' interests may be diluted by future stock issuances.
- Ⓢ If securities or industry analysts do not publish research or publish unfavorable research about our business, our stock price and trading volume could decline.

Adverse outcomes in legal or other regulatory proceedings, including claims of non-compliance with applicable regulations or development-related defects, could adversely affect our financial condition and operating results.

In the ordinary course of business, we are subject to litigation and other legal and regulatory proceedings, which result in significant expenses and devotion of time and we may agree to indemnify third parties or our strategic partners from damages or losses associated with such risks. In addition, litigation is inherently uncertain and adverse outcomes in the litigation and other proceedings to which we are or may be subject could adversely affect our financial condition and operating results.

We engage third-party contractors to construct our resorts. However, customers may assert claims against us for construction defects or other perceived development defects, including, without limitation, structural integrity, the presence of mold as a result of leaks or other defects, water intrusion, asbestos, electrical issues, plumbing issues, road construction, water and sewer defects and defects in the engineering of amenities. In addition, certain state and local laws may impose liability on property developers with respect to development defects discovered in the future. We could have to accrue a significant portion of the cost to repair such defects in the quarter when such defects arise or when the repair costs are reasonably estimable.

Costs associated with litigation, including claims for development-related defects, and the outcomes thereof could adversely affect our liquidity, financial condition and operating results.

The loss of the services of our key management and personnel could adversely affect our business.

Our ability to successfully implement our business strategy will depend on our ability to attract and retain experienced and knowledgeable management and other professional staff, and we may not be successful in doing so. If our efforts to retain and attract key management and other personnel are unsuccessful, our business, prospects, results of operations and financial condition may be materially and adversely impacted.

There are inherent uncertainties involved in estimates, judgments and assumptions used in the preparation of financial statements in accordance with GAAP. Any changes in estimates, judgments and assumptions used could have a material adverse impact on our operating results and financial condition.

Consolidated financial statements prepared in accordance with GAAP involve making estimates, judgments and assumptions. These estimates, judgments and assumptions include, but are not limited to, those related to future cash flows, which in turn are based upon expectations of future performance given current and projected forecasts of the economy in general and the real estate markets. If any estimates, judgments or assumptions change in the future, including in the event that our performance does not otherwise meet our expectations, we may be required to record impairment charges against our earnings, which could have a material adverse impact on our operating results and financial condition. In addition, GAAP requirements as to how certain estimates are made may result, for example, in asset valuations which ultimately would not be realized if we were to attempt to sell the asset.

Our stock price may be volatile or may decline regardless of our operating performance.

The market price for our common stock may be volatile, and such volatility may be exacerbated by our relatively small public float. In addition, the market price of our common stock may fluctuate significantly in response to a number of factors, many of which are beyond our control, including those discussed in this “Risk Factors” section and under “Cautionary Note Regarding Forward-Looking Statements,” as well as the following:

- ⌚ the COVID-19 pandemic;
- ⌚ the failure of securities analysts to cover our common stock or changes in financial estimates by analysts;
- ⌚ the inability to meet the financial estimates of analysts who follow our common stock;
- ⌚ strategic actions by us or our competitors;
- ⌚ risks related to our business and industry, including announcements by us or our competitors of significant issues or significant acquisitions, joint marketing relationships, joint ventures or other transactions;
- ⌚ introduction of new products or services by us or our competitors;
- ⌚ variations in our quarterly operating results and those of our competitors, including seasonal fluctuations;
- ⌚ additions or departures of key personnel;
- ⌚ general economic and stock market conditions;
- ⌚ changes in conditions or trends in our industry, markets or customers;
- ⌚ regulatory and legal proceedings, investigations and developments;
- ⌚ political developments;
- ⌚ changes in accounting principles;
- ⌚ changes in tax legislation and regulations;
- ⌚ terrorist acts;
- ⌚ accumulation of publicly held shares and the timing and amount of future purchase or sales of our common stock or other securities;
- ⌚ defaults under agreements governing our indebtedness; and
- ⌚ investor perceptions with respect to our common stock relative to other investment alternatives.

The stock markets in general have often experienced volatility that has sometimes been unrelated or disproportionate to the operating performance of particular companies. These broad market fluctuations may cause the trading price of our common stock to decline, regardless of our operating performance. In addition, the relatively low amount of our shares traded in the public markets can increase the volatility in our stock price. In the past, following periods of volatility in the market price of a company’s securities, securities class-action litigation has often been brought against that company. We may become involved in this type of litigation in the future. Litigation of this type may be expensive to defend and may divert our management’s attention and resources from the operation of our business.

If we fail to maintain proper and effective internal controls, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, our ability to operate our business and our reputation.

As a Securities and Exchange Commission (“SEC”) reporting company, we are required to, among other things, maintain a system of effective internal control over financial reporting and to provide annual management reports on the effectiveness of our internal control over financial reporting. In addition, once we cease to qualify as an emerging growth company and provided we are not at that time a non-accelerated filer, our Annual Reports on Form 10-K will be required to include independent registered public accounting firm attestations of our internal control over financial reporting. Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis is a costly and time-consuming effort that needs to be re-evaluated frequently. We have dedicated a significant amount of time and resources to implement our internal financial and accounting controls and procedures. Substantial work and expenses may continue to be required to implement, document, assess, test and, as necessary, remediate our system of internal controls.

If our internal control over financial reporting is not effective, if we are not able to issue our financial statements in a timely manner or if we are not able to obtain the required audit or review of our financial statements by our independent registered public accounting firm in a timely manner, we will not be able to comply with the periodic reporting requirements of the SEC and the listing requirements of the NYSE. If these events occur, the listing of our common stock on the NYSE could be suspended or terminated and our stock price could materially suffer. In addition, we or members of our management could be subject to investigation and sanction by the SEC and other regulatory authorities and to shareholder lawsuits, which could impose significant additional costs on us and divert management attention.

Our shareholders' interests may be diluted by future stock issuances.

Pursuant to our Amended and Restated Articles of Incorporation and our Fourth Amended and Restated Bylaws, our board of directors have the authority, without any action or vote of our shareholders, to approve the issuance of all or any part of our authorized but unissued shares of common stock or preferred stock. We may issue such capital stock to meet a number of our business needs, including funding any potential acquisitions or other strategic transactions, or pursuant to any equity compensation plans that we may adopt in the future. Stock issuances would reduce the percentage ownership of our then-current shareholders and, in the case of issuances of preferred stock, may result in the interest of our shareholders being subject to the prior rights of holders of that preferred stock.

If securities or industry analysts do not publish research or publish unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts ceases coverage of our Company or fails to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause the price or trading volume of our common stock to decline. Moreover, if one or more of our analysts who cover our Company downgrades our common stock, including if our operating results do not meet their or the investor community's expectations, our stock price could decline.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our principal executive office is located at 4960 Conference Way North, Suite 100, Boca Raton, Florida 33431, and consists of approximately 120,838 square feet of leased space. At December 31, 2020, we also maintained sales offices at or near 24 of our resorts as well as regional administrative offices in Orlando, Florida, Knoxville, Tennessee and Indianapolis, Indiana. For information regarding resort properties that are a part of our Vacation Club, please see "Item 1. Business - Our Products - Vacation Club Resorts."

Item 3. Legal Proceedings.

For a description of our material pending legal proceedings, please see Note 12, Commitments and Contingencies, to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K, which is incorporated by reference into this "Legal Proceedings" section.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Price of Common Stock

Our common stock is listed on the NYSE under the symbol "BXG".

There were two shareholders of record of our common stock as of February 26, 2021. The number of record holders does not reflect the number of persons or entities holding their stock in "street" name through brokerage firms or other nominee holders.

Issuer Purchases of Equity Securities

On November 26, 2018, our board of directors approved a share repurchase program which authorizes the repurchase of up to 3,000,000 shares of our common stock at an aggregate cost of up to \$35.0 million. The repurchase program authorizes management, at its discretion, to repurchase shares from time to time subject to market conditions and other factors. As of December 31, 2020, a maximum of 749,838 shares of common stock could be purchased in the future pursuant to the program at a maximum cost of \$18.4 million. No common shares were repurchased during the quarter ended December 31, 2020.

Item 6. Selected Financial Data.

Not applicable.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

You should read the following discussion and analysis together with our consolidated financial statements and related notes included in Item 8 of this Annual Report on Form 10-K. The following discussion contains forward-looking statements, including those that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include, without limitation, those discussed below and elsewhere in this Annual Report on Form 10-K, particularly in "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

This section of this Annual Report on Form 10-K generally discusses 2020 and 2019 items and year-to-year comparisons between 2020 and 2019. Discussions of 2018 items and year-to-year comparisons between 2019 and 2018 that are not included in this Annual Report on Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019. Such reports and other information filed by the Company with the SEC are available free of charge on our website at www.bluegreenvacations.com and on the SEC's website at www.sec.gov.

Executive Overview

We are a leading vacation ownership company that markets and sells VOIs and manages resorts in popular leisure and urban destinations. Our resort network includes 45 Club Resorts (resorts in which owners in our Vacation Club have the right to use most of the units in connection with their VOI ownership) and 23 Club Associate Resorts (resorts in which owners in our Vacation Club have the right to use a limited number of units in connection with their VOI ownership). Our Club Resorts and Club Associate Resorts are primarily located in high-volume, "drive-to" vacation locations, including Orlando, Las Vegas, Myrtle Beach, Charleston and New Orleans, among others. Through our points-based system, the approximately 218,000 owners in our Vacation Club have the flexibility to stay at units

available at any of our resorts and have access to over 11,300 other hotels and resorts through partnerships and exchange networks. We have a robust sales and marketing platform supported by exclusive marketing relationships with nationally-recognized consumer brands, such as Bass Pro and Choice Hotels. These marketing relationships drive sales within our core demographic.

Bluegreen Vacations Holding Corporation (“BVH”), formerly BBX Capital Corporation, currently owns approximately 93% of our issued and outstanding common stock.

Impact of the COVID-19 Pandemic

Initial Impact and Response

The COVID-19 pandemic has resulted in an unprecedented disruption in the U.S. economy and the travel, hospitality and vacation ownership industries due to, among other things, resort closures, travel restrictions and restrictions on business operations, including government guidance and restrictions with respect to travel, public accommodations, social gatherings and related matters. Our operations have been and continue to be adversely impacted by the pandemic. On March 23, 2020, we temporarily closed all of our VOI sales centers, our retail marketing operations at Bass Pro Shops and Cabela’s stores and outlet malls, and our Choice Hotels call transfer program. In connection with these actions we canceled existing owner reservations through May 15, 2020 and new prospect guest tours through June 30, 2020. Further, some of our Club Resorts and Club Associate Resorts were closed in accordance with government mandates and advisories. Beginning in mid-May 2020, we recommenced our sales and marketing operations and our closed resorts began to welcome guests as government mandates were lifted. By December 31, 2020, we were operating in a total of 98 Bass Pro and Cabela’s stores, we reactivated our Choice Hotels call transfer program, all of our resorts were open, and all but two of our VOI sales centers were open. However, there is no assurance that our marketing operations at Bass Pro or Cabela’s stores, or our VOI sales centers will remain open, including in the event of an increase in COVID-19 cases. Additionally, reflecting our temporary cessation of marketing activities in the beginning months of the COVID-19 pandemic in general, our pipeline of vacation packages was 121,900 at December 31, 2020 compared to 169,300 at December 31, 2019. However, utilization of the packages has been significantly lower as purchasers have not traveled at the same pace as was traveled pre-pandemic. For more detailed information please see “Results of Operations” included in Part II—Item 7: Management’s Discussion and Analysis of Financial Condition and Results of Operations.

As a result of the effect of the pandemic, we implemented steps to mitigate our costs beginning in March 2020, including reductions in workforce of over 1,700 positions and the placement of another approximate 3,200 of our associates on temporary furlough or reduced work hours. As of December 31, 2020, approximately 3,200 associates had returned to work on a full-time basis for a total of approximately 4,600 full-time associates compared to approximately 5,900 full-time associates as of December 31, 2019. As a result of the effect of the COVID-19 pandemic, during the year ended December 31, 2020, we incurred \$5.0 million in severance and \$14.3 million of payroll and payroll benefit expense relating to employees on temporary furlough or reduced work hours. These payments and expenses are included in selling, general and administrative expenses in our consolidated statements of operations and comprehensive income for the year ended December 31, 2020. While we paid a special cash dividend of \$1.19 per share during August 2020, we suspended the payment of regular quarterly cash dividends during the second quarter of 2020 and there is no assurance that we will recommence paying regular dividends or pay any additional special dividends in the future.

As a precautionary measure to provide additional liquidity if needed, in March 2020, we drew down \$60.0 million under our lines-of-credit and pledged or sold receivables under certain of our receivable backed facilities to increase our cash position. As of December 31, 2020, we repaid the \$60.0 million borrowed under our lines-of-credit. Also, in June 2020, we amended our Liberty Bank Facility to extend the advance period and maturity date, reduced the outstanding borrowings from \$50.0 million to \$40.0 million, decreased the advance rate from 85% for qualified conforming receivables to 80% effective September 2020 and, commencing July 1, 2020, changed the interest rate from the Prime Rate with a floor of 4.00% to the Prime Rate minus 0.10% with a floor of 3.40%. In September 2020, we amended our NBA Receivables Facility to extend the advance period and maturity date, decreased the advance

rate from 85% for qualified receivables to 80%, and changed the interest rate from one month LIBOR plus 2.75% (with an interest rate floor of 3.50%) to one month LIBOR plus 2.25% (with an interest rate floor of 3.00%). In October 2020, we completed the 2020-A Term Securitization, a private offering and sale of approximately \$131.0 million of investment-grade, VOI receivable backed notes (the "Notes") at an overall blended interest rate of approximately 2.60%. The gross advance rate for this transaction was 88.0% and the Notes mature in February 2036. Proceeds from the 2020-A Term Securitization were used to paydown approximately \$82.1 million owed on existing receivable-backed facilities, (thus creating additional availability on those facilities), to capitalize a reserve fund, to pay fees and expenses associated with the transaction, and for general corporate purposes. In December 2020, we amended our Quorum Purchase Facility to extend the advance period from December 2020 to December 2022 and extend the maturity date from December 2032 to December 2034. We continue to actively pursue additional credit facility capacity and capital market transactions. For more detailed information please see "Liquidity and Capital Resources" included in Part II —Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations.

We have historically provided financing to customers for a majority of our sales of VOIs, and accordingly, are subject to the risk of defaults by our customers. GAAP requires that we reduce sales of VOIs by our estimate of uncollectible VOI notes receivable. The COVID-19 pandemic has had a material adverse impact on unemployment in the United States and economic conditions in general and the impact may continue for some time. We believe that the COVID-19 pandemic will continue to have an impact on the collectibility of our VOI notes receivable. Accordingly, the estimate of defaults for the 2021 year was increased by approximately \$6.0 million, based on historical experience, forbearance requests received from customers, and other factors, including, but not limited to, the seasoning of the notes receivable and FICO scores of the customers. The impact of the COVID-19 pandemic on default or delinquency rates is rapidly changing and highly uncertain.

The Coronavirus Aid, Relief, and Economic Securities Act ("CARES Act") was signed into law on March 27, 2020 in response to the COVID-19 pandemic. As of December 31, 2020, we evaluated the income tax provisions of the CARES Act and determined they had no significant effect on the computation of our estimated effective tax rate for the year ended December 31, 2020. However, we have taken advantage of the deferral of the employer portion of the tax withholding amounts and the employee retention tax credits provided for in the CARES Act. During the year ended December 31, 2020, we recorded a tax withholding deferral of \$8.6 million and employee retention tax credits of \$7.1 million, which is included in selling, general and administrative expenses in our consolidated statements of operations and comprehensive income for the year ended December 31, 2020.

Continued Impact of COVID-19 on our Business

We continue to experience lower travel rates especially to high traffic destinations such as Orlando and Las Vegas. The occupancy rates at resorts with sales centers during the fourth quarter of 2020 was approximately 71% as compared to 80% during the fourth quarter of 2019. This trend of reduced travel was also reflected in utilization of vacation packages especially for vacation packages sold prior to the COVID-19 pandemic.

VOI Sales and Financing

Our primary business is the marketing and selling of deeded VOIs, developed either by us or third parties. Customers who purchase these VOIs receive an annual allotment of points, which can be redeemed for stays at one of our resorts or at 11,300 other hotels and resorts available through partnerships and exchange networks. Historically, VOI companies have funded the majority of the capital investment in connection with resort development with internal resources and acquisition and development financing. In 2009, we began selling VOIs on behalf of third-party developers and successfully diversified from a business model focused on capital-intensive resort development to a flexible model with a balanced mix of developed and capital-light inventory as determined by management to be appropriate from time to time based on market and economic conditions, available cash, and other factors. Our relationships with third-party developers enable us to generate fees from the sales and marketing of their VOIs without incurring the significant upfront capital investment generally associated with resort acquisition or development. While sales of acquired or developed inventory typically result in a greater contribution to EBITDA and Adjusted EBITDA,

fee-based sales typically do not require an initial investment or involve development financing risk. Both acquired or developed VOI sales and fee-based VOI sales drive recurring, incremental and long-term fee streams by adding owners to our Vacation Club and new resort management contracts. Fee-based sales of VOIs comprised 37% and 50% of system-wide sales of VOIs during the year ended December 31, 2020 and 2019, respectively. While we intend to remain flexible with respect to our sales of the different categories of our VOI inventory in the future based on economic conditions, business initiatives and other considerations, we currently expect that our percentage of fee-based sales will continue to decrease over time. In conjunction with our VOI sales, we also generate interest income by providing financing to qualified purchasers. Collateralized by the underlying VOIs, our loans are generally structured as 10-year, fully-amortizing loans with a fixed interest rate ranging from approximately 12% to approximately 18% per annum. As of December 31, 2020, the weighted-average interest rate on our VOI notes receivable was 15%. In addition, we earn fees for various other services, including title and escrow services in connection with the closing of VOI sales, and mortgage servicing.

Resort Operations and Club Management

We enter into management agreements with the homeowner associations (“HOAs”) that maintain most of the resorts and earn fees for providing management services to those HOAs and our approximately 218,000 Vacation Club owners. These resort management services include oversight of housekeeping services, maintenance, and certain accounting and administration functions. Our management contracts yield highly predictable, recurring cash flows and do not have the traditional risks associated with hotel management contracts that are linked to daily rate or occupancy. Our management contracts are typically structured as “cost-plus,” with an initial term of three years and automatic one year renewals. In connection with the management services provided to the Vacation Club, we manage the reservation system and provide owner, billing and collection services. In addition to resort and club management services, we earn fees for various other services that produce recurring, predictable and long term-revenue, including construction management services to third-party developers. As described above, while some of our Club Resorts and Club Associate Resorts were closed during March 2020 in response to the COVID-19 pandemic, all were subsequently reopened as of December 31, 2020 and currently remain open.

Principal Components Affecting our Results of Operations

Principal Components of Revenue

Fee-Based Sales. Represent sales of third-party VOIs where we are paid a commission.

JIT Sales. Represent sales of VOIs acquired from third parties in close proximity to when we intend to sell such VOIs.

Secondary Market Sales. Represent sales of VOIs acquired from HOAs or other owners, typically in connection with maintenance fee defaults. This inventory is generally purchased at a greater discount to retail price compared to developed VOI sales and VOIs purchased by us for sale as part of our JIT sales activities.

Developed VOI Sales. Represent sales of VOIs in resorts that we have developed or acquired (not including inventory acquired through JIT and secondary market arrangements).

Financing Revenue. Represents revenue from the financing of VOI sales, which includes interest income and loan servicing fees. We also earn fees from providing mortgage servicing to certain third-party developers relating to VOIs sold by them.

Resort Operations and Club Management Revenue. Represents recurring fees from managing the Vacation Club and transaction fees for Traveler Plus and other member services. We also earn recurring management fees under our management agreements with HOAs for day-to-day management services, including oversight of housekeeping services, maintenance, and certain accounting and administrative functions.

Other Fee-Based Services. Represents revenue earned from various other services that produce recurring, predictable and long-term revenue, such as title services.

Principal Components of Expenses

Cost of VOIs Sold. Represents the cost at which our owned VOIs sold during the period were relieved from inventory. In addition to inventory from our VOI business, our owned VOIs also include those that were acquired by us under JIT and secondary market arrangements. Compared to the cost of our developed VOI inventory, VOIs acquired in connection with JIT arrangements typically have a relatively higher associated cost of sales as a percentage of sales while those acquired in connection with secondary market arrangements typically have a lower cost of sales as a percentage of sales as secondary market inventory is generally obtained from HOAs at a significant discount to retail price. Cost of VOIs sold as a percentage of sales of VOIs varies between periods based on the relative costs of the specific VOIs sold in each period and the size of the point packages of the VOIs sold (primarily due to offered volume discounts, and taking into account consideration of cumulative sales to existing owners). Additionally, the effect of changes in estimates under the relative sales value method, including estimates of projected sales, future defaults, upgrades and incremental revenue from the resale of repossessed VOI inventory, are reflected on a retrospective basis in the period the change occurs. Cost of sales is typically favorably impacted in periods where a significant amount of secondary market VOI inventory is acquired and actual defaults and equity trades are higher and the resulting change in estimate is recognized. While we believe that there is additional inventory that can be obtained through the secondary market at favorable prices to us in the future, there is no assurance that such inventory will be available.

Net Carrying Cost of VOI Inventory. Represents the maintenance fees and developer subsidies for unsold VOI inventory paid or accrued to the HOAs that maintain the resorts. We attempt to offset this expense, to the extent possible, by generating revenue from renting our VOIs and through utilizing them in our sampler programs. We net such revenue from this expense item.

Selling and Marketing Expense. Represents costs incurred to sell and market VOIs, including costs relating to marketing and incentive programs, tours, and related wages and sales commissions. Revenue from vacation package sales are netted against selling and marketing expenses.

Financing Expense. Represents financing interest expense related to our receivable-backed debt, amortization of the related debt issuance costs and other expenses incurred in providing financing and servicing loans, including administrative costs associated with mortgage servicing activities for our loans and the loans of certain third-party developers. Mortgage servicing activities include, among other things, payment processing, reporting and collection services.

Resort Operations and Club Management Expense. Represents costs incurred to manage resorts and the Vacation Club, including payroll and related costs and other administrative costs to the extent not reimbursed by the Vacation Club or HOAs.

General and Administrative Expense. Primarily represents compensation expense for personnel supporting our business and operations, professional fees (including consulting, audit and legal fees), and administrative and related expenses.

Key Business and Financial Metrics Used by Management

Operating Metrics

Sales of VOIs. Represent sales of our owned VOIs, including developed VOIs and those acquired through JIT and secondary market arrangements, reduced by equity trade allowances and an estimate of uncollectible VOI notes receivable. In addition to the factors impacting system-wide sales of VOIs (as described below), sales of VOIs are impacted by the proportion of system-wide sales of VOIs sold on behalf of third-parties on a commission basis, which are not included in sales of VOIs.

System-wide Sales of VOIs. Represents all sales of VOIs, whether owned by us or a third party immediately prior to the sale. Sales of VOIs owned by third parties are transacted as sales of VOIs in our Vacation Club through the same

selling and marketing process we use to sell our VOI inventory. We consider system-wide sales of VOIs to be an important operating measure because it reflects all sales of VOIs by our sales and marketing operations without regard to whether we or a third party owned such VOI inventory at the time of sale. System-wide sales of VOIs is not a recognized term under GAAP and should not be considered as an alternative to sales of VOIs or any other measure of financial performance derived in accordance with GAAP or to any other method of analyzing our results as reported under GAAP.

Guest Tours. Represents the number of sales presentations given at our sales centers during the period.

Sale to Tour Conversion Ratio. Represents the rate at which guest tours are converted to sales of VOIs and is calculated by dividing guest tours by number of VOI sales transactions.

Average Sales Volume Per Guest (“VPG”). Represents the sales attributable to tours at our sales locations and is calculated by dividing VOI sales by guest tours. We consider VPG to be an important operating measure because it measures the effectiveness of our sales process, combining the average transaction price with the sale-to-tour conversion ratio.

For further information see Item 8. Financial Statements and Supplementary Data – Note 2: *Basis of Presentation and Recently Issued Accounting Pronouncements*

EBITDA and Adjusted EBITDA

EBITDA, Adjusted EBITDA and Adjusted EBITDA Attributable to Shareholders. We define EBITDA as earnings, or net income, before taking into account interest income (excluding interest earned on VOI notes receivable), interest expense (excluding interest expense incurred on debt secured by our VOI notes receivable), income and franchise taxes and depreciation and amortization. Adjusted EBITDA is defined as our EBITDA, adjusted to exclude amounts of loss (gain) on assets held for sale, and other items that we believe are not representative of ongoing operating results. Accordingly, we exclude certain items such as severance charges net of employee retention tax credits, incremental costs associated with the COVID-19 pandemic, and amounts accrued or incurred in connection with the Bass Pro settlement in June 2019. We define Adjusted EBITDA Attributable to Shareholders as our Adjusted EBITDA excluding amounts attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations (in which we own a 51% interest). For purposes of the calculation of EBITDA, Adjusted EBITDA and Adjusted EBITDA Attributable to Shareholders calculations for each period presented, no adjustments were made for interest income earned on our VOI notes receivable or the interest expense incurred on debt that is secured by such notes receivable because they are both considered to be part of the ordinary operations of our business.

We consider our EBITDA, Adjusted EBITDA, Adjusted EBITDA Attributable to Shareholders and Segment Adjusted EBITDA to be indicators of our operating performance, and they are used by us to measure our ability to service debt, fund capital expenditures and expand our business. EBITDA and Adjusted EBITDA are also used by companies, lenders, investors and others because they exclude certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be dependent on a company’s capital structure, debt levels and credit ratings. Accordingly, the impact of interest expense on earnings can vary significantly among companies. The tax positions of companies can also vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the jurisdictions in which they operate. As a result, effective tax rates and provision for income taxes can vary considerably among companies. EBITDA, Adjusted EBITDA and Adjusted EBITDA Attributable to Shareholders also exclude depreciation and amortization because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies.

EBITDA, Adjusted EBITDA and Adjusted EBITDA Attributable to Shareholders are not recognized terms under GAAP and should not be considered as an alternative to net income (loss) or any other measure of financial performance or liquidity, including cash flow, derived in accordance with GAAP, or to any other method or analyzing our results as reported under GAAP. The limitations of using EBITDA, Adjusted EBITDA or Adjusted EBITDA

Attributable to Shareholders as an analytical tool include, without limitation, that EBITDA, Adjusted EBITDA and Adjusted EBITDA Attributable to Shareholders do not reflect (i) changes in, or cash requirements for, our working capital needs; (ii) our interest expense, or the cash requirements necessary to service interest or principal payments on our indebtedness (other than as noted above); (iii) our tax expense or the cash requirements to pay our taxes; (iv) historical cash expenditures or future requirements for capital expenditures or contractual commitments; or (v) the effect on earnings or changes resulting from matters that we do not believe to be indicative of our future operations or performance. Further, although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITD EBITDA, Adjusted EBITDA and Adjusted EBITDA Attributable to Shareholders A do not reflect any cash that may be required for such replacements. In addition, the definition of Adjusted EBITDA or Adjusted EBITDA Attributable to Shareholders may not be comparable to definitions of Adjusted EBITDA, Adjusted EBITDA Attributable to Shareholders or other similarly titled measures used by other companies.

Results of Operations

Adjusted EBITDA Attributable to Shareholders for the years ended December 31, 2020, 2019 and 2018

We consider Segment Adjusted EBITDA in connection with our evaluation of the operating performance of our business segments as described in Note 17: Segment Reporting to our consolidated financial statements included in Item 8 of this Annual Report on Form 10-K. See above for a discussion of our definition of Adjusted EBITDA Attributable to Shareholders, how management uses it to manage our business and material limitations on its usefulness. The following tables set forth Segment Adjusted EBITDA, Adjusted EBITDA, Adjusted EBITDA Attributable to Shareholders, EBITDA and a reconciliation of EBITDA, Adjusted EBITDA and Adjusted EBITDA Attributable to Shareholders to net income, our most comparable GAAP financial measure:

	For the Years Ended December 31,		
	2020	2019	2018
<i>(in thousands)</i>			
Adjusted EBITDA - sales of VOIs and financing	\$ 46,909	\$ 143,581	\$ 170,668
Adjusted EBITDA - resort operations and club management	65,435	59,878	53,561
Total Segment Adjusted EBITDA	112,344	203,459	224,229
Less: Corporate and other	(55,331)	(70,000)	(69,941)
Less: Adjusted EBITDA attributable to non-controlling interest in Bluegreen/Big Cedar Vacations	(7,596)	(11,670)	(12,468)
Total Adjusted EBITDA attributable to shareholders	\$ 49,417	\$ 121,789	\$ 141,820

	For the Years Ended December 31,		
	2020	2019	2018
<i>(in thousands)</i>			
Net income attributable to shareholders	\$ 8,225	\$ 34,851	\$ 87,962
Net income attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations	7,392	11,273	12,390
Net Income	<u>15,617</u>	<u>46,124</u>	<u>100,352</u>
Add: Depreciation and amortization	15,563	14,114	12,392
Less: Interest income (other than interest earned on VOI notes receivable)	(3,484)	(7,191)	(6,044)
Add: Interest expense - corporate and other	15,030	19,035	15,195
Add: Franchise taxes	169	193	199
Add: Provision for income taxes	3,212	12,140	28,541
EBITDA	<u>46,107</u>	<u>84,415</u>	<u>150,635</u>
Loss on assets held for sale	1,247	3,656	3
Add: Severance and other ⁽¹⁾	9,659	6,267	3,650
Add: Bass Pro settlement	—	39,121	—
Adjusted EBITDA	<u>57,013</u>	<u>133,459</u>	<u>154,288</u>
Adjusted EBITDA attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations	<u>(7,596)</u>	<u>(11,670)</u>	<u>(12,468)</u>
Adjusted EBITDA attributable to shareholders	<u>\$ 49,417</u>	<u>\$ 121,789</u>	<u>\$ 141,820</u>

(1) Severance and other for the year ended December 31, 2020 consisted of severance, net of employee retention credits, of \$5.5 million, a special bonus paid to all non-executive employees of \$3.3 million and COVID-19 incremental costs of \$0.9 million. Amounts for the years ended December 31, 2019 and December 31, 2018 consisted of severance costs.

The following tables reconcile system-wide sales of VOIs to gross sales of VOIs, the most comparable GAAP financial measure.

	For the Years Ended December 31,		
	2020	2019	2018
<i>(in thousands)</i>			
Gross sales of VOIs	\$ 230,938	\$ 311,076	\$ 305,530
Add: Fee-based sales	<u>136,060</u>	<u>308,032</u>	<u>318,540</u>
System-wide sales of VOIs	<u>\$ 366,998</u>	<u>\$ 619,108</u>	<u>\$ 624,070</u>

For the year ended December 31, 2020 compared to the year ended December 31, 2019

Sales of VOIs and Financing

	For the Years Ended December 31,			
	2020		2019	
	Amount	% of System-wide sales of VOIs ⁽⁵⁾	Amount	% of System-wide sales of VOIs ⁽⁵⁾
<i>(dollars in thousands)</i>				
Developed VOI sales ⁽¹⁾	\$ 177,508	48%	\$ 355,353	57%
Secondary Market sales	117,023	32	234,883	38
Fee-Based sales	136,060	37	308,032	50
JIT sales	25,911	7	11,641	2
Less: Equity trade allowances ⁽⁶⁾	(89,504)	(24)	(290,801)	(47)
System-wide sales of VOIs	366,998	100%	619,108	100%
Less: Fee-Based sales	(136,060)	(37)	(308,032)	(50)
Gross sales of VOIs	230,938	63	311,076	50
Provision for loan losses ⁽²⁾	(56,941)	(25)	(55,701)	(18)
Sales of VOIs	173,997	47	255,375	41
Cost of VOIs sold ⁽³⁾	(13,597)	(8)	(21,845)	(9)
Gross profit ⁽³⁾	160,400	92	233,530	91
Fee-Based sales commission revenue ⁽⁴⁾	89,965	66	207,832	67
Financing revenue, net of financing expense	61,883	17	60,454	10
Other (expense) income, net	(942)	—	3,068	—
Other fee-based services, title operations and other, net	3,745	1	7,274	1
Net carrying cost of VOI inventory	(34,626)	(9)	(23,816)	(4)
Selling and marketing expenses	(217,408)	(59)	(321,216)	(52)
General and administrative expenses - sales and marketing	(27,347)	(7)	(70,258)	(11)
Operating profit - sales of VOIs and financing	35,670	10%	96,868	16%
Add: Depreciation and amortization	5,852		6,118	
Add: Severance and other	4,445		1,416	
Add: Bass Pro Settlement	—		39,121	
Add: Loss on assets held for sale	942		58	
Adjusted EBITDA - sales of VOIs and financing	\$ 46,909		\$ 143,581	

(1) Developed VOI sales represent sales of VOIs acquired or developed by us. Developed VOI sales do not include Secondary Market sales, Fee-Based sales or JIT sales.

(2) Percentages for provision for loan losses are calculated as a percentage of gross sales of VOIs, which excludes Fee-Based sales (and not of system-wide sales of VOIs).

(3) Percentages for costs of VOIs sold and gross profit are calculated as a percentage of sales of VOIs (and not based on system-wide sales of VOIs).

(4) Percentages for Fee-Based sales commission revenue are calculated as a percentage of Fee-Based sales (and not based on system-wide sales of VOIs).

(5) Represents the applicable line item, calculated as a percentage of system-wide sales of VOIs, unless otherwise indicated in the above footnotes.

(6) Equity trade allowances are amounts granted to customers upon trading in their existing VOIs in connection with the purchase of additional VOIs. Subject to certain exceptions, equity trade allowances were generally eliminated in June 2020.

Sales of VOIs. Sales of VOIs were \$174.0 million and \$255.4 million during the years ended December 31, 2020 and 2019, respectively. Sales of VOIs were impacted by the factors described in the discussion of system-wide sales of VOIs below, primarily the adverse impact of the COVID-19 pandemic. Gross sales of VOIs were reduced by \$56.9 million and \$55.7 million during the years ended December 31, 2020 and 2019, respectively, for the provision for loan losses. The provision for loan losses varies based on the amount of financed, non-fee based sales during the period and changes in our estimates regarding the performance of future notes receivable. Our provision for loan losses as a percentage of gross sales of VOIs was 25% and 18% during the years ended December 31, 2020 and 2019, respectively. The percentage of our sales which were realized in cash within 30 days from sale was 42% during the years ended December 31, 2020 and 2019.

The increase in the provision for loan losses during the year ended December 31, 2020 as compared to 2019 was primarily due to an increase in defaults experienced during the 2020 year and the increased defaults expected to result based on the COVID-19 pandemic. We believe that the COVID-19 pandemic will continue to have an impact on the collectibility of our VOI notes receivable. Accordingly, the estimate of defaults for the 2021 year was increased by approximately \$6 million, after consideration of historical experience, forbearance requests received from customers, and other factors, including, but not limited to, the seasoning of the notes receivable and FICO scores of the customers. The impact of the COVID-19 pandemic on default and delinquency rates is rapidly changing and highly uncertain. In March 2020, we began receiving requests from borrowers requesting modifications of their VOI notes receivable due to financial hardship resulting from the economic impacts of the COVID-19 pandemic. Hardship requests declined in June 2020 and the program was discontinued on June 30, 2020. Prior to discontinuing the program, approximately 4.1% of our portfolio was granted up to a three-month deferral or extension of payments, approximately 86% of which as of December 31, 2020 had resumed payments under the newly modified terms. In addition to the COVID-19 pandemic, the provision for loan losses continues to be impacted by defaults which we believe are attributable to the receipt of letters from third parties and attorneys who purport to represent certain VOI owners and who have encouraged such owners to become delinquent and ultimately default on their obligations. Defaults associated with such letters during the year ended December 31, 2020 remained consistent with 2019. See Note 12: Commitments and Contingencies to our consolidated financial statements included in Item 8 of this report for additional information regarding such letters and actions we have taken in connection with such letters. The impact of the COVID-19 pandemic and the continued impact of actions taken by timeshare exit firms are highly uncertain and there is no assurance that our steps taken to mitigate the impact of the pandemic or actions taken by timeshare exit firms will be successful. As a result, actual defaults may differ from our estimates and the allowance for loan losses may not prove to be adequate.

In addition to the factors described below impacting system-wide sales of VOIs, sales of VOIs are also impacted by the number of system-wide sales of VOIs sold on behalf of third parties on a commission basis, which are not included in sales of VOIs.

The average annual default rates and delinquency rates (more than 30 days past due) on our VOI notes receivable were as follows:

	Year Ended December 31,	
	2020	2019
Average annual default rates ⁽¹⁾	9.79%	8.73%
	As of December 31,	
	2020	2019
Delinquency rates ⁽¹⁾	3.26%	3.62%

(1) The Average Default Rates in the table above includes VOIs which have been defaulted but had not yet charged off due to the provisions of certain of our receivable-backed notes payable transactions, as well as certain third-party and attorney represented cease and desist loans over 127 days delinquent. Accordingly, these have been removed from the Delinquency Rates above.

System-wide sales of VOIs. System-wide sales of VOIs were \$367.0 million and \$619.1 million during the years ended December 31, 2020 and 2019, respectively. System-wide sales of VOIs depend on the number of guests who attend a timeshare sale presentation, with each such guest counted as a "tour", that we can potentially convert into a sale of VOI. The number of guest tours is driven by the number of existing owner guests we have staying at a resort with a sales center and the number of new guest arrivals that agree to attend a sales presentation. As a result of COVID-19 pandemic, the number of guests and owners willing to travel decreased significantly, which lowered the number of tours completed. Further, the temporary closure of all marketing operations and VOI sales centers as a result of the COVID-19 pandemic and other adverse impacts of the pandemic is expected to continue to significantly impact system-wide sales of VOIs in the near-term and possibly longer. The ultimate impact, including the extent and duration of the impact, cannot be predicted at this time.

Included in system-wide sales are Fee-Based Sales, JIT Sales, Secondary Market Sales and developed VOI sales. Sales by category are tracked based on which deeded VOI is conveyed in each transaction. The individual VOIs sold is based on several factors, including the needs of fee-based clients, our debt service requirements and default resale requirements under term securitizations and similar transactions. These factors and business initiatives contribute to fluctuations in the amount of sales by category from period to period. Fee-Based Sales comprised 37% and 50% of system-wide sales of VOIs during the year ended December 31, 2020 and 2019, respectively. While we intend to remain flexible with respect to our sales of the different categories of our VOI inventory in the future based on economic conditions, business initiatives and other considerations, we currently expect that our percentage of fee-based sales will continue to decrease over time as we increase efforts to generate our developed VOI sales and secondary market VOI sales. Actual trends may differ from current expectations.

The following table sets forth certain information for system-wide sales of VOIs for 2020 and 2019:

	For the Year Ended December 31,		
	2020	2019	% Change
Number of sales centers open at period-end ⁽¹⁾	24	26	(8)
Number of active sales arrangements with third-party clients at period-end	15	15	—
Total number of VOI sales transactions	22,188	40,703	(45)
Average sales price per transaction	\$ 16,586	\$ 15,307	8
Number of total guest tours	120,801	235,842	(49)
Sale-to-tour conversion ratio— total marketing guests	18.4%	17.3%	6
Number of new guest tours	59,469	142,130	(58)
Sale-to-tour conversion ratio— new marketing guests	14.6%	14.1%	4
Percentage of sales to existing owners	63.6%	54.5%	17
Average sales volume per guest	\$ 3,046	\$ 2,642	15

(1) Due to the COVID-19 pandemic in 2020, two sales centers were consolidated and one has not reopened.

Cost of VOIs Sold. During the years ended December 31, 2020 and 2019, cost of VOIs sold was \$13.6 million and \$21.8 million, respectively, and represented 8% and 9%, respectively, of sales of VOIs. Cost of VOIs sold as a percentage of sales of VOIs varies between periods based on the relative costs of the specific VOIs sold in each period and the size of the point packages of the VOIs sold (due to offered volume discounts, including consideration of cumulative sales to existing owners). Additionally, the effect of changes in estimates under the relative sales value method, including estimates of sales, future defaults, upgrades and incremental revenue from the resale of repossessed VOI inventory, are reflected on a retrospective basis in the period the change occurs. Therefore, cost of sales is typically favorably impacted in periods where a significant amount of Secondary Market VOI inventory is acquired or actual defaults and equity trades are higher than anticipated and the resulting change in estimate is recognized. Cost of VOIs sold as a percentage of sales of VOIs decreased during the year ended December 31, 2020, as compared to 2019, primarily due to the impact of anticipated higher future defaults partially offset by lower cost secondary market purchases.

Fee-Based Sales Commission Revenue. During the years ended December 31, 2020 and 2019, we sold \$136.1 million and \$308.0 million, respectively, of third-party VOI inventory under commission arrangements and earned sales and marketing commissions of \$90.0 million and \$207.8 million, respectively, in connection with those sales. The decreases in sales of third-party developer inventory on a commission basis during 2020 was due primarily to the temporary closure of VOI sales centers as a result of the COVID-19 pandemic and other factors described above. We earned an average sales and marketing commission of 66% and 67% during the years ended December 31, 2020 and 2019, respectively, which is net of a reserve for commission refunds in connection with early defaults and cancellations pursuant to the terms of certain of our fee-based service arrangements. The decrease in sales and marketing commissions as a percentage of fee-based sales for the year ended December 31, 2020 as compared to 2019 was primarily related to an increase in our reserve for cancellations coupled with the decrease in fee-based sales described above.

Financing Revenue, Net of Financing Expense — Sales of VOIs. Interest income on VOIs notes receivable was \$77.5 million and \$80.0 million during the years ended December 31, 2020 and 2019, respectively, which was partially offset by interest expense on receivable backed debt of \$17.0 million and \$20.5 million, respectively. The increase in finance revenue, net of finance expense during 2020 as compared to 2019 is primarily due to lower outstanding receivable-backed debt balances and a lower weighted-average cost of borrowings attributable to the lower interest rates in 2020 partially offset by lower notes receivable balances as a result of lower VOI sales due to the COVID-19 pandemic and other factors described above. Revenue from mortgage servicing during the years ended December 31, 2020 and 2019 of \$5.9 million and \$6.2 million, respectively, are included in financing revenue, net of mortgage servicing expenses of \$4.6 million and \$5.3 million, respectively.

Other Fee-Based Services — Title Operations, net. During the years ended December 31, 2020 and 2019, revenue from our title operations was \$7.6 million and \$14.2 million, respectively, which was partially offset by expenses directly related to our title operations of \$3.8 million and \$7.0 million, respectively. Resort title fee revenue varies based on VOI sales volumes as well as the relative title costs in the jurisdictions where the inventory being sold is located. The decrease in 2020 is due to lower VOI sales as a result of the COVID-19 pandemic and other factors described above.

Net Carrying Cost of VOI Inventory. The carrying cost of our inventory was \$40.8 million and \$35.6 million during the years ended December 31, 2020 and 2019, respectively, which was partially offset by rental and sampler revenue of \$6.2 million and \$11.8 million, respectively. The increase in net carrying costs of VOI inventory was primarily related to decreased rentals of developer inventory and decreased sampler stays due to, among other things, reduced travel associated with the COVID-19 pandemic as well as increased maintenance fees and developer subsidies associated with the increase in VOI inventory. In certain circumstances, we offset marketing costs by using inventory for marketing guest stays.

Selling and Marketing Expenses. Selling and marketing expenses were \$217.4 million and \$321.2 million during the years ended December 31, 2020 and 2019, respectively. As a percentage of system-wide sales of VOIs, selling and marketing expenses were 59% and 52% during the years ended December 31, 2020 and 2019. The increase in selling and marketing expenses as a percentage of system-wide sales of VOIs during the year ended December 31, 2020 compared to the year ended December 31, 2019, is primarily attributable to certain fixed costs inherent in Bluegreen's sales and marketing operations and the costs of maintaining certain sales and marketing associates on furlough despite the temporary closure of our VOI sales sites and marketing operations in connection with the COVID-19 pandemic as discussed above. During the year ended December 31, 2020, we incurred \$3.2 million in severance and \$13.6 million of payroll and benefits expenses relating to employees on temporary furlough or reduced work hours as a result of the impact of the COVID-19 pandemic. In addition, since reopening activities commenced, we incurred costs associated with the reopening of 88 Bass Pro and Cabela's stores that were open prior to the COVID-19 pandemic and the commencement of marketing operations at 10 additional Cabela's stores. We utilize these stores to sell mini-vacation packages to customers for future travel which require the customers to attend a timeshare presentation. During 2020 we incurred costs associated with redesigning our sales and marketing platform including updating our sales offices, refreshing our marketing collateral and adding new sales and marketing senior leadership positions. Further, we have invested in various local and national marketing programs to attract new customers. These programs may not be successful or generate a sufficient number of prospects to offset the program costs incurred.

The following table sets forth certain new customer marketing information, excluding sampler and other returning owner vacation packages, for 2020 and 2019

	For the Year Ended December 31,		
	2020	2019	% Change
Number of Bass Pro and Cabela's marketing locations at period-end	98	83	18
Number of vacation packages outstanding, beginning of the period ⁽¹⁾	169,294	163,100	4
Number of vacation packages sold	131,970	205,161	(36)
Number of vacation packages outstanding, end of the period ⁽¹⁾	121,915	169,294	(28)
% of Bass Pro vacation packages at period end	53%	43%	23
% of Cabela's vacation packages at period end	15%	3%	400
% of Choice Hotel vacation packages at period end	20%	29%	(31)
% of Other vacation packages at period end	12%	25%	(52)

(1) Excludes vacation packages sold to customers more than one year prior to the period presented and vacation packages sold to customers who had already toured but purchased an additional vacation package.

During 2020, we eliminated certain of our lower performing mini-vacation programs, including a lead generation operation at various malls. While the elimination of this program did result in lower sales of mini-vacation packages in 2020 and in the short-term, we believe our expansion into Cabela's and other programs will make up for the lost mini-vacation packages in the future. Additionally, package sales generated through our Choice call transfer program declined 50% compared to 2019, reflecting lower occupancy throughout Choice's system.

Our agreement with Bass Pro previously provided for the payment of a variable commission upon the sale of a VOI to a marketing prospect obtained through the Bass Pro marketing channels. As previously disclosed, during June 2019, we entered into a settlement agreement and amended marketing agreement with Bass Pro. Pursuant to the settlement agreement and amended marketing arrangement with Bass Pro the settlement payment and a portion of the ongoing annual marketing fees are fixed costs and/or are subject to annual minimums regardless of the volume of VOI sales produced from the resulting marketing prospects generated from the amended agreement. If our marketing operations pursuant to the amended agreement with Bass Pro do not generate a sufficient number of prospects and leads or is terminated or limited, we may not be able to successfully market and sell our products and services at anticipated levels or at levels required in order to offset the costs associated with our marketing efforts. In addition, the amended arrangement with Bass Pro has resulted in an increase in our marketing costs as a percentage of sales from the program, based on increases in program fixed costs and anticipated VOI sales volumes from this marketing channel. In light of the decrease in sales due to the COVID-19 pandemic, the increase in cost of this marketing program has adversely impacted our results of operations and cash flow and may continue to have an adverse impact if sales continue to be below expected levels. See Note 12: Commitments and Contingencies to our consolidated financial statements included in Item 8 of this report for additional information regarding the terms of the Bass Pro settlement and amended marketing agreement.

In addition to vacation packages sold we also sell to new prospects, to customers packages who already toured and indicated they would tour again. As of December 31, 2020, the pipeline of such packages was approximately 15,000.

General and Administrative Expenses — Sales and Marketing Operations. General and administrative expenses, representing expenses directly attributable to sales and marketing operations, were \$27.3 million and \$70.3 million during the years ended December 31, 2020 and 2019, respectively. As a percentage of system-wide sales of VOIs, general and administrative expenses directly attributable to sales and marketing operations were 7% and 11% during the years ended December 31, 2020 and 2019, respectively. Included in general and administrative expenses attributable to sales and marketing operations for the year ended December 31, 2019 was approximately \$39.1 million related to the settlement of the dispute with Bass Pro in June 2019. Net of the June 2019 Bass Pro settlement, general and administrative expenses attributable to sales and marketing operations decreased during the year ended

December 31, 2020 compared to the year ended December 31, 2019 primarily as a result of lower branding, licensing, and marketing fees for Bluegreen/Big Cedar Vacations as a result of decreased sales of VOIs described above.

Resort Operations and Club Management

	For the Years Ended December 31,			
	2020		2019	
<i>(dollars in thousands)</i>				
Resort operations and club management revenue	\$	168,560	\$	174,887
Resort operations and club management expense		(105,320)		(122,428)
Operating profit - resort operations and club management		63,240	38%	52,459 30%
Add: Depreciation and amortization		796		1,294
Add: Severance		1,369		238
Add: Loss on assets held for sale		30		5,887
Adjusted EBITDA - resort operations and club management	\$	65,435	\$	59,878

Resort Operations and Club Management Revenue. Resort operations and club management revenue decreased 4% during the year ended December 31, 2020 as compared to the year ended December 31, 2019. Cost reimbursement revenue, which consists of payroll and other expenses which we incur and pass to the HOAs to operate, was flat during the year ended December 31, 2020 as compared to the year ended December 31, 2019 reflecting the temporary closure of many resorts related to the COVID-19 pandemic, as described above. Net of cost reimbursement revenue, resort operations and club management revenues decreased 6% during the year ended December 31, 2020 as compared to the year ended December 31, 2019 primarily as a result of decreases in revenues from our Traveler Plus program, other owner programs, resort retail operations and third-party rental commissions as a result of lower activity due to the COVID-19 pandemic. Our resort network includes 68 Club and Club Associate Resorts as of both December 31, 2020 and December 31, 2019. We managed 49 resort properties as of both December 31, 2020 and December 31, 2019.

Resort Operations and Club Management Expense. During 2020, resort operations and club management expense decreased 14% compared to 2019. The decrease was primarily due to steps taken to reduce costs in the first quarter of 2020 in addition to lower costs related to the Traveler Plus program, other owner programs and resort retail operations in 2020 as compared to 2019, in each case, as a result of or in response to the COVID-19 pandemic. Additionally, in December 2019 we conveyed the ski and golf operations and related property at one of our resorts to the HOA, which resulted in a non-cash loss on the disposal of approximately \$5.6 million.

Corporate and Other

	For the Years Ended December 31,			
	2020		2019	
<i>(in thousands)</i>				
General and administrative expenses - corporate and other	\$	(68,165)	\$	(81,128)
Other (expense) income, net		(370)		1,909
Franchise taxes		169		193
Loss (gain) on assets held for sale		275		(2,289)
Add: Depreciation and amortization		8,915		6,702
Add: Severance and other		3,845		4,613
Adjusted EBITDA - Corporate and other	\$	(55,331)	\$	(70,000)

General and Administrative Expenses — Corporate and Other. General and administrative expenses directly attributable to corporate overhead were \$68.2 million and \$81.1 million during the years ended December 31, 2020

and 2019, respectively. The decrease was primarily due to a \$7.1 million employee retention credit earned in 2020 under the CARES Act (\$2.2 million of which was earned on severance) and an overall \$7.7 million in reduction in payroll expense due to lower headcount as a result of steps taken to reduce costs in the first quarter. These decreases were partially offset by \$1.9 million in severance cost for corporate employees during the year ended December 31, 2020 (\$1.2 million was due to severance related to steps taken to reduce costs in the first quarter due to the COVID-19 pandemic) and a \$3.3 million special bonus paid to all non-executive employees during 2020.

Other (Expense) Income, net. Other (expense) income, net was (\$0.4) million and \$1.9 million during the years ended December 31, 2020 and 2019, respectively. This decrease was primarily related to a land sale during June 2019 resulting in a gain of \$2.0 million, with no such transaction in 2020.

Interest Expense Interest expense not related to receivable-backed debt was \$15.0 million and \$19.0 million during the years ended December 31, 2020 and 2019, respectively. The decrease in interest expense during the year ended December 31, 2020 was primarily due to a lower weighted-average cost of borrowing, partially offset by higher outstanding debt balances as compared to the year ended December 31, 2019.

Provision for Income Taxes Provision for income taxes was \$3.2 million and \$12.1 million during the years ended December 31, 2020 and 2019, respectively. Our effective income tax rate was approximately 28% and 26% for the years ended December 31, 2020 and 2019, respectively.

Adjusted EBITDA Attributable to Non-Controlling Interest in Bluegreen/Big Cedar Vacations. We include in our consolidated financial statements the results of operations and financial condition of Bluegreen/Big Cedar Vacations, our 51%-owned subsidiary. The non-controlling interest in Adjusted EBITDA of Bluegreen/Big Cedar Vacations is the portion of Bluegreen/Big Cedar Vacations' Adjusted EBITDA that is attributable to Big Cedar LLC, which holds the remaining 49% interest in Bluegreen/Big Cedar Vacations. Adjusted EBITDA attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations was \$7.6 million and \$11.7 million during the years ended December 31, 2020 and 2019, respectively. The decrease in Adjusted EBITDA attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations for the year ended December 31, 2020 was primarily related to the impact of the COVID-19 pandemic, including the temporary closure of our VOI sales centers in connection with the COVID-19 pandemic as described above.

Changes in Financial Condition

The following table summarizes our cash flows for the years ended December 31, 2020 and 2019 (in thousands):

	<u>For the Years Ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
Net cash provided by operating activities	\$ 78,552	\$ 70,558
Net cash provided by (used in) investing activities	72,486	(19,595)
Net cash used in financing activities	<u>(151,288)</u>	<u>(84,451)</u>
Net decrease in cash and cash equivalents	<u>\$ (250)</u>	<u>\$ (33,488)</u>

Cash Flows from Operating Activities

The increase of \$8.0 million to \$78.6 million of operating cash flow during the year ended December 31, 2020 compared to the year ended December 31, 2019 reflects the following:

- ⊕ a \$23.1 million reduction in income tax payments due to the impact of the COVID-19 pandemic and overpayments refunded in 2020,
- ⊕ \$16.0 million less in payments made to Bass Pro pursuant to the settlement agreement and amended marketing arrangement entered into in June 2019,

- ① \$22.5 million in decreased spending on the acquisition and development of inventory during 2020 as compared to 2019,
- ① lower payments of interest on debt of \$5.3 million, offset by
- ① decreases in cash proceeds from sales and marketing activities due to the initial and continuing impact of the COVID-19 pandemic, on our operations.

Cash Flows from Investing Activities

Cash provided by investing activities increased \$92.1 million during the year ended December 31, 2020 compared to 2019, reflecting the August 2020 repayment in full by BVH of the \$80.0 million loan we previously made to BVH (as described in Note 16 to the Consolidated Financial Statements) and decreased expenditures for property and equipment in 2020, partially offset by \$4.9 million in net proceeds received for the sale of land during 2019.

Cash Flows from Financing Activities

Cash used in financing activities increased \$66.8 million during the year ended December 31, 2020 compared to 2019 due to a \$10.9 million repurchase of our common stock in a private transaction during 2020, increased net repayments on lines-of-credit and notes payable and receivable-backed notes payable during 2020 compared to 2019 and (despite the suspension of regular quarterly cash dividends during the second quarter of 2020) increased dividend payments of \$48.3 million as a result of a special cash dividend of \$1.19 per share of our common stock paid in 2020. BVH, which holds approximately 93% of our common stock, utilized its proceeds from this special cash dividend to repay the \$80.0 million loan we previously made to BVH, as described above. The increases in cash used in financing activities during 2020 compared to 2019 were partially offset by a \$2.5 million decrease in distributions paid in respect of the non-controlling interest in Bluegreen/Big Cedar Vacations in 2020 as compared to 2019. All amounts borrowed on our line-of credit in connection with the COVID-19 pandemic has been repaid as of December 31, 2020.

For additional information on the availability of cash from existing credit facilities, as well as repayment obligations, see “Liquidity and Capital Resources” below.

Seasonality

We have historically experienced, and expect to continue to experience, seasonal fluctuations in our revenues and results of operations. This seasonality has resulted, and may continue to result, in fluctuations in our quarterly operating results. Due to consumer travel patterns, we typically have seen more tours and experience higher VOI sales during the second and third quarters. However, due to the impact of the COVID-19 pandemic, including the temporary closures of our marketing operations and VOI sales centers as described above, we experienced significantly decreased sales of VOIs in the second, third and fourth quarters of 2020 as compared to prior years and currently expect such adverse impact to continue in the near-term and possibly longer.

Liquidity and Capital Resources

Our primary sources of funds from internal operations are: (i) cash sales; (ii) down payments on VOI sales which are financed; (iii) proceeds from the sale of, or borrowings collateralized by, notes receivable; (iv) cash from finance operations, including mortgage servicing fees and principal and interest payments received on the purchase money mortgage loans arising from sales of VOIs; and (v) net cash generated from sales and marketing fee-based services and other fee-based services, including resort management operations.

While the vacation ownership business has historically been capital intensive and we have in the past and may in the future pursue transactions or activities which may require significant capital investment, we have sought to focus on the generation of “free cash flow” (defined as cash flow from operating activities, less capital expenditures) by: (i) incentivizing our sales associates and creating programs with third-party credit card companies to generate a higher percentage of sales in cash; (ii) maintaining sales volumes that focus on efficient marketing channels; (iii) limiting our capital and inventory expenditures; (iv) utilizing sales and marketing, mortgage servicing, resort management services,

title and construction expertise to pursue fee-based-service business relationships that generally require minimal up-front capital investment and have the potential to produce incremental cash flows; and (v) by selling VOIs obtained through secondary market or JIT arrangements. We consider free cash flow to be a measure of cash generated by operating activities that can be used for future investing and financing activities, however, it is not a guarantee that we will use excess cash flows for such purposes. While we intend to remain flexible with our sales of different categories of VOI inventory in the future, we currently expect that our mix of fee-based inventory will decrease over time.

We have \$20.1 million of required contractual obligations due to be paid within one year, as well as two financing facilities with advance periods that will expire in 2021. While there is no assurance that we will be successful, we intend to seek to renew or extend our debt and extend our advance periods on certain facilities.

The ability to sell and/or borrow against notes receivable from VOI buyers has been critical to our continued liquidity. A financed VOI buyer is generally only required to pay a minimum of 10% to 20% of the purchase price in cash at the time of sale; however, selling, marketing and administrative expenses attributable to the sale are primarily cash expenses that generally exceed a buyer's minimum required down payment. Accordingly, having financing facilities available for the hypothecation, sale or transfer of our VOI notes receivable has been critical to our ability to meet our short and long-term cash needs. We have attempted to maintain a number of diverse financing facilities. Historically, we have relied on our ability to sell receivables in the term securitization market in order to generate liquidity and create capacity in our receivable facilities. We have historically financed a majority of our sales of VOIs, and accordingly, are subject to the risk of defaults by our customers. While we do not believe that the full impact of COVID-19 is reflected in our default or delinquency rates as of December 31, 2020, we believe that the COVID-19 pandemic will continue to have an impact on the collectibility of our VOI notes receivable.

Further, the COVID-19 pandemic has resulted in instability and volatility in the financial markets. As described above, our ability to borrow against or sell our VOI notes receivable has historically been a critical factor in our liquidity. If we are unable to renew credit facilities or obtain new credit facilities, our business, results of operations, liquidity, or financial condition would be materially, adversely impacted.

In connection with our capital-light business activities, we have entered into agreements with third-party developers that allow us to buy VOI inventory, typically on a non-committed basis, prior to when we intend to sell such VOIs, although there is no assurance that these third party developers will be in a position to deliver that inventory in the future. Our capital-light business strategy also includes secondary market sales, pursuant to which we enter into secondary market arrangements with certain HOAs and others on a non-committed basis, which allows us to acquire VOIs generally at a significant discount, as such VOIs are typically obtained by the HOAs through foreclosure in connection with maintenance fee defaults. Acquisition of JIT and secondary market inventory in 2021 is expected to range between \$10.0 million to \$15.0 million.

During 2019, we paid quarterly cash dividends on our common stock of \$0.17 per share during the first, second, and third quarters of 2019 and \$0.13 per share during the fourth quarter of 2019, which totaled \$47.6 million in the aggregate. During the first quarter of 2020, we paid a cash dividend of \$0.13 per share on our common stock which totaled \$9.7 million. On April 22, 2020, our board of directors suspended regular quarterly cash dividends on our common stock due to the impact of the COVID-19 pandemic. During August, 2020, we paid a special cash dividend of \$1.19 per share on our common stock, or \$86.3 million in the aggregate. There is no assurance that regular or any other special cash dividends will be paid in the future.

In April 2015, one of our wholly owned subsidiaries provided an \$80.0 million loan to BVH. BVH currently owns approximately 93% of our outstanding common stock. Amounts outstanding bore interest at a rate of 6% per annum until April 17, 2020, at which time the interest rate was reduced to 4% per annum. Interest only payments were required on a quarterly basis, with all outstanding amounts becoming due and payable at maturity. During the year ended December 31, 2020 and 2019, we recognized \$2.5 million and \$4.8 million, respectively, of interest income on the loan to BVH. BVH used its proceeds from the special cash dividend paid during August 2020, described above, to repay the loan in full.

In October 2020, we completed the 2020-A Term Securitization, a private offering and sale of approximately \$131.0 million of investment-grade, VOI receivable backed notes (the "Notes"), including approximately \$48.6 million of Class A Notes, approximately \$47.9 million of Class B Notes and approximately \$34.5 million of Class C Notes with interest rates of 1.55%, 2.49%, and 4.22%, respectively, which blends to an overall interest rate of approximately 2.60%. The gross advance rate for this transaction was 88.0%. The Notes mature in February 2036. KeyBanc Capital Markets Inc. ("KeyCM") and Barclays Capital Inc. acted as co-lead managers and were the initial purchasers of the Notes. KeyCM also acted as structuring agent for the transaction.

Subject to the performance of the collateral, we will receive any excess cash flows generated by the receivables transferred under the 2020-A Term Securitization (excess meaning after payments of customary fees, interest, and principal under the 2020-A Term Securitization) on a pro-rata basis as borrowers make payments on their VOI loans.

While ownership of the VOI receivables included in the 2020-A Term Securitization is transferred and sold for legal purposes, the transfer of these receivables is accounted for as a secured borrowing for financial accounting purposes. Accordingly, no gain or loss was recognized as a result of this transaction.

In October 2020, we repaid in full the notes payable issued in connection with the 2012 Term Securitization. Accordingly, the related unamortized debt issuance costs of \$0.1 million were written off during the fourth quarter of 2020.

Our level of debt and debt service requirements have several important effects on our operations, including that: (i) significant debt service cash requirements reduce the funds available for operations and future business opportunities and increase our vulnerability to adverse economic and industry conditions, as well as conditions in the credit markets, generally; (ii) our leverage position increases our vulnerability to economic and competitive pressures; (iii) the financial covenants and other restrictions contained in indentures, credit agreements and other agreements relating to our indebtedness require us to meet certain financial tests and may restrict our ability to, among other things, pay dividends, borrow additional funds, dispose of assets or make investments; and (iv) our leverage position may limit funds available for acquisitions, working capital, capital expenditures, dividends and other general corporate purposes. Certain of our competitors operate on a less leveraged basis and have greater operating and financial flexibility than we do.

Credit Facilities for Receivables with Future Availability

We maintain various credit facilities with financial institutions which allow us to borrow against or sell our VOI notes receivable. As of December 31, 2020, we had the following credit facilities with future availability, all of which are subject to revolving availability terms during the advance period and therefore provide for additional availability as the facility is paid down, subject in each case to compliance with covenants, eligible collateral and applicable terms and conditions during the advance period (dollars in thousands):

	Borrowing Limit as of December 31, 2020	Outstanding Balance as of December 31, 2020	Availability as of December 31, 2020	Advance Period Expiration; Borrowing Maturity as of December 31, 2020	Borrowing Rate; Rate as of December 31, 2020
Liberty Bank Facility	\$ 40,000	\$ 12,316	\$ 27,684	June 2021; June 2024	Prime Rate - 0.10%; floor of 3.40%; 3.40% 30 day LIBOR+2.25% to 2.75%;
NBA Receivables Facility	70,000	31,862	38,138	September 2023; March 2028	floor of 3.00% to 3.50%; 3.32% ⁽¹⁾
Pacific Western Facility	40,000	8,623	31,377	September 2021; September 2024	30 day LIBOR+2.75% to 3.00%; 3.15%
KeyBank/DZ Purchase Facility	80,000	—	80,000	December 2022; December 2024	30 day LIBOR or CP +2.25% ⁽²⁾
Quorum Purchase Facility	50,000	29,788	20,212	December 2022; December 2034	⁽³⁾
	<u>\$ 280,000</u>	<u>\$ 82,589</u>	<u>\$ 197,411</u>		

- (1) As described in further detail below, borrowings prior to September 25, 2020 accrue interest at a rate equal to one month LIBOR plus 2.75% (with an interest rate floor of 3.50%), provided that the rate shall decrease to one-month LIBOR plus 2.25% (with an interest rate floor of 3.00%) on the then remaining balance of borrowing prior to September 25, 2020 if new advances subsequent to September 25, 2020 are at least \$25.0 million by June 30, 2021. Borrowings after September 25, 2020 accrue interest at one-month LIBOR plus 2.25% (with an interest rate floor of 3.00%).
- (2) Borrowings accrue interest at a rate equal to either LIBOR, a "Cost of Funds" rate or commercial paper ("CP") rates plus 2.25%. As described in further detail below, the interest rate will increase to the applicable rate plus 3.25% upon the expiration of the advance period.
- (3) Of the amounts outstanding under the Quorum Purchase Facility at December 31, 2020, \$2.2 million accrues interest at a rate per annum of 4.75%, \$15.3 million accrues interest at a fixed rate of 4.95%, and \$12.3 million accrues interest at a fixed rate of 5.10%.

Liberty Bank Facility. Since 2008, we have maintained a revolving VOI notes receivable hypothecation facility (the "Liberty Bank Facility") with Liberty Bank which provides for advances on eligible receivables pledged under the Liberty Bank Facility, subject to specified terms and conditions, during the revolving credit period. On June 25, 2020, we amended the Liberty Bank Facility to extend the revolving credit period from June 2020 to June 2021, and the maturity from March 2023 to June 2024. In addition, the amendment decreased the advance rate with respect to Qualified Timeshare Loans from 85% to 80% of the unpaid principal balance of the Qualified Timeshare Loans. The advance rate is 60% of the unpaid principal balance of Non-Conforming Qualified Timeshare Loans. The amendment also reduced the maximum permitted outstanding borrowings from \$50.0 million to \$40.0 million, subject to the terms of the facility, and effective July 1, 2020, decreased the interest rate to the Prime Rate minus 0.10% with a floor of 3.40% from the Prime Rate with a floor of 4.00%. In addition, recourse to us under the amended facility was reduced to \$10.0 million, with certain exceptions set forth in the facility. Subject to the terms of the facility, principal and interest due under the Liberty Bank Facility are paid as cash is collected on the pledged receivables, with the remaining balance being due by maturity.

NBA Receivables Facility. Bluegreen/Big Cedar Vacations has a revolving VOI hypothecation facility (the “NBA Receivables Facility”) with National Bank of Arizona (“NBA”) which was amended and restated on September 25, 2020. The Amended and Restated NBA Receivables Facility extended the revolving advance period from September 2020 to September 2023 and the maturity date from March 2025 to March 2028. In addition, the interest rate on all new advances made under the facility will be one month LIBOR plus 2.25% (with an interest rate floor of 3.00%). Further, if new advances of at least \$25.0 million are made by June 30, 2021, the interest rate on borrowings under the facility at September 25, 2020, to the extent then remaining outstanding, will be reduced from the current rate of one month LIBOR plus 2.75% (with an interest rate floor of 3.50%) to one month LIBOR plus 2.25% (with an interest rate floor of 3.00%). The Amended and Restated NBA Receivables Facility provides for advances at a rate of 80% on eligible receivables pledged under the facility (decreased from the prior rate of 85%), subject to eligible collateral and specified terms and conditions, during the revolving credit period. The maximum borrowings allowed under the facility remains at \$70.0 million. In addition, recourse to Bluegreen/Big Cedar under the amended facility was reduced to \$19.9 million as of December 31, 2020 and will be reduced by \$1.3 million per month until it reaches a floor of \$10.0 million. Subject to the terms of the facility, principal and interest payments received on pledged receivables are applied to principal and interest due under the facility, with the remaining outstanding balance being due by maturity.

Pacific Western Facility. We have a revolving VOI notes receivable hypothecation facility (the “Pacific Western Facility”) with Pacific Western Bank, which provides for advances on eligible VOI notes receivable pledged under the facility, subject to specified terms and conditions, during a revolving credit period. Maximum outstanding borrowings under the Pacific Western Facility are \$40.0 million subject to eligible collateral and customary terms and conditions. The revolving advance period expires in September 2021 and the Pacific Western Facility matures in September 2024 (in each case, subject to an additional 12-month extension at the option of Pacific Western Bank). Eligible “A” VOI notes receivable that meet certain eligibility and FICO score requirements, which we believe are typically consistent with loans originated under our current credit underwriting standards, are subject to an 85% advance rate. The Pacific Western Facility also allows for certain eligible “B” VOI notes receivable (which have less stringent FICO score requirements) to be funded at a 53% advance rate. Borrowings outstanding under the Pacific Western Facility accrue interest at an annual rate equal to 30-day LIBOR plus 3.00%; provided, however, that a portion of the borrowings, to the extent such borrowings are in excess of established debt minimums, will accrue interest at 30-day LIBOR plus 2.75%. Subject to the terms of the facility, principal repayments and interest on borrowings under the Pacific Western Facility are paid as cash is collected on the pledged VOI notes receivable, subject to future required decreases in the advance rates after the end of the revolving advance period, with the remaining outstanding balance being due by maturity. The facility has limited recourse not to exceed \$10.0 million.

KeyBank/DZ Purchase Facility. We have a VOI notes receivable purchase facility (the “KeyBank/DZ Purchase Facility”) with DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt AM Main (“DZ”), and KeyBank National Association (“KeyBank”) which permits maximum outstanding financings of up to \$80.0 million and provides for an advance rate of 80% with respect to VOI receivables securing amounts financed. The KeyBank/DZ Purchase Facility’s advance period will expire in December 2022 and will mature and all outstanding amounts will become due 24 months after the revolving advance period has expired, or earlier under certain circumstances set forth in the facility. Interest on amounts outstanding under the facility is tied to an applicable index rate of the LIBOR rate, in the case of amounts funded by KeyBank, and a cost of funds rate or commercial paper rates, in the case of amounts funded by or through DZ. The interest rate under the facility is the applicable index rate plus 2.25% (with an interest rate floor of 0.25%) until the expiration of the revolving advance period and thereafter will equal the applicable index rate plus 3.25% (with an interest rate index floor of 0.25%). Subject to the terms of the facility, we will receive the excess cash flows generated by the VOI notes receivable sold (excess meaning after payments of customary fees, interest and principal under the facility) until the expiration of the VOI notes receivable advance period, at which point all of the excess cash flow will be paid to the note holders until the outstanding balance is reduced to zero. While ownership of the VOI notes receivable included in the facility is transferred and sold for legal purposes, the transfer of these VOI notes receivable is accounted for as a secured borrowing for financial reporting purposes. The facility is nonrecourse.

Quorum Purchase Facility. Bluegreen/Big Cedar Vacations has a VOI notes receivable purchase facility (the “Quorum Purchase Facility”) with Quorum Federal Credit Union (“Quorum”), pursuant to which Quorum has agreed

to purchase eligible VOI notes receivable in an amount of up to an aggregate \$50.0 million purchase price, subject to certain conditions precedent and other terms of the facility. On December 18, 2020, the Quorum Purchase Facility was amended to extend the advance period to December 2022 from December 2020 and the maturity date to December 2034 from December 2032. The interest rate on each advance is set at the time of funding based on rates mutually agreed upon by the parties. Of the amounts outstanding under the Quorum Purchase Facility at December 31, 2020, \$2.2 million accrues interest at a rate per annum of 4.75%, \$15.3 million accrues interest at a fixed rate of 4.95%, and \$12.3 million accrues interest at a fixed rate of 5.10%. The Quorum Purchase Facility provides for an 85% advance rate on eligible receivables sold under the facility, however Quorum can modify this advance rate on future purchases subject to the terms and conditions of the Quorum Purchase Facility. Eligibility requirements for VOI notes receivable sold include, among others, that the obligors under the VOI notes receivable sold be members of Quorum at the time of the note sale. Subject to performance of the collateral, we or Bluegreen/Big Cedar Vacations, as applicable, will receive any excess cash flows generated by the VOI notes receivable transferred to Quorum under the facility (excess meaning after payment of customary fees, interest and principal under the facility) on a pro-rata basis as borrowers make payments on their VOI notes receivable. While ownership of the VOI notes receivable included in the Quorum Purchase Facility is transferred and sold for legal purposes, the transfer of these VOI notes receivable is accounted for as a secured borrowing for financial reporting purposes. The facility is nonrecourse.

Other Credit Facilities

Fifth Third Syndicated Line-of-Credit and Fifth Third Syndicated Term Loan. In December 2016, we entered into a \$100.0 million syndicated credit facility with Fifth Third Bank, as administrative agent and lead arranger, and certain other bank participants as lenders. In October 2019, we amended the facility and increased the facility to \$225.0 million. The amended facility includes a \$100.0 million term loan (the "Fifth Third Syndicated Term Loan") with quarterly amortization requirements and a \$125.0 million revolving line of credit (the "Fifth Third Syndicated Line-of-Credit"). Borrowings under the amended facility generally bear interest at LIBOR plus 2.00% - 2.50% (with a LIBOR floor of 0.25%), depending on our leverage ratio, are collateralized by certain of our VOI inventory, sales center buildings, management fees, short-term receivables and cash flows from residual interests relating to certain term securitizations, and will mature in October 2024. During March 2020, in an effort to assure adequate liquidity for a sustained period given the effect and uncertainties associated with the COVID-19 pandemic, we drew down \$60.0 million under our line-of credit which we have repaid as of December 31, 2020. As of December 31, 2020, outstanding borrowings under the facility totaled \$123.8 million, including \$93.8 million under the Fifth Third Syndicated Term Loan with an interest rate of 2.25%, and \$30.0 million under the Fifth Third Syndicated Line of Credit with an interest rate of 2.25%.

We also have outstanding obligations under various credit facilities and securitizations that have no remaining future availability as the advance periods have expired.

Commitments

Our material commitments include the required payments due on receivable-backed debt, lines-of-credit and other notes payable, junior subordinated debentures, commitments to complete certain projects based on our sales contracts with customers, subsidy advances to certain HOAs, inventory purchase commitments under JIT arrangements and commitments under non-cancelable operating leases.

The following table summarizes the contractual minimum principal and interest payments required on all of our outstanding debt, non-cancelable operating leases and inventory purchase commitments by period due date, as of December 31, 2020 (in thousands):

Contractual Obligations	Payments Due by Period				Unamortized Debt Issuance Costs	Total
	Less than 1 year	1 – 3 Years	4 – 5 Years	After 5 Years		
Receivable-backed notes payable	\$ —	\$ —	\$ 33,843	\$ 366,484	\$ (5,994)	\$ 394,333
Lines-of-credit and notes payable	12,200	24,953	102,500	—	(1,267)	138,386
Jr. subordinated debentures ⁽¹⁾	—	—	—	110,827	—	110,827
Noncancelable operating leases ⁽²⁾	3,904	12,561	5,770	25,435	—	47,670
Bass Pro Settlement ⁽³⁾	4,000	8,000	4,000	—	—	16,000
Total contractual obligations	<u>20,104</u>	<u>45,514</u>	<u>146,113</u>	<u>502,746</u>	<u>(7,261)</u>	<u>707,216</u>
Interest Obligations ⁽⁴⁾						
Receivable-backed notes payable	13,229	26,458	25,108	92,245	—	157,040
Lines-of-credit and notes payable	3,320	5,276	1,871	—	—	10,467
Jr. subordinated debentures	5,615	11,229	11,229	56,836	—	84,909
Total contractual interest	<u>22,164</u>	<u>42,963</u>	<u>38,208</u>	<u>149,081</u>	<u>—</u>	<u>252,416</u>
Total contractual obligations	<u>\$ 42,268</u>	<u>\$ 88,477</u>	<u>\$ 184,321</u>	<u>\$ 651,827</u>	<u>\$ (7,261)</u>	<u>\$ 959,632</u>

(1) Amounts do not include purchase accounting adjustments for junior subordinated debentures of \$37.9 million.

(2) Amounts represent the cash payment for leases and includes interest of \$11.9 million. The increase in noncancelable operating leases is primarily the result of 2 new leases executed in December 2020.

(3) Amounts represent the \$4.0 million annual cash payment to Bass Pro during each of 2021, 2022, 2023, and 2024 pursuant to the June 2019 settlement agreement and include imputed interest of \$2.7 million.

(4) Assumes that the scheduled minimum principal payments are made in accordance with the table above and the interest rate on variable rate debt remains the same as the rate at December 31, 2020.

In December 2019, our then-serving President and Chief Executive Officer resigned. In connection with his resignation, we agreed to make payments totaling \$3.5 million over a period of 18 months, \$1.2 million of which remained payable as of December 31, 2020.

In lieu of paying maintenance fees for unsold VOI inventory, we may enter into subsidy agreements with certain HOAs. During the years ended December 31, 2020 and 2019, we made payments related to such subsidies of \$24.0 million and \$24.9 million, respectively, which are included within cost of other fee-based services. As of December 31, 2020 and December 31, 2019, we had no accrued liabilities for such subsidies.

We intend to use cash on hand and cash flow from operations, including cash received from the sale or pledge of VOI notes receivable, and cash received from new borrowings under existing or future credit facilities in order to satisfy the principal and interest payments required on contractual obligations.

We believe that our existing cash, anticipated cash generated from operations, anticipated future permitted borrowings under existing or future credit facilities, and anticipated future sales of notes receivable under existing, future or replacement purchase facilities will be sufficient to meet our anticipated working capital, capital expenditure and debt service requirements, including the contractual payment of the obligations set forth above, for the foreseeable future, subject to the success of our ongoing business strategies, the ongoing availability of credit and the impact of the COVID-19 pandemic and success of the actions we have taken in response thereto. We will continue our efforts to renew, extend or replace any credit and receivables purchase facilities that have expired or that will expire in the near term. We may, in the future, also obtain additional credit facilities and may issue corporate debt or equity securities. Any debt incurred or issued may be secured or unsecured, bear interest at fixed or variable rates and may be subject to such terms as the lender may require and management believes acceptable. There can be no assurance that our

efforts to renew or replace credit facilities or receivables purchase facilities which have expired or which are scheduled to expire in the near term will be successful or that sufficient funds will be available from operations or under existing, proposed or future revolving credit or other borrowing arrangements or receivables purchase facilities to meet our cash needs, including debt service obligations. To the extent we are unable to sell notes receivable or borrow under such facilities, our ability to satisfy our obligations would be materially adversely affected.

Our receivables purchase facilities, credit facilities, indentures and other outstanding debt instruments include what we believe to be customary conditions to funding, eligibility requirements for collateral, cross-default and other acceleration provisions and certain financial and other affirmative and negative covenants, including, among others, limits on the incurrence of indebtedness, payment of dividends, investments in joint ventures and other restricted payments, the incurrence of liens and transactions with affiliates, as well as covenants concerning net worth, fixed charge coverage requirements, debt-to-equity ratios, portfolio performance requirements and cash balances, and events of default or termination. In the future, we may be required to seek waivers of such covenants, but may not be successful in obtaining waivers, and such covenants may limit our ability to raise funds, sell receivables or satisfy or refinance our obligations, or otherwise adversely affect our financial condition and results of operations, as well as our ability to pay dividends. During April 2020, our board of directors suspended regular quarterly cash dividends on our common stock due to the impact of the COVID-19 pandemic. While we paid a special dividend during August 2020, no regular or any other special cash dividends are currently anticipated. Our future operating performance and ability to meet our financial obligations will be subject to future economic conditions and to financial, business and other factors, many of which may be beyond our control.

Pursuant to a settlement agreement we entered into with Bass Pro and its affiliates during June 2019, we paid Bass Pro \$20.0 million and agreed to make five annual payments to Bass Pro of \$4.0 million, which commenced in January 2020. Additionally, in lieu of the previous commission arrangement, we agreed to pay Bass Pro a fixed annual fee of \$70,000 for each Bass Pro and Cabela's retail store that we are accessing (excluding sales at retail stores which are designated to provide tours to Bluegreen/Big Cedar Vacations, or "Bluegreen/Big Cedar feeder stores"), plus \$32.00 per net vacation package sold (less cancellations or refunds within 45 days of sale). We also agreed to contribute to the Wonders of Wildlife Foundation \$5.00 per net package sold (less certain cancellations and refunds within 45 days of sale), subject to an annual minimum of \$700,000. Subject to the terms and conditions of the settlement agreement, we are generally required to pay the fixed annual fee with respect to at least 59 Bass Pro retail stores and a minimum number of Cabela's retail stores that increases over time to a total of at least 60 Cabela's retail stores by the end of 2021. During 2020, we paid \$5.7 million for this fixed fee, which is included in selling, general and administrative expenses within our consolidated statement of operations and comprehensive income. Notwithstanding the foregoing, the minimum number of Bass Pro and Cabela's retail stores for purposes of the fixed annual fee may be reduced under certain circumstances set forth in the agreement, including as a result of a reduction of traffic in the stores in excess of 25% year-over-year. In March 2020 as a result of the COVID-19 pandemic, we temporarily closed our retail marketing operations at Bass Pro Shops and Cabela's stores. Beginning in mid-May 2020, we started the process of recommencing our sales and marketing operations and by December 31, 2020, we had recommenced operating marketing kiosks at 88 Bass Pro Shops and Cabela's stores (out of a total of 89 stores prior to the closures) and commenced operating marketing kiosks at 10 new Cabela's stores, for a total of 98 Bass Pro Shops and Cabela's stores.

Off-balance-sheet Arrangements

As of December 31, 2020 and December 31, 2019, we did not have any "off-balance sheet" arrangements.

Critical Accounting Policies and Estimates

Our discussion and analysis of results of operations and financial condition are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of commitments and contingencies. On an ongoing basis, we evaluate our estimates, including those that relate to the estimated future sales value of inventory; the recognition of revenue; our allowance for loan losses; the recovery of the carrying value of real estate inventories; the fair value of assets measured at, or

compared to, fair value on a non-recurring basis such as assets held for sale, intangible assets and other long-lived assets; the estimate of contingent liabilities related to litigation and other claims and assessments; and deferred income taxes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ materially from these estimates if different assumptions and conditions were utilized. If actual results differ significantly from our estimates, our results of operations and financial condition could be materially, adversely impacted.

Revenue Recognition for Sales of VOIs

We generally offer qualified purchasers financing for up to 90% of the purchase price of VOIs. The typical financing provides for a term of ten years and a fixed interest rate, is fully amortizing in equal installments and may be prepaid without penalty. For sales of VOIs for which we provide financing, we have reduced the transaction price for expected loan losses, which we consider to be variable consideration. To the extent we determine that it is probable that a significant reversal of cumulative revenue recognized may occur, we record an estimate of variable consideration as a reduction to the transaction price of the sales of VOIs until the uncertainty associated with the variable consideration is resolved. Our estimate of variable consideration is based on the results of its static pool analysis, which relies on historical payment data for similar VOI notes receivable and tracks uncollectibles for each period's sales over the entire life of the VOI notes receivable. We also consider whether historical economic conditions are comparable to then current economic conditions, as well as variations in underwriting standards. Our policies regarding the estimation of variable consideration on our notes receivable are discussed in further detail under "Allowance for Loan Losses on VOI Notes Receivable" below.

Allowance for Loan Losses on VOI Notes Receivable

The allowance for loan losses is related to notes receivable generated in connection with financing our VOI sales. We hold large amounts of homogeneous VOI notes receivable and assess uncollectibility based on pools of receivables as there are no significant concentrations of credit risk with any individual counterparty or groups of counterparties. In estimating future loan losses, we do not use a single primary indicator of credit quality but instead evaluate our VOI notes receivable based upon a static pool analysis that incorporates the aging of the respective receivables, default trends and prepayment rates by origination year, as well as the FICO scores of the borrowers.

Inventory and Cost of Sales

We carry our completed inventory at the lower of: (i) cost, including costs of improvements and amenities incurred subsequent to acquisition, capitalized interest, real estate taxes and other costs incurred during construction, or (ii) estimated fair market value, less costs to sell. We use the relative sales value method for establishing the cost of our VOI sales and relieving inventory, which requires us to make estimates subject to significant uncertainty. Under the relative sales value method required by timeshare accounting rules, cost of sales is calculated as a percentage of net sales using a cost-of-sales percentage based on the ratio of total estimated development costs to total estimated VOI revenue, including the estimated incremental revenue from the resale of VOI inventory repossessed, generally as a result of the default of the related receivable. Also, pursuant to timeshare accounting rules, we do not relieve inventory for VOI cost of sales related to anticipated loan losses. Accordingly, no adjustment is made when inventory is reacquired upon default of the related receivable. The effect of changes in estimates under the relative sales value method, including estimates of projected sales, future defaults, upgrades and incremental revenue from the resale of repossessed VOI inventory, are reflected on a retrospective basis in the period the change occurs.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate risk and risks relating to inflation and changing prices.

Interest Rate Risk

As of December 31, 2020, we had fixed interest rate debt of approximately \$341.5 million and floating interest rate debt of approximately \$300.2 million, excluding purchase accounting adjustments for junior subordinated debentures of \$37.9 million. The floating interest rates are subject to floors and are generally based either upon the prevailing prime or LIBOR rates. For floating rate financial instruments, interest rate changes generally do not affect the market value of the debt, but do impact earnings and cash flows relating to the debt, assuming other factors are held constant. Conversely, for fixed rate financial instruments, interest rate changes affect the market value of the debt but do not impact earnings or cash flows relating to the debt, assuming other factors are held constant.

To the extent inflationary trends, tightened credit markets or other factors affect interest rates, our debt service costs may increase. If interest rates increased one percentage point, the effect on interest expense related to our floating rate debt would be an annual increase of approximately \$3.0 million based on December 31, 2020 balances and interest rates. Due to the interest rate floors on our floating rate debt, if interest rates decreased one percentage point, the effect on interest expense related to our floating rate debt would be an annual decrease of approximately \$1.2 million based on December 31, 2020 balances and interest rates. In addition, a one percentage point increase or decrease in interest rates would affect the total fair value of our fixed rate debt by an immaterial amount. This analysis does not consider the effects of changes in the level of overall economic activity that could result due to interest rate changes. Further, in the event of a significant change in interest rates, we may pursue actions in order to mitigate any exposure to the change. However, due to the uncertainty of the specific actions that may be taken and their possible effects, the foregoing sensitivity analysis assumes no changes in our financial structure. Further, in the event of tightened credit markets, there may be a significant tightening of availability under our existing lines, we may be unable to renew our lines of credit or obtain new facilities. In addition, our ability to borrow against or sell our VOI notes receivable has historically been a critical factor in our liquidity. As a result, instability or volatility in the financial markets restricting the availability of credit, including any tightening of the credit markets in connection with the continuation or worsening of the COVID-19 pandemic, may adversely impact our, business, results of operations, liquidity, or financial condition.

Risks Relating to Inflation and Changing Prices

Inflation and changing prices have had and may in the future have a material impact on our revenue and results of operations. We have increased the sales prices of our VOIs periodically and have from time to time experienced increases in construction and development costs. We may not be able to increase or maintain the current level of our sales prices, and increased construction and development costs may have a material adverse impact on our gross margin. In addition, to the extent that inflation or increased prices for VOIs adversely impacts consumer demand, our results of operations could be adversely impacted.

Changes to and replacement of the LIBOR benchmark interest rate could adversely affect our results of operations and liquidity.

In July 2017, the Financial Conduct Authority (the regulatory authority over LIBOR) stated they will plan for a phase out of regulatory oversight of LIBOR interest rate indices after 2021 to allow for an orderly transition to an alternate reference rate. The Alternative Reference Rates Committee (“ARRC”) has proposed that the Secured Overnight Financing Rate (“SOFR”) is the rate that represents best practice as the alternative to LIBOR for promissory notes or other contracts that are currently indexed to LIBOR. The ARRC has proposed a market transition plan to SOFR from LIBOR and organizations are currently working on transition plans as it relates to derivatives and cash markets exposed to LIBOR. In March 2020, the FASB issued ASU 2020-04, “Reference Rate Reform (Topic 848): Facilitation of the Effect of Reference Rate Reform on Financial Reporting” (“ASU 2020-04”), which provides relief for companies preparing for discontinuation of LIBOR in response to the Financial Conduct Authority (the regulatory authority over LIBOR) plan for a phase out of regulatory oversight of LIBOR interest rate indices after 2021 to allow for an orderly transition to an alternate reference rate. Although our VOIs notes receivable are not indexed to LIBOR, as of December 31, 2020 we had \$110.8 million of LIBOR indexed junior subordinated debentures, \$40.5 million of LIBOR indexed receivable-backed notes payable and lines of credit, and \$127.5 million of LIBOR indexed Lines of credit and notes payable that mature after 2021. We are evaluating the potential impact that the eventual replacement of the LIBOR benchmark interest rate could have on our results of operations and liquidity.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

BLUEGREEN VACATIONS CORPORATION AND SUBSIDIARIES
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
Bluegreen Vacations Corporation

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Bluegreen Vacations Corporation (a Florida corporation) and subsidiaries (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2015.

Fort Lauderdale, Florida
March 1, 2021

BLUEGREEN VACATIONS CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	As of December 31,	
	2020	2019
ASSETS		
Cash and cash equivalents	\$ 203,668	\$ 190,009
Restricted cash (\$20,469 and \$22,534 in VIEs at December 31, 2020 and December 31, 2019, respectively)	35,728	49,637
Notes receivable	551,393	589,198
Less: Allowance for loan losses	(142,044)	(140,630)
Notes receivable, net (\$292,021 and \$292,590 in VIEs at December 31, 2020 and December 31, 2019, respectively)	409,349	448,568
Inventory	347,122	346,937
Prepaid expenses	9,320	10,501
Other assets	31,378	52,731
Operating lease assets	34,325	20,858
Intangible assets, net	61,431	61,515
Loan to related party	—	80,000
Property and equipment, net	90,049	99,262
Total assets	<u>\$ 1,222,370</u>	<u>\$ 1,360,018</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Accounts payable	\$ 10,604	16,653
Accrued liabilities and other	98,471	103,948
Operating lease liabilities	35,783	22,124
Deferred income	15,745	18,074
Deferred income taxes	87,404	92,504
Receivable-backed notes payable - recourse	38,500	78,569
Receivable-backed notes payable - non-recourse (in VIEs)	355,833	344,246
Lines-of-credit and notes payable	138,386	146,160
Junior subordinated debentures	72,932	72,081
Total liabilities	<u>853,658</u>	<u>894,359</u>
Commitments and Contingencies - See Note 12		
Shareholders' Equity		
Common stock, \$0.01 par value, 100,000,000 shares authorized; 72,484,293 shares issued and outstanding at December 31, 2020 and 74,362,693 shares issued and outstanding at December 31, 2019	725	744
Additional paid-in capital	257,812	269,534
Retained earnings	58,149	145,847
Total Bluegreen Vacations Corporation shareholders' equity	<u>316,686</u>	<u>416,125</u>
Non-controlling interest	52,026	49,534
Total shareholders' equity	<u>368,712</u>	<u>465,659</u>
Total liabilities and shareholders' equity	<u>\$ 1,222,370</u>	<u>\$ 1,360,018</u>

See accompanying notes to consolidated financial statements.

BLUEGREEN VACATIONS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME
(In thousands, except per share data)

	For the Years Ended December 31,		
	2020	2019	2018
Revenue:			
Gross sales of VOIs	\$ 230,938	\$ 311,076	\$ 305,530
Provision for loan losses	(56,941)	(55,701)	(51,305)
Sales of VOIs	173,997	255,375	254,225
Fee-based sales commission revenue	89,965	207,832	216,422
Other fee-based services revenue	111,823	125,244	118,024
Cost reimbursements	64,305	63,889	62,534
Interest income	81,022	87,902	85,914
Other income, net	—	—	1,201
Total revenue	<u>521,112</u>	<u>740,242</u>	<u>738,320</u>
Costs and expenses:			
Cost of VOIs sold	13,597	21,845	23,813
Cost of other fee-based services	79,434	83,440	69,968
Cost reimbursements	64,305	63,889	62,534
Selling, general and administrative expenses	311,625	472,356	418,403
Interest expense	31,980	39,538	34,709
Other expense, net	1,342	910	—
Total costs and expenses	<u>502,283</u>	<u>681,978</u>	<u>609,427</u>
Income before non-controlling interest and provision for income taxes	18,829	58,264	128,893
Provision for income taxes	3,212	12,140	28,541
Net income	15,617	46,124	100,352
Less: Net income attributable to non-controlling interest	7,392	11,273	12,390
Net income attributable to Bluegreen Vacations Corporation Shareholders	<u>\$ 8,225</u>	<u>\$ 34,851</u>	<u>\$ 87,962</u>
Comprehensive income attributable to Bluegreen Vacations Corporation Shareholders	<u>\$ 8,225</u>	<u>\$ 34,851</u>	<u>\$ 87,962</u>

BLUEGREEN VACATIONS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME —(Continued)

(In thousands, except per share data)

	For the Years Ended December 31,		
	2020	2019	2018
Earnings per share attributable to			
Bluegreen Vacations Corporation shareholders - Basic and diluted	\$ 0.11	\$ 0.47	\$ 1.18
Weighted average number of common shares:			
Basic and diluted	72,878	74,439	74,712
Cash dividends declared per share	\$ 1.32	\$ 0.64	\$ 0.60

See accompanying notes to consolidated financial statements.

BLUEGREEN VACATIONS CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except share data)

Common Shares Issued		Total	Equity Attributable to Bluegreen Shareholder(s)			Equity Attributable to Non-Controlling Interest
			Common Stock	Additional Paid-in-Capital	Retained Earnings	
74,734,455	Balance at December 31, 2017	\$ 433,654	\$ 747	\$ 274,366	\$ 115,520	\$ 43,021
—	Net income	100,352	—	—	87,962	12,390
—	Member distribution to Non-controlling interest holder	(9,800)	—	—	—	(9,800)
—	Dividends to shareholders	(44,841)	—	—	(44,841)	—
(288,532)	Repurchase and retirement of Common Stock	(4,000)	(3)	(3,997)	—	—
74,445,923	Balance at December 31, 2018	475,365	744	270,369	158,641	45,611
—	Net income	46,124	—	—	34,851	11,273
—	Member distribution to Non-controlling interest holder	(7,350)	—	—	—	(7,350)
—	Dividends to shareholders	(47,645)	—	—	(47,645)	—
(83,230)	Repurchase and retirement of Common Stock	(835)	—	(835)	—	—
74,362,693	Balance at December 31, 2019	465,659	744	269,534	145,847	49,534
—	Net income	15,617	—	—	8,225	7,392
—	Member distribution to Non-controlling interest holder	(4,900)	—	—	—	(4,900)
—	Dividends to shareholders	(95,923)	—	—	(95,923)	—
(1,878,400)	Repurchase and retirement of Common Stock	(11,741)	(19)	(11,722)	—	—
72,484,293	Balance at December 31, 2020	\$ 368,712	\$ 725	\$ 257,812	\$ 58,149	\$ 52,026

See accompanying notes to consolidated financial statements.

BLUEGREEN VACATIONS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Years Ended December 31,		
	2020	2019	2018
Operating activities:			
Net income	\$ 15,617	\$ 46,124	\$ 100,352
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	19,231	18,992	16,604
Loss on disposal of property and equipment, net	1,247	3,909	179
Provision for loan losses	56,941	55,701	51,305
(Benefit) provision for deferred income taxes	(5,100)	1,448	2,090
Changes in operating assets and liabilities:			
Notes receivable	(17,722)	(65,910)	(64,002)
Prepaid expenses and other assets	22,186	(2,706)	3,092
Inventory	(185)	(12,788)	(32,022)
Accounts payable, accrued liabilities and other, and deferred income	(13,663)	25,788	(764)
Net cash provided by operating activities	<u>78,552</u>	<u>70,558</u>	<u>76,834</u>
Investing activities:			
Purchases of property and equipment	(7,704)	(24,475)	(32,539)
Proceeds from sale of property and equipment	190	4,880	—
Proceeds from repayment of related party loan	80,000	—	—
Net cash provided by (used in) investing activities	<u>72,486</u>	<u>(19,595)</u>	<u>(32,539)</u>
Financing activities:			
Proceeds from borrowings collateralized by notes receivable	187,172	99,671	254,494
Payments on borrowings collateralized by notes receivable	(214,785)	(137,468)	(216,023)
Proceeds from borrowings under line-of-credit facilities and notes payable	80,000	99,292	51,736
Payments under line-of-credit facilities and notes payable	(87,917)	(86,784)	(43,066)
Payments of debt issuance costs	(3,194)	(3,332)	(3,010)
Repurchase and retirement of common stock	(11,741)	(835)	(4,000)
Distributions to non-controlling interest	(4,900)	(7,350)	(9,800)
Dividends paid	(95,923)	(47,645)	(44,841)
Net cash used in financing activities	<u>(151,288)</u>	<u>(84,451)</u>	<u>(14,510)</u>
Net (decrease) increase in cash and cash equivalents and restricted cash	(250)	(33,488)	29,785
Cash, cash equivalents and restricted cash at the beginning of period	239,646	273,134	243,349
Cash, cash equivalents and restricted cash at end of period	<u>\$ 239,396</u>	<u>\$ 239,646</u>	<u>\$ 273,134</u>

BLUEGREEN VACATIONS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS—(Continued)
(In thousands)

	For the Years Ended December 31,		
	2020	2019	2018
Supplemental schedule of operating cash flow information:			
Interest paid, net of amounts capitalized	\$ 29,671	\$ 34,945	\$ 30,260
Income taxes (received) paid	\$ (7,504)	\$ 15,567	\$ 25,156
Supplemental schedule of non-cash investing and financing activities:			
Acquisition of inventory, property, and equipment for notes payable	\$ —	\$ —	\$ 24,258

See accompanying notes to consolidated financial statements.

BLUEGREEN VACATIONS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization

Our Business

Bluegreen Vacations Corporation (“Bluegreen Vacations”, “Bluegreen”, “we”, “us”, “our”, or the “Company”) is a leading vacation ownership company that markets and sells vacation ownership interests (“VOIs”) and manages resorts in popular leisure and urban destinations. Our resort network includes 45 Club Resorts (resorts in which owners in the Bluegreen Vacation Club (“Vacation Club”) have the right to use most of the units in connection with their VOI ownership) and 23 Club Associate Resorts (resorts in which owners in our Vacation Club have the right to use a limited number of units in connection with their VOI ownership). We market, sell and manage VOIs in resorts, which are generally located in high-volume, “drive-to” vacation destinations, including Orlando, Las Vegas, Myrtle Beach, Charleston and New Orleans, among others. Through our points-based system, the approximately 218,000 owners in our Vacation Club have the flexibility to stay at units available at any of our resorts and have access to nearly 11,300 other hotels and resorts through partnerships and exchange networks. The resorts in which we market, sell or manage VOIs were either developed or acquired by us, or were developed and are owned by third parties. We earn fees for providing sales and marketing services to third party developers. We also earn fees for providing management services to the Vacation Club and homeowners’ associations (“HOAs”), mortgage servicing, VOI title services, reservation services, and construction design and development services. In addition, we provide financing to qualified VOI purchasers, which generates significant interest income.

We derive a significant portion of our revenue from our capital-light business model, which utilizes our expertise and infrastructure to generate both VOI sales and recurring revenue from third parties without the significant capital investment generally associated with the development and acquisition of resorts. Our capital-light business activities include sales of VOIs owned by third-party developers pursuant to which we are paid a commission (“fee-based sales”) and sales of VOIs that we purchase under just-in-time (“JIT”) arrangements with third-party developers or from secondary market sources. In addition, as described above, we provide resorts and resort developers with other fee-based services, including resort management, mortgage servicing, title services and construction management, and generate income through financing provided to qualified VOI purchasers in connection with VOI sales.

Our operations and activities have been materially adversely impacted by the COVID-19 pandemic as discussed further under Note 2 below and elsewhere herein.

Controlling Shareholder

Bluegreen Vacations Holding Corporation (“BVH”), formerly BBX Capital Corporation, owns approximately 93% of our issued and outstanding common stock.

2. Basis of Presentation and Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

Our consolidated financial statements are prepared in conformity with generally accepted accounting principles (“GAAP”) and include the accounts of all of our wholly-owned subsidiaries, entities in which we hold a controlling financial interest, including Bluegreen/Big Cedar Vacations, LLC (a joint venture in which we are deemed to hold a controlling financial interest based on our 51% equity interest, our active role as the day-to-day manager of its activities, and our majority voting control of its management committee (“Bluegreen/Big Cedar Vacations”), and variable interest entities (sometimes referred to herein as “VIEs”) of which we are the primary beneficiary, as defined by Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) *Consolidation* (“Topic 810”). We do not consolidate the statutory business trusts formed by us to issue trust preferred securities as these entities represent VIEs in which we are not the primary beneficiary. The statutory business trusts are accounted

for under the equity method of accounting. All significant intercompany balances and transactions have been eliminated in consolidation.

On November 16, 2009, BVH acquired a controlling interest in us. In connection with the acquisition, our assets and liabilities were measured at fair value as of the date of acquisition.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates on assumptions about current and, for some estimates, future economic and market conditions which affect reported amounts and related disclosures in our financial statements. Although our current estimates contemplate current and expected future conditions, as applicable, actual conditions could differ from our expectations, which could materially affect our results of operations and financial position. In particular, a number of estimates have been and will continue to be affected by the ongoing COVID-19 pandemic. The severity, magnitude and duration, as well as the economic consequences of, the COVID-19 pandemic are uncertain, rapidly changing and difficult to predict. As a result, our accounting estimates and assumptions may change over time in response to the impact of COVID-19. Such changes could result in, among other adjustments, future impairments of intangibles and long-lived assets, incremental credit losses on VOI notes receivable, a decrease in the carrying amount of our tax assets, or an increase in other obligations as of the time of a relevant measurement event.

On an ongoing basis, management evaluates our estimates, including those that relate to the estimated future sales value of inventory; the recognition of revenue; our allowance for loan losses; the recovery of the carrying value of real estate inventories; the fair value of assets measured at, or compared to, fair value on a non-recurring basis such as intangible assets and other long-lived assets; the estimate of contingent liabilities related to litigation and other claims and assessments; and deferred income taxes. Management bases its estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ materially from these estimates under different assumptions and conditions.

Certain amounts for prior periods have been reclassified to conform to the presentation in the current period. The reclassifications had no impact on our statements of operations and comprehensive income or statements of cash flows.

Impact of the COVID-19 Pandemic

Initial Impact and Response

The COVID-19 pandemic has resulted in an unprecedented disruption in the U.S. economy and the travel, hospitality and vacation ownership industries due to, among other things, resort closures, travel restrictions and restrictions on business operations, including government guidance and restrictions with respect to travel, public accommodations, social gatherings and related matters. Our operations have been and continue to be adversely impacted by the pandemic. On March 23, 2020, we temporarily closed all of our VOI sales centers, our retail marketing operations at Bass Pro Shops and Cabela's stores and outlet malls, and our Choice Hotels call transfer program. In connection with these actions we canceled existing owner reservations through May 15, 2020 and new prospect guest tours through June 30, 2020. Further, some of our Club Resorts and Club Associate Resorts were closed in accordance with government mandates and advisories. Beginning in mid-May 2020, we recommenced our sales and marketing operations and our closed resorts began to welcome guests as government mandates were lifted. By December 31, 2020, we were operating in a total of 98 Bass Pro and Cabela's stores, we reactivated our Choice Hotels call transfer program, all of our resorts were open, and all but two of our VOI sales centers were open. However, there is no assurance that our marketing operations at Bass Pro or Cabela's stores, or our VOI sales centers will remain open, including in the event of an increase in COVID-19 cases. Additionally, reflecting our temporary cessation of marketing activities in the beginning months of the COVID-19 pandemic in general, our pipeline of vacation packages was 121,900 at December 31, 2020 compared to 169,300 at December 31, 2019. However, utilization of the packages has been significantly lower as purchasers have not traveled at the same pace as was traveled pre-pandemic. For more

detailed information please see “Results of Operations” included in Part II—Item 7: Management’s Discussion and Analysis of Financial Condition and Results of Operations.

As a result of the effect of the pandemic, we implemented steps to mitigate our costs beginning in March 2020, including reductions in workforce of over 1,700 positions and the placement of another approximate 3,200 of our associates on temporary furlough or reduced work hours. As of December 31, 2020, approximately 3,200 associates had returned to work on a full-time basis for a total of approximately 4,600 full-time associates compared to approximately 5,900 full-time associates as of December 31, 2019. As a result of the effect of the COVID-19 pandemic, during the year ended December 31, 2020, we incurred \$5.0 million in severance and \$14.3 million of payroll and payroll benefit expense relating to employees on temporary furlough or reduced work hours. These payments and expenses are included in selling, general and administrative expenses in our consolidated statements of operations and comprehensive income for the year ended December 31, 2020. While we paid a special cash dividend of \$1.19 per share during August 2020, we suspended the payment of regular quarterly cash dividends during the second quarter of 2020 and there is no assurance that we will recommence paying regular dividends or pay any additional special dividends in the future.

As a precautionary measure to provide additional liquidity if needed, in March 2020, we drew down \$60.0 million under our lines-of-credit and pledged or sold receivables under certain of our receivable backed facilities to increase our cash position. As of December 31, 2020, we repaid the \$60.0 million borrowed under our lines-of-credit. Also, in June 2020, we amended our Liberty Bank Facility to extend the advance period and maturity date, reduced the outstanding borrowings from \$50.0 million to \$40.0 million, decreased the advance rate from 85% for qualified conforming receivables to 80% effective September 2020 and, commencing July 1, 2020, changed the interest rate from the Prime Rate with a floor of 4.00% to the Prime Rate minus 0.10% with a floor of 3.40%. In September 2020, we amended our NBA Receivables Facility to extend the advance period and maturity date, decreased the advance rate from 85% for qualified receivables to 80%, and changed the interest rate from one month LIBOR plus 2.75% (with an interest rate floor of 3.50%) to one month LIBOR plus 2.25% (with an interest rate floor of 3.00%). In October 2020, we completed the 2020-A Term Securitization, a private offering and sale of approximately \$131.0 million of investment-grade, VOI receivable backed notes (the “Notes”) at an overall blended interest rate of approximately 2.60%. The gross advance rate for this transaction was 88.0% and the Notes mature in February 2036. Proceeds from the 2020-A Term Securitization were used to paydown approximately \$82.1 million owed on existing receivable-backed facilities, (thus creating additional availability on those facilities), to capitalize a reserve fund, to pay fees and expenses associated with the transaction, and for general corporate purposes. In December 2020, we amended our Quorum Purchase Facility to extend the advance period from December 2020 to December 2022 and extend the maturity date from December 2032 to December 2034. We continue to actively pursue additional credit facility capacity and capital market transactions. For more detailed information please see “Liquidity and Capital Resources” included in Part II —Item 7: Management’s Discussion and Analysis of Financial Condition and Results of Operations.

We have historically provided financing to customers for a majority of our sales of VOIs, and accordingly, are subject to the risk of defaults by our customers. GAAP requires that we reduce sales of VOIs by our estimate of uncollectible VOI notes receivable. The COVID-19 pandemic has had a material adverse impact on unemployment in the United States and economic conditions in general and the impact may continue for some time. We believe that the COVID-19 pandemic will continue to have an impact on the collectibility of our VOI notes receivable. Accordingly, the estimate of defaults for the 2021 year was increased by approximately \$6.0 million, based on historical experience, forbearance requests received from customers, and other factors, including, but not limited to, the seasoning of the notes receivable and FICO scores of the customers. The impact of the COVID-19 pandemic on default or delinquency rates is rapidly changing and highly uncertain.

The Coronavirus Aid, Relief, and Economic Securities Act (“CARES Act”) was signed into law on March 27, 2020 in response to the COVID-19 pandemic. As of December 31, 2020, we evaluated the income tax provisions of the CARES Act and determined they had no significant effect on the computation of our estimated effective tax rate for the year ended December 31, 2020. However, we have taken advantage of the deferral of the employer portion of the tax withholding amounts and the employee retention tax credits provided for in the CARES Act. During the year

ended December 31, 2020, we recorded a tax withholding deferral of \$8.6 million and employee retention tax credits of \$7.1 million, which is included in selling, general and administrative expenses in our consolidated statements of operations and comprehensive income for the year ended December 31, 2020.

Continued Impact of COVID-19 on our Business

We continue to experience lower travel rates especially to high traffic destinations such as Orlando and Las Vegas. The occupancy rates at resorts with sales centers during the fourth quarter of 2020 was approximately 71% as compared to 80% during the fourth quarter of 2019. This trend of reduced travel was also reflected in utilization of vacation packages especially for vacation packages sold prior to the COVID-19 pandemic.

Significant Accounting Policies

Cash and Cash Equivalents

Cash in excess of our immediate operating requirements are generally invested in short-term time deposits and money market instruments, typically with original maturities at the date of purchase of three months or less. Cash and cash equivalents are maintained at various financial institutions. These financial institutions are located throughout the United States and in Aruba. However, a significant portion of our unrestricted cash is maintained with a single bank and, accordingly, we are subject to credit risk. Periodic evaluations of the relative credit standing of financial institutions maintaining our deposits are performed to evaluate and, if necessary, take actions in an attempt to mitigate credit risk.

Restricted Cash

Restricted cash consists primarily of customer deposits held in escrow accounts and cash collected on pledged/secured notes receivable not yet remitted to lenders.

Revenue Recognition

Sales of VOIs. Revenue is recognized for sales of VOIs after control of the VOI is deemed transferred to the customer, which is when the legal rescission period has expired on a binding executed VOI sales agreement and the collectability of the note receivable from the buyer, if any, is reasonably assured. Transfer of control of the VOI to the buyer is deemed to occur when the legal rescission period expires as the risk and rewards associated with VOI ownership are transferred to the buyer at that time. We record customer deposits from contracts within the legal rescission period in restricted cash and accrued liabilities and other in our consolidated balance sheets as such amounts are refundable until the legal rescission period has expired. In cases where construction and development of our developed resorts has not been completed, we defer all of the revenue and associated expenses for the sales of VOIs until construction is complete and the resort may be occupied.

We generally offer qualified purchasers financing for up to 90% of the purchase price of VOIs. The typical financing provides for a term of ten years and a fixed interest rate, is fully amortizing in equal installments and may be prepaid without penalty. For sales of VOIs for which we provide financing, we have reduced the transaction price for expected loan losses, which we consider to be variable consideration. Our estimates of the variable consideration are based on the results of our static pool analysis, which relies on historical payment data for similar VOI notes receivable. Our policies regarding the estimation of variable consideration on our notes receivable are discussed in further detail under "Notes Receivable" below. VOI Sales where no financing was provided do not have any significant payment terms.

Fee-based sales commission revenue. We enter into fee-based sales arrangements with third-party developers to sell VOIs through our sales and marketing platform for which we earn a commission. We recognize commission revenue to the extent that, it is probable that a significant reversal of such revenue will not occur and the related consumer rescission period has expired. We recognize commission revenue over time as the third-party developer receives and consumes the benefits of the services.

Other fee-based services revenue and cost reimbursements. Revenue in connection with our other fee-based services (which are described below) is recognized as follows:

- ① Resort and club management revenue is recognized as services are rendered. These services provided to the resort HOAs are comprised of day-to-day services to operate the resort, including management services and certain accounting and administrative functions. Management services provided to the Vacation Club include managing the reservation system and providing owner, billing and collection services. Our management contracts are typically structured as cost-plus with an initial term of three years and automatic one year renewals. We believe these services to be a series of distinct goods and services to be accounted for as a single performance obligation over time and recognize revenue as the customer receives the benefits of our services. We allocate variable consideration to the distinct good or service within the series, such that revenue from management fees and cost reimbursements is recognized in each period as the uncertainty with respect to such variable consideration is resolved.
- ① We receive cost reimbursements for performing day to day management services, based on agreements with the HOAs. These costs primarily consist of payroll and payroll related costs for management of the HOAs and other services we provide where we are the employer. Cost reimbursements are based upon actual expenses and are billed to the HOA on a monthly basis. We recognize cost reimbursements when we incur the related reimbursable costs as the HOA receives and consumes the benefits of the management services.
- ② Resort title fee revenue is recognized when escrow amounts are released and title documents are completed.
- ① Rental revenue is recognized on a daily basis which is consistent with the period for which the customer benefits from such service.
- ② Mortgage servicing revenue is recognized as services are rendered.

Fees received in advance are generally included in deferred income in our consolidated balance sheets until such time as the related service is rendered and revenue is recognized as stated above.

Under timeshare accounting rules, rental operations, including accommodations provided through the use of our sampler program, are accounted for as incidental operations whereby incremental carrying costs in excess of incremental revenue are expensed as incurred. Revenue from the sampler program is deferred and typically recognized within a year from sale as guests complete stays at the resorts. During each of the years presented, our aggregate rental revenue and sampler revenue was less than the aggregate carrying cost of our VOI inventory. Accordingly, we recorded such revenue as a reduction to the carrying cost of VOI inventory, which is included in cost of other fee-based services in our consolidated statements of operations and comprehensive income for each year.

Interest Income. We provide financing for a significant portion of sales of our owned VOIs. We recognize interest income from financing VOI sales on the accrual method as earned based on the outstanding principal balance, interest rate and terms stated in each individual financing agreement. See "Notes Receivable" below for further discussion of the policies applicable to our VOI notes receivable.

Notes Receivable

Our notes receivable are carried at amortized cost less an allowance for loan losses. Interest income is suspended, and previously accrued but unpaid interest income is reversed, on all delinquent notes receivable when principal or interest payments are more than 90 days contractually past due and not resumed until such loans are less than 90 days past due. As of December 31, 2020 and December 31, 2019, \$24.0 million and \$25.5 million, respectively, of our VOI notes receivable were more than 90 days past due, and accordingly, consistent with our policy, were not accruing interest income. After approximately 127 days, our VOI notes receivable are generally written off against the allowance for loan loss.

To the extent we determine that it is probable that a significant reversal of cumulative revenue recognized may occur, we record an estimate of variable consideration as a reduction to the transaction price of the sales of VOIs until the uncertainty associated with the variable consideration is resolved. Our estimates of the variable consideration are based on the results of our static pool analysis, which relies on historical payment data for similar VOI notes receivable

and tracks uncollectibles for each period's sales over the entire life of the notes. We also consider whether historical economic conditions are comparable to then current economic conditions, as well as variations in underwriting standards. We review our estimate of variable consideration on at least a quarterly basis. Loan origination costs are deferred and recognized over the life of the related notes receivable. See above for further discussion of the impact of the COVID-19 pandemic on our allowance for loan losses.

Inventory

Our inventory consists of completed VOIs, VOIs under construction and land held for future VOI development. We carry our completed inventory at the lower of (i) cost, including costs of improvements and amenities incurred subsequent to acquisition, capitalized interest, real estate taxes and other costs incurred during construction, or (ii) estimated fair market value, less costs to sell. VOI inventory and cost of sales are accounted for under timeshare accounting rules, which require the use of a specific method of the relative sales value method for relieving VOI inventory and recording cost of sales. Under the relative sales value method required by timeshare accounting rules, cost of sales is calculated as a percentage of net sales using a cost-of-sales percentage - the ratio of total estimated development costs to total estimated VOI revenue, including the estimated incremental revenue from the resale of VOI inventory repossessed, generally as a result of the default of the related receivable. Also, pursuant to timeshare accounting rules, we do not relieve inventory for VOI cost of sales related to anticipated loan losses. Accordingly, no adjustment is made when inventory is reacquired upon default of the related receivable.

Deferred Financing Costs

Deferred financing costs are comprised of costs incurred in connection with obtaining financing from third-party lenders and are presented in our consolidated balance sheets as other assets or as a direct deduction from the carrying value of the associated debt liability. These costs are capitalized and amortized to interest expense over the terms of the related financing arrangements. As of December 31, 2020 and 2019, unamortized deferred financing costs totaled \$12.7 million and \$12.3 million, respectively. Interest expense from the amortization of deferred financing costs for the years ended December 31, 2020, 2019, and 2018 was \$2.8 million, \$4.1 million and \$3.5 million, respectively.

Property and Equipment

Our property and equipment is recorded at acquisition cost. We record depreciation and amortization in a manner that recognizes the cost of its depreciable assets over their estimated useful lives using the straight-line method. Leasehold improvements are amortized over the shorter of the terms of the underlying leases or the estimated useful lives of the improvements.

We capitalize the costs of software developed for internal use in accordance with the guidance for accounting for costs of computer software developed or obtained for internal use. Capitalization of software developed for internal use commences during the development phase of the project and ends when the asset is ready for its intended use. Software developed or obtained for internal use is generally amortized on a straight-line basis over 3 to 5 years and included within property and equipment on our consolidated balance sheet. Capitalized costs of software for internal use for the years ended December 31, 2020 and 2019 were \$3.5 million and \$9.6 million, respectively. Costs of internal development time and the costs of software under cloud computing arrangements that are service contracts are capitalized and included in prepaids on our consolidated balance sheet. Costs of these service contracts are amortized over the life of the contract and included in selling, general and administrative expenses in our consolidated statement of operations. Unamortized capital costs of software service contracts was \$1.8 million as of December 31, 2020.

Intangible Assets

Intangible assets consist of property management contracts with various HOAs to manage, service, staff and maintain the property. A majority of our property management contracts have indefinite useful lives and are not amortized, but instead are reviewed for impairment on at least an annual basis, or more frequently if events or changes in

circumstances indicate that the related carrying amounts may not be recoverable. We did not record any impairment charges during the years ended December 31, 2020, 2019 or 2018.

Impairment of Long-Lived Assets

We evaluate the recoverability of the carrying amounts of our long-lived assets, undeveloped or under development resort properties under the guidelines of ASC 360, *Property, Plant and Equipment* (“ASC 360”), which provides guidance relating to the accounting for the impairment or disposal of long-lived assets. We review the carrying amounts of our long-lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. We assess impairment by comparing the undiscounted cash flows of the assets to their carrying amounts. If estimated cash flows are insufficient to recover the investment, an impairment loss is recognized to write-down the carrying value of the asset to the estimated fair value less any costs of disposition. No impairment charges were recorded during any of the years presented.

Income Taxes

Income tax expense is recognized at applicable U.S. tax rates. Certain revenue and expense items may be recognized in one period for financial statement purposes and in a different period for income tax purposes. The tax effects of such differences are reported as deferred income taxes. Valuation allowances are recorded in periods in which it is determined that the realization of deferred tax assets does not meet the more likely than not recognition threshold.

Earnings Per Share

Basic earnings per share (“EPS”) is calculated by dividing the earnings available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted EPS is calculated to give effect to all potentially dilutive common shares that were outstanding during the reporting period. There were no potentially dilutive common shares outstanding during any of the reporting periods.

Advertising Expense

We expense advertising costs, which are primarily marketing costs, as incurred. Advertising expense was \$96.0 million, \$147.8 million, and \$139.9 million for the years ended December 31, 2020, 2019 and 2018, respectively, and is included in selling, general and administrative expenses in the accompanying consolidated statements of operations and comprehensive income.

We have entered into marketing arrangements with various third parties. For the years ended December 31, 2020, 2019, and 2018, sales of VOIs to prospects and leads generated by our marketing agreement with Bass Pro accounted for approximately 12%, 13% and 14%, respectively, of our total VOI sales volume. There can be no guarantee that we will be able to maintain this agreement in accordance with its terms or extend or renew this agreement on similar terms, or at all, nor is there any assurance that our business relationship with Bass Pro under the revised terms of our marketing agreement entered into in June 2019 will be as profitable as under the prior terms, or at all. See Note 12: Commitments and Contingencies for a description of the revised terms of our marketing agreement with Bass Pro.

Recently Adopted Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments – Credit Losses (Topic 326)” (“ASU 2016-13”), which introduces an approach of estimating credit losses on certain types of financial instruments based on expected losses. ASU 2016-13 also expands the disclosure requirements regarding an entity’s assumptions, models, and methods for estimating the allowance for loan losses. Further, the standard requires that public entities disclose the amortized cost balance for each class of financial asset by credit quality indicator, disaggregated by the year of origination (i.e. by vintage year). We adopted this standard on January 1, 2020 using a modified retrospective method. The adoption did not have a material impact on our consolidated financial statements or related disclosures and no cumulative adjustment was recorded primarily due to the fact our VOI notes receivable are recorded net of an

allowance that is calculated in accordance with ASC 606, *Revenue from Contracts with Customers*. We also elected the practical expedient to not measure an allowance for credit losses for accrued interest receivables, as our interest income is suspended and previously accrued but unpaid interest income is reversed on all delinquent notes receivable when principal or interest payments are more than 90 days contractually past due and not resumed until such loans are less than 90 days past due.

In August 2018, the FASB issued ASU 2018-15, “Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40)” (“ASU 2018-15”), which requires a customer in a cloud computing arrangement that is a service contract (“CCA”) to follow internal-use software guidance in ASC 350-40 to determine which implementation costs to capitalize as assets or expense as incurred. ASU 2018-15 also requires companies to present implementation costs related to a CCA in the same financial statement line items as the CCA service fees. We adopted this standard on January 1, 2020 and are applying the transition guidance as of the date of adoption prospectively, under the current period adjustment method. Upon adoption of the standard, we reclassified \$1.9 million of capitalized implementation costs related to a CCA that was in the implementation phase as of January 1, 2020 from property and equipment to prepaid expenses.

Future Adoption of Recently Issued Accounting Pronouncements

The FASB has issued the following accounting pronouncement and guidance relevant to our operations which had not yet been adopted as of December 31, 2020:

In March 2020, the FASB issued ASU 2020-04, “Reference Rate Reform (Topic 848): Facilitation of the Effect of Reference Rate Reform on Financial Reporting” (“ASU 2020-04”), which provides relief for companies preparing for discontinuation of LIBOR in response to the Financial Conduct Authority (the regulatory authority over LIBOR) plan for a phase out of regulatory oversight of LIBOR interest rate indices after 2021 to allow for an orderly transition to an alternate reference rate. The Alternative Reference Rates Committee (“ARRC”) has proposed that the Secured Overnight Financing Rate (“SOFR”) is the rate that represents best practice as the alternative to LIBOR for promissory notes or other contracts that are currently indexed to LIBOR. The ARRC has proposed a market transition plan to SOFR from LIBOR and organizations are currently working on transition plans as it relates to derivatives and cash markets indexed to LIBOR. Although our VOIs notes receivable from our borrowers are not indexed to LIBOR, as of December 31, 2020 we had \$110.8 million of LIBOR indexed junior subordinated debentures, \$40.5 million of LIBOR indexed receivable-backed notes payable and lines of credit and \$127.5 million of LIBOR indexed lines of credit and notes payable (which are not receivable-backed) that mature after 2021. Companies can apply ASU 2020-04 immediately. However, the guidance will only be available for a limited time, generally through December 31, 2022. We have not yet adopted this standard and we are evaluating the potential impact that the eventual replacement of the LIBOR benchmark interest rate could have on our results of operations, liquidity and consolidated financial statements.

3. Revenue From Contracts with Customers

We operate our business in the following two segments: (i) Sales of VOIs and financing; and (ii) Resort operations and club management. The table below sets forth our disaggregated revenue by segment from contracts with customers (in thousands).

	For the Years Ended December 31,		
	2020	2019	2018
Sales of VOIs ⁽¹⁾	\$ 173,997	\$ 255,375	\$ 254,225
Fee-based sales commission revenue ⁽¹⁾	89,965	207,832	216,422
Resort and club management revenue ⁽²⁾	98,233	103,470	99,535
Cost reimbursements ⁽²⁾	64,305	63,889	62,534
Title fees and other ⁽¹⁾	7,568	14,246	12,205
Other revenue ⁽²⁾	6,022	7,528	6,284
Revenue from customers	440,090	652,340	651,205
Interest income ⁽³⁾	81,022	87,902	85,914
Other income, net	—	—	1,201
Total revenue	<u>\$ 521,112</u>	<u>\$ 740,242</u>	<u>\$ 738,320</u>

(1) Included in our Sales of VOIs and financing segment described in Note 17.

(2) Included in our resort operations and club management segment described in Note 17.

(3) Interest income of \$77.5 million, \$80.0 million, and \$79.4 million is included in our 2020, 2019, and 2018 sales of VOIs and financing segment described in Note 17.

4. Notes Receivable

The table below provides information relating to our notes receivable and our allowance for loan losses (dollars in thousands):

	As of December 31,	
	2020	2019
Notes receivable secured by VOIs:		
VOI notes receivable - non-securitized	\$ 156,078	\$ 203,872
VOI notes receivable - securitized	395,315	385,326
	551,393	589,198
Allowance for loan losses - non-securitized	(38,750)	(47,894)
Allowance for loan losses - securitized	(103,294)	(92,736)
Allowance for loan losses	(142,044)	(140,630)
VOI notes receivable, net	<u>\$ 409,349</u>	<u>\$ 448,568</u>
Allowance as a % of VOI notes receivable	<u>26%</u>	<u>24%</u>

The weighted-average interest rate charged on our notes receivable secured by VOIs was 15.0% and 14.9% at December 31, 2020 and 2019, respectively. All of our VOI loans bear interest at fixed rates. Our VOI notes receivable are generally secured by property located in Florida, Missouri, Nevada, South Carolina, Tennessee, and Wisconsin.

Future principal payments due on our notes receivable as of December 31, 2020 are as follows (in thousands):

2021	\$	62,985
2022		62,858
2023		66,429
2024		68,655
2025		69,333
Thereafter		221,133
Total	\$	<u>551,393</u>

Allowance for Loan Losses

The activity in our allowance for loan losses was as follows (in thousands):

	For the Year Ended	
	December 31,	
	2020	2019
Balance, beginning of year	\$ 140,630	\$ 134,133
Provision for loan losses	56,941	55,701
Less: defaults	(55,527)	(49,204)
Balance, end of year	<u>\$ 142,044</u>	<u>\$ 140,630</u>

We monitor the credit quality of our receivables on an ongoing basis. We hold large amounts of homogeneous VOI notes receivable and assess uncollectibility based on pools of receivables as we do not believe that there are significant concentrations of credit risk with any individual counterparty or groups of counterparties. In estimating loan losses, we do not use a single primary indicator of credit quality but instead evaluate our VOI notes receivable based upon a static pool analysis that incorporates the aging of the respective receivables, default trends and prepayment rates by origination year, as well as the FICO scores of the borrowers.

The COVID-19 pandemic has had a material adverse impact on unemployment in the United States and economic conditions in general and the impact may continue for some time. We believe that the COVID-19 pandemic will continue to have an impact on the collectability of our VOI notes receivable. Accordingly the estimate of defaults for the 2021 year was increased by approximately \$6.0 million, based on historical experience, forbearance requests received from customers, and other factors, including, but not limited to, the seasoning of the notes receivable and FICO scores of the customers. We continue to evaluate the impact of the COVID-19 pandemic on our default or delinquency rates as it is rapidly changing and highly uncertain. Our estimates may not prove to be correct and our allowance for loan losses may need to be further increased in future periods.

Additional information about our VOI notes receivable by year of origination is as follows as of December 31, 2020 (in thousands):

	Year of Origination						Total
	2020	2019	2018	2017	2016	2015 and Prior	
By FICO Score:							
701+	\$ 70,874	\$ 85,294	\$ 56,490	\$ 37,371	\$ 27,638	\$ 35,693	\$ 313,360
601-700	42,660	45,533	34,896	25,259	23,300	35,976	207,624
<601 ⁽¹⁾	3,172	3,630	2,288	1,554	1,544	2,757	14,945
Other ⁽²⁾	29	567	3,805	3,476	2,336	5,251	15,464
Total	\$ 116,735	\$ 135,024	\$ 97,479	\$ 67,660	\$ 54,818	\$ 79,677	\$ 551,393
Defaults	\$ 1,678	\$ 13,678	\$ 14,297	\$ 9,331	\$ 7,299	\$ 9,244	\$ 55,527
Allowance for loan loss	\$ 33,441	\$ 37,845	\$ 27,552	\$ 16,794	\$ 12,097	\$ 14,315	\$ 142,044
Delinquency status:							
Current	\$ 113,954	\$ 129,817	\$ 89,744	\$ 61,279	\$ 50,671	\$ 71,646	\$ 517,111
31-60 days	1,040	1,531	1,093	925	547	642	5,778
61-90 days	807	1,137	931	777	365	524	4,541
Over 91 days ⁽²⁾	934	2,539	5,711	4,679	3,235	6,865	23,963
Total	\$ 116,735	\$ 135,024	\$ 97,479	\$ 67,660	\$ 54,818	\$ 79,677	\$ 551,393

(1) Includes VOI notes receivable attributable to borrowers without a FICO score (who are primarily foreign borrowers).

(2) Includes \$11.4 million related to VOI notes receivable that, as of December 31, 2020, had defaulted, but the related VOI note receivable balance had not yet been charged off in accordance with the provisions of certain of our receivable-backed notes payable transactions. These VOI notes receivable have been reflected in the allowance for loan losses.

Additional information about our VOI notes receivable by year of origination is as follows as of December 31, 2019 (in thousands):

	Year of Origination						Total
	2019	2018	2017	2016	2015	2014 and Prior	
701+	\$ 115,753	\$ 77,992	\$ 50,443	\$ 37,807	\$ 23,670	\$ 29,069	\$ 334,734
601-700	57,447	46,157	33,540	30,656	22,724	27,854	218,378
<601 ⁽¹⁾	5,315	4,153	2,719	3,132	2,279	3,632	21,230
Other ⁽²⁾	269	2,762	2,806	2,423	2,772	3,824	14,856
Total by FICO score	\$ 178,784	\$ 131,064	\$ 89,508	\$ 74,018	\$ 51,445	\$ 64,379	\$ 589,198
Defaults	\$ 1,487	\$ 13,858	\$ 11,820	\$ 9,348	\$ 6,911	\$ 5,780	\$ 49,204
Allowance for loan loss	\$ 44,961	\$ 34,477	\$ 20,908	\$ 16,370	\$ 13,695	\$ 10,219	\$ 140,630
Delinquency status:							
Current	\$ 174,530	\$ 122,283	\$ 82,464	\$ 68,007	\$ 46,395	\$ 58,021	\$ 551,700
31-60 days	1,790	1,672	1,337	763	551	630	6,743
61-90 days	875	1,362	960	1,050	472	494	5,213
Over 91 days ⁽²⁾	1,589	5,747	4,747	4,198	4,027	5,234	25,542
Total	\$ 178,784	\$ 131,064	\$ 89,508	\$ 74,018	\$ 51,445	\$ 64,379	\$ 589,198

- (1) Includes VOI notes receivable attributable to borrowers without a FICO score (who are primarily foreign borrowers).
(2) Includes \$10.6 million related to VOI notes receivable that, as of December 31, 2019, had defaulted, but the related VOI note receivable balance had not yet been charged off in accordance with the provisions of certain of our receivable-backed notes payable transactions. These VOI notes receivable have been reflected in the allowance for loan losses.

The percentage of gross notes receivable outstanding by FICO score of the borrower at the time of origination for both December 31, 2020 and 2019 were as follows:

FICO Score	As of December 31,
No Score ⁽¹⁾	1 %
<600	3
600-699	37
700+	59
Total	100 %

- (1) VOI notes receivable without a FICO score are primarily related to foreign borrowers.

Our notes receivable are carried at amortized cost less an allowance for loan losses. Interest income is suspended, and previously accrued but unpaid interest income is reversed, on all delinquent notes receivable when principal or interest payments are more than 90 days contractually past due and not resumed until such loans are less than 90 days past due. As of December 31, 2020 and 2019, \$24.0 million and \$25.5 million, respectively, of our VOI notes receivable were more than 90 days past due, and accordingly, consistent with our policy, were not accruing interest income. After approximately 127 days, our VOI notes receivable are generally written off against the allowance for loan loss. Accrued interest was \$3.9 million and \$5.3 million as of December 31, 2020 and 2019, respectively, and is included within other assets in our consolidated balance sheets herein.

5. Variable Interest Entities

We sell VOI notes receivable through special purpose finance entities. These transactions are generally structured as non-recourse to us and are designed to provide liquidity for us and to transfer the economic risks and benefits of the notes receivable to third parties. In a securitization, various classes of debt securities are issued by the special purpose finance entities that are generally collateralized by a single tranche of transferred assets, which consist of VOI notes receivable. We service the securitized notes receivable for a fee pursuant to servicing agreements negotiated with third parties based on market conditions at the time of the securitization.

In these securitizations, we generally retain a portion of the securities and continue to service the securitized notes receivable. Under these arrangements, the cash payments received from obligors on the receivables sold are generally applied monthly to pay fees to service providers, make interest and principal payments to investors, and fund required reserves, if any, with the remaining balance of such cash retained by us; however, to the extent the portfolio of receivables fails to satisfy specified performance criteria (as may occur due to, among other things, an increase in default rates or credit loss severity) or other trigger events occur, the funds received from obligors are required to be distributed on an accelerated basis to investors. Depending on the circumstances and the transaction, the application of the accelerated payment formula may be permanent or temporary until the trigger event is cured. As of December 31, 2020, we were in compliance with all material terms under our securitization transactions, and no trigger events had occurred.

In accordance with applicable accounting guidance for the consolidation of VIEs, we analyze our variable interests, which may consist of loans, servicing rights, guarantees, and equity investments, to determine if an entity in which we have a variable interest is a VIE. The analysis includes a review of both quantitative and qualitative factors. We base our quantitative analysis on the forecasted cash flows of the entity, and we base our qualitative analysis on the structure of the entity, including our decision-making ability and authority with respect to the entity, and relevant

financial agreements. We also use our qualitative analysis to determine if we must consolidate a VIE as the primary beneficiary. In accordance with applicable accounting guidance, we have determined these securitization entities to be VIEs of which we are the primary beneficiary and, therefore, we consolidate the entities into our financial statements.

Under the terms of certain of our VOI notes receivable sales, we have the right to repurchase or substitute a limited amount of defaulted notes for new notes receivable at the outstanding principal balance plus accrued interest. Voluntary repurchases and substitutions by us of defaulted notes receivable during 2020, 2019 and 2018 were \$14.5 million, \$11.5 million and \$13.7 million, respectively. Our maximum exposure to loss relating to our non-recourse securitization entities is the difference between the outstanding VOI notes receivable and the notes payable, plus cash reserves and any additional residual interest in future cash flows from collateral.

The assets and liabilities of our consolidated VIEs are as follows (in thousands):

	As of December 31,	
	2020	2019
Restricted cash	\$ 20,469	\$ 22,534
Securitized notes receivable, net	\$ 292,021	\$ 292,590
Receivable backed notes payable - non-recourse	\$ 355,833	\$ 344,246

The restricted cash and the securitized notes receivable balances disclosed in the table above are restricted to satisfy obligations of the VIEs.

6. Inventory

Our VOI inventory consists of the following (in thousands):

	As of December 31,	
	2020	2019
Completed VOI units	\$ 268,686	\$ 269,847
Construction-in-progress	—	3,946
Real estate held for future development	78,436	73,144
	<u>\$ 347,122</u>	<u>\$ 346,937</u>

The interest expense reflected in our consolidated statements of operations and comprehensive income is net of capitalized interest. Interest capitalized to VOI inventory was \$0.1 million, \$0.5 million and \$1.3 million at December 31, 2020, 2019, and 2018, respectively.

7. Leases

We are the lessee under various operating leases for certain sales offices, call centers, office space, equipment and vehicles. Some leases include one or more options to renew, at our discretion, for renewal terms of one year or more. Certain of our lease agreements include rental payments based on a percentage of sales generated at the location, and others include rental payments adjusted periodically for inflation. Our lease agreements do not contain residual value guarantees or restrictive covenants which we believe to be material.

We recognize operating lease assets and operating lease liabilities associated with lease agreements with an initial term of 12 months or greater, while lease agreements with an initial term of 12 months or less are not recorded in our consolidated balance sheets. We generally do not include lease payments associated with renewal options, including those that are exercisable at our discretion, in the measurement of our operating lease assets and liabilities as we are not reasonably certain that such options will be exercised. The table below sets forth information regarding our lease agreements with an initial term of greater than 12 months (dollars in thousands):

	As of December 31,	
	2020	2019
Operating Lease Asset	\$ 34,325	\$ 20,858
Operating Lease Liability	35,783	22,124
Weighted Average Lease Term (in years) ⁽¹⁾	3.4	3.7
Weighted Average Discount Rate ⁽²⁾	4.77%	5.30%

(1) Our weighted average lease term excludes two real estate leases that expire in December 2034 and May 2056.

(2) As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of future lease payments. To estimate incremental borrowing rates, we consider various factors, including the rates applicable to our recently issued debt and credit facilities and prevailing financial market conditions. We used the incremental borrowing rate as of January 1, 2019 for operating leases that commenced prior to that date.

We generally recognize lease costs associated with our operating leases on a straight-line basis over the lease term, while variable lease payments that do not depend on an index or rate are recognized as variable lease costs in the period in which the obligation for those payments is incurred. The table below sets forth information regarding our lease costs which are included as selling, general and administrative expenses in our consolidated statement of operations and comprehensive income (in thousands):

	For the year ended December 31,	
	2020	2019
Fixed rental costs	\$ 6,809	\$ 7,460
Short-term lease cost	1,807	5,113
Variable lease cost	1,917	2,490
Total operating lease costs	\$ 10,533	\$ 15,063

The table below sets forth information regarding the maturity of our operating lease liabilities as of December 31, 2020 (in thousands):

As of December 31,	Operating Lease Liabilities
2021	\$ 3,904
2022	6,703
2023	5,858
2024	3,618
2025	2,152
After 2025	25,435
Total lease payments	\$ 47,670
Less: Interest	11,887
Present value of operating lease liabilities	\$ 35,783

The above operating lease payments exclude \$0.9 of required minimum lease payments for lease agreements executed but not yet commenced, as we have not received possession of the leased property as of December 31, 2020. Included in our statement of cash flows under operating activities for the years ended December 31, 2020 and 2019 was \$6.6 million and \$6.9 million, respectively, of cash paid for amounts included in the measurement of lease liabilities.

During the year ended December 31, 2020 and 2019, we obtained \$19.4 million and \$1.6 million, respectively, of right-of-use assets in exchange for new operating lease liabilities. The increase in the right-of-use assets and operating lease liabilities in 2020 as compared to 2019 was primarily due to 2 leases executed in December 2020.

8. Property and Equipment

Our property and equipment consists of the following (dollars in thousands):

	Useful Lives	As of December 31,	
		2020	2019
Land, buildings and building improvements	3-31 years	72,041	71,575
Computer hardware and software	1-5 years	67,639	65,535
Furniture, fixtures and equipment	3-14 years	21,218	23,579
Leasehold improvements	3-14 years	9,326	9,210
Transportation and equipment	5 years	680	712
		<u>170,904</u>	<u>170,611</u>
Accumulated depreciation and amortization		<u>(80,855)</u>	<u>(71,349)</u>
Total		<u>\$ 90,049</u>	<u>\$ 99,262</u>

Depreciation and amortization expense related to our property and equipment was \$15.5 million, \$14.0 million and \$12.3 million for the years ended December 31, 2020, 2019 and 2018, respectively. In December 2019, we conveyed the ski and golf operations and related property at one of our resorts to the HOA, which resulted in a loss on the disposal of approximately \$5.6 million.

9. Intangible Assets

Intangible assets and related amortization expense were as follows (in thousands):

Class	As of December 31,	
	2020	2019
Intangible assets:		
Management agreements	\$ 61,708	\$ 61,708
Accumulated amortization	(277)	(193)
Total intangible assets	<u>\$ 61,431</u>	<u>\$ 61,515</u>

Year	Future Amortization Expense
2021	\$ 83
2022	56
	<u>\$ 139</u>

10. Debt

Contractual minimum principal payments required on our debt, net of unamortized discount, by type, for each of the five years subsequent to December 31, 2020 and thereafter are shown below (in thousands):

	Lines-of-credit and notes payable	Recourse receivable- backed notes payable	Non-recourse receivable- backed notes payable	Junior subordinated debentures	Total
2021	\$ 12,200	\$ —	\$ —	\$ —	\$ 12,200
2022	14,625	—	—	—	14,625
2023	10,328	—	—	—	10,328
2024	102,500	25,718	—	—	128,218
2025	—	8,125	—	—	8,125
Thereafter	—	18,958	347,526	110,827	477,311
Unamortized debt issuance costs	(1,267)	—	(5,994)	—	(7,261)
Adjustment ⁽¹⁾	—	(14,301)	14,301	—	—
Purchase accounting adjustment	—	—	—	(37,895)	(37,895)
Total	<u>\$ 138,386</u>	<u>\$ 38,500</u>	<u>\$ 355,833</u>	<u>\$ 72,932</u>	<u>\$ 605,651</u>

(1) Represents the non-recourse balances of the Liberty Bank Facility, NBA Receivables Facility, and the Pacific Western Facility as described below.

The minimum contractual payments set forth in the table above may differ from actual payments due to the timing of principal payments required upon (1) the sale of real estate assets that serve as collateral on certain debt (release payments) and (2) cash collections of pledged or transferred notes receivable.

Lines-of-Credit and Notes Payable

We have outstanding borrowings with various financial institutions and other lenders. Financial data related to our lines of credit and notes payable (other than receivable-backed notes payable) as of December 31, 2020 and 2019 was as follows (dollars in thousands):

	As of December 31,					
	2020			2019		
	Balance	Interest Rate	Carrying Amount of Pledged Assets	Balance	Interest Rate	Carrying Amount of Pledged Assets
NBA Éilan Loan	\$ 15,903	4.75%	\$ 28,491	\$ 18,820	4.95%	\$ 31,259
Fifth Third Syndicated LOC	30,000	2.25%	50,822	30,000	3.85%	49,062
Fifth Third Syndicated Term	93,750	2.25%	158,817	98,750	3.71%	161,497
Unamortized debt issuance costs	(1,267)	—	—	(1,410)	—	—
Total	<u>\$ 138,386</u>		<u>\$ 238,130</u>	<u>\$ 146,160</u>		<u>\$ 241,818</u>

NBA Éilan Loan. In April 2018, we purchased the Éilan Hotel & Spa in San Antonio, Texas for \$34.3 million. In connection with the acquisition, we entered into a non-revolving acquisition loan (the “NBA Éilan Loan”) with NBA, which provided for advances of up to \$27.5 million, \$24.3 million of which was used to fund the acquisition of the resort and \$2.1 million of which was used to fund certain improvement costs. Principal payments are effected through release payments from sales of VOIs at the Éilan Hotel & Spa that serve as collateral for the NBA Éilan Loan, subject to a minimum amortization schedule, with the remaining balance due at maturity in April 2023. Borrowings under the

NBA Éilan Loan bear interest at an annual rate equal to one-month LIBOR plus 3.25%, subject to a floor of 4.75%. As of December 31, 2020, there was \$15.9 million outstanding on the NBA Éilan Loan.

Fifth Third Syndicated Line-of-Credit and Fifth Third Syndicated Term Loan. In December 2016, we entered into a \$100.0 million syndicated credit facility with Fifth Third Bank, as administrative agent and lead arranger, and certain other bank participants as lenders. In October 2019, we amended and increased the facility to \$225.0 million. The amended facility includes a \$100.0 million term loan (the “Fifth Third Syndicated Term Loan”) with quarterly amortization requirements and a \$125.0 million revolving line of credit (the “Fifth Third Syndicated Line-of-Credit”). Borrowings under the amended facility generally bear interest at LIBOR plus 2.00% - 2.50% (with a LIBOR floor of 0.25%), depending on our leverage ratio, are collateralized by certain of our VOI inventory, sales center buildings, management fees, short-term receivables and cash flows from residual interests relating to certain term securitizations, and will mature in October 2024. During March 2020, in an effort to assure adequate liquidity for a sustained period given the effect and uncertainties associated with the COVID-19 pandemic, we drew down \$60.0 million under our line-of credit which we have repaid as of December 31, 2020. As of December 31, 2020, outstanding borrowings under the facility totaled \$123.8 million, including \$93.8 million under the Fifth Third Syndicated Term Loan with an interest rate of 2.25%, and \$30.0 million under the Fifth Third Syndicated Line of Credit with an interest rate of 2.25%.

Receivable-Backed Notes Payable

Financial data related to our receivable-backed notes payable facilities was as follows (dollars in thousands):

	As of December 31,					
	2020			2019		
	Debt Balance	Interest Rate	Principal Balance of Pledged/ Secured Receivables	Debt Balance	Interest Rate	Principal Balance of Pledged/ Secured Receivables
Receivable-backed notes payable - recourse:						
Liberty Bank Facility ⁽¹⁾	\$ 10,000	3.40%	\$ 13,970	\$ 25,860	4.75%	\$ 31,681
NBA Receivables Facility ⁽²⁾	19,877	3.32%	26,220	32,405	4.55%	39,787
Pacific Western Facility ⁽³⁾	8,623	3.15%	13,131	20,304	4.68%	25,332
Total	38,500		53,321	78,569		96,800
Receivable-backed notes payable - non-recourse:						
Liberty Bank Facility ⁽¹⁾	\$ 2,316	3.40%	\$ 3,235	\$ —	—	\$ —
NBA Receivables Facility ⁽²⁾	11,985	3.32%	15,809	—	—	—
Pacific Western Facility ⁽³⁾	—	—	—	10,000	4.68%	12,477
KeyBank/DZ Purchase Facility	—	—	—	31,708	3.99%	39,448
Quorum Purchase Facility	29,788	4.75-5.10%	34,651	44,525	4.75-5.50%	49,981
2012 Term Securitization	—	0.00%	—	8,638	2.94%	9,878
2013 Term Securitization	11,922	3.20%	13,483	18,219	3.20%	19,995
2015 Term Securitization	22,560	3.02%	24,475	31,188	3.02%	33,765
2016 Term Securitization	35,700	3.35%	40,221	48,529	3.35%	54,067
2017 Term Securitization	51,470	3.12%	58,907	65,333	3.12%	74,219
2018 Term Securitization	72,486	4.02%	84,454	91,231	4.02%	103,974
2020 Term Securitization	123,600	2.60%	139,052	—	—	—
Unamortized debt issuance costs	(5,994)	—	—	(5,125)	—	—
Total	355,833		414,287	344,246		397,804
Total receivable-backed debt	\$ 394,333		\$ 467,608	\$ 422,815		\$ 494,604

(1) Pursuant to the February 11, 2020 amendment described below, recourse on the Liberty Bank Facility is limited to \$10 million, subject to certain exceptions.

(2) Pursuant to the September 25, 2020 amendment described below, recourse to Bluegreen/Big Cedar Vacations was reduced to \$19.9 million as of December 31, 2020 and will be reduced by \$1.3 million per month until it reaches a floor of \$10.0 million.

(3) Recourse on the Pacific Western Facility is limited to \$10 million, subject to certain exceptions.

Liberty Bank Facility. Since 2008, we have maintained a revolving VOI notes receivable hypothecation facility (the “Liberty Bank Facility”) with Liberty Bank which provides for advances on eligible receivables pledged under the Liberty Bank Facility, subject to specified terms and conditions, during the revolving credit period. On June 25, 2020, we amended the Liberty Bank Facility to extend the revolving credit period from June 2020 to June 2021, and the maturity from March 2023 to June 2024. In addition, the amendment decreased the advance rate with respect to Qualified Timeshare Loans from 85% to 80% of the unpaid principal balance of the Qualified Timeshare Loans. The advance rate is 60% of the unpaid principal balance of Non-Conforming Qualified Timeshare Loans. The amendment also reduced the maximum permitted outstanding borrowings from \$50.0 million to \$40.0 million, subject to the terms of the facility, and effective July 1, 2020, decreased the interest rate to the Prime Rate minus 0.10% with a floor of 3.40% from the Prime Rate with a floor of 4.00%. In addition, recourse to us under the amended facility was reduced to \$10.0 million, subject to certain exceptions set forth in the facility. Subject to the terms of the facility, principal and

interest due under the Liberty Bank Facility are paid as cash is collected on the pledged receivables, with the remaining balance being due by maturity.

NBA Receivables Facility. Bluegreen/Big Cedar Vacations has a revolving VOI hypothecation facility (the “NBA Receivables Facility”) with National Bank of Arizona (“NBA”) which was amended and restated on September 25, 2020. The Amended and Restated NBA Receivables Facility extended the revolving advance period from September 2020 to September 2023 and the maturity date from March 2025 to March 2028. In addition, the interest rate on all new advances made under the facility will be one month LIBOR plus 2.25% (with an interest rate floor of 3.00%). Further, if new advances of at least \$25.0 million are made by June 30, 2021, the interest rate on borrowings under the facility at September 25, 2020, to the extent then remaining outstanding, will be reduced from the currently effective rate of one month LIBOR plus 2.75% (with an interest rate floor of 3.50%) to one month LIBOR plus 2.25% (with an interest rate floor of 3.00%). The Amended and Restated NBA Receivables Facility provides for advances at a rate of 80% on eligible receivables pledged under the facility (decreased from the prior rate of 85%), subject to eligible collateral and specified terms and conditions, during the revolving credit period. The maximum borrowings allowed under the facility remains at \$70.0 million. In addition, recourse to Bluegreen/Big Cedar under the amended facility was reduced to \$19.9 million as of December 31, 2020 and will be reduced by \$1.3 million per month until it reaches a floor of \$10.0 million. Subject to the terms of the facility, principal and interest payments received on pledged receivables are applied to principal and interest due under the facility, with the remaining outstanding balance being due by maturity.

Pacific Western Facility. We have a revolving VOI notes receivable hypothecation facility (the “Pacific Western Facility”) with Pacific Western Bank, which provides for advances on eligible VOI notes receivable pledged under the facility, subject to specified terms and conditions, during a revolving credit period. Maximum outstanding borrowings under the Pacific Western Facility are \$40.0 million, subject to eligible collateral and customary terms and conditions. The revolving advance period expires in September 2021 and the Pacific Western Facility matures in September 2024 (in each case, subject to an additional 12-month extension at the option of Pacific Western Bank). Eligible “A” VOI notes receivable that meet certain eligibility and FICO score requirements, which we believe are typically consistent with loans originated under our current credit underwriting standards, are subject to an 85% advance rate. The Pacific Western Facility also allows for certain eligible “B” VOI notes receivable (which have less stringent FICO score requirements) to be funded at a 53% advance rate. Borrowings outstanding under the Pacific Western Facility accrue interest at an annual rate equal to 30-day LIBOR plus 3.00%; provided, however, that a portion of the borrowings, to the extent such borrowings are in excess of established debt minimums, will accrue interest at 30-day LIBOR plus 2.75%. Subject to the terms of the facility, principal repayments and interest on borrowings under the Pacific Western Facility are paid as cash is collected on the pledged VOI notes receivable, subject to future required decreases in the advance rates after the end of the revolving advance period, with the remaining outstanding balance being due by maturity. The facility has limited recourse not to exceed \$10.0 million.

KeyBank/DZ Purchase Facility. We have a VOI notes receivable purchase facility (the “KeyBank/DZ Purchase Facility”) with DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt AM Main (“DZ”), and KeyBank National Association (“KeyBank”) which permits maximum outstanding financings of up to \$80.0 million and provides for an advance rate of 80% with respect to VOI receivables securing amounts financed. The KeyBank/DZ Purchase Facility’s advance period will expire in December 2022 and will mature and all outstanding amounts will become due 24 months after the revolving advance period has expired, or earlier under certain circumstances set forth in the facility. Interest on amounts outstanding under the facility is tied to an applicable index rate of the LIBOR rate, in the case of amounts funded by KeyBank, and a cost of funds rate or commercial paper rates, in the case of amounts funded by or through DZ. The interest rate under the facility is the applicable index rate plus 2.25% (with an interest rate index floor of 0.25%) until the expiration of the revolving advance period and thereafter will equal the applicable index rate plus 3.25% (with an interest rate index floor of 0.25%). Subject to the terms of the facility, we will receive the excess cash flows generated by the VOI notes receivable sold (excess meaning after payments of customary fees, interest and principal under the facility) until the expiration of the VOI notes receivable advance period, at which point all of the excess cash flow will be paid to the note holders until the outstanding balance is reduced to zero. While ownership of the VOI notes receivable included in the facility is transferred and sold for legal purposes, the transfer of these VOI notes receivable is accounted for as a secured borrowing for financial reporting purposes. The facility is nonrecourse.

Quorum Purchase Facility. Bluegreen/Big Cedar Vacations has a VOI notes receivable purchase facility (the “Quorum Purchase Facility”) with Quorum Federal Credit Union (“Quorum”), pursuant to which Quorum has agreed to purchase eligible VOI notes receivable in an amount of up to an aggregate \$50.0 million purchase price, subject to certain conditions precedent and other terms of the facility. On December 18, 2020, the Quorum Purchase Facility was amended to extend the advance period to December 2022 from December 2020 and the maturity date to December 2034 from December 2032. The interest rate on each advance is set at the time of funding based on rates mutually agreed upon by the parties. Of the amounts outstanding under the Quorum Purchase Facility at December 31, 2020, \$2.2 million accrues interest at a rate per annum of 4.75%, \$15.3 million accrues interest at a fixed rate of 4.95%, and \$12.3 million accrues interest at a fixed rate of 5.10%. The Quorum Purchase Facility provides for an 85% advance rate on eligible receivables sold under the facility, however Quorum can modify this advance rate on future purchases subject to the terms and conditions of the Quorum Purchase Facility. Eligibility requirements for VOI notes receivable sold include, among others, that the obligors under the VOI notes receivable sold be members of Quorum at the time of the note sale. Subject to performance of the collateral, we or Bluegreen/Big Cedar Vacations, as applicable, will receive any excess cash flows generated by the VOI notes receivable transferred to Quorum under the facility (excess meaning after payment of customary fees, interest and principal under the facility) on a pro-rata basis as borrowers make payments on their VOI notes receivable. While ownership of the VOI notes receivable included in the Quorum Purchase Facility is transferred and sold for legal purposes, the transfer of these VOI notes receivable is accounted for as a secured borrowing for financial reporting purposes. The facility is nonrecourse.

2012 Term Securitization. In October 2020, we repaid in full the notes payable issued in connection with the 2012 Term Securitization. Accordingly, the related unamortized debt issuance costs of \$0.1 million were written off in 2020.

2020 Term Securitization. In October 2020, we completed the 2020-A Term Securitization, a private offering and sale of \$131.0 million of investment-grade, VOI receivable backed notes (the “Notes”), including \$48.6 million of Class A Notes, \$47.9 million of Class B Notes and \$34.5 million of Class C Notes with interest rates of 1.55%, 2.49%, and 4.22%, respectively, which blends to an overall interest rate of approximately 2.60%. The gross advance rate for this transaction was 88.0%. The Notes mature in February 2036. KeyBanc Capital Markets Inc. (“KeyCM”) and Barclays Capital Inc. acted as co-lead managers and were the initial purchasers of the Notes. KeyCM also acted as structuring agent for the transaction.

The amount of the VOI receivables sold to BXG Receivables Note Trust 2020-A (the “Trust”) in the transaction was \$148.9 million, \$138.9 million of which was sold to the Trust at closing and the remaining \$10.0 million of which (the “Prefunded Receivables”) was sold to the Trust by December 31, 2020. The gross proceeds of such sales to the Trust were \$131.0 million. A portion of the proceeds received at closing were used to: repay KeyBank National Association (“KeyBank”) and DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main (“DZ Bank”) \$61.1 million, representing all amounts outstanding (including accrued interest) under the KeyBank/DZ Purchase Facility at that time; repay Liberty Bank \$6.4 million under the Liberty Bank Facility; repay Pacific Western Bank \$14.6 million under the Pacific Western Facility; capitalize a reserve fund; and pay fees and expenses associated with the transaction. The remainder of the gross proceeds from the 2020-A Term Securitization were used by us for general corporate purposes.

While ownership of the VOI receivables included in the 2020-A Term Securitization is transferred and sold for legal purposes, the transfer of these receivables is accounted for as a secured borrowing for financial accounting purposes. Accordingly, no gain or loss was recognized as a result of this transaction.

Other Non-Recourse Receivable-Backed Notes Payable. In addition to the above described facilities, we have a number of other nonrecourse receivable-backed notes payable facilities, as set forth in the table above. During 2020 and 2019, we repaid \$67.8 million and \$62.6 million, respectively, under these additional receivable-backed notes payable facilities.

Junior Subordinated Debentures

We have formed statutory business trusts (collectively, the "Trusts"), each of which issued trust preferred securities as part of a larger pooled trust securities offering which was not registered under the Securities Act of 1933 and invested the proceeds thereof in its junior subordinated debentures. The Trusts are variable interest entities in which we are not the primary beneficiary as defined by ASC 810. Accordingly, we do not consolidate the operations of the Trusts; instead, our beneficial interests in the Trusts are accounted for under the equity method of accounting. Our maximum exposure to loss as a result of our involvement with the Trusts is limited to the carrying amount of our equity method investment. Distributions on the trust preferred securities are cumulative and based upon the liquidation value of the trust preferred security. The trust preferred securities are subject to mandatory redemption, in whole or in part, upon repayment of the junior subordinated debentures at maturity or their earlier redemption. The junior subordinated debentures are redeemable in whole or in part at our option at any time. In addition, we made an initial equity contribution to each Trust in exchange for its common securities, all of which are owned by us, and those proceeds were also used by the applicable Trust to purchase an identical amount of junior subordinated debentures from us. The terms of each Trust's common securities are nearly identical to the trust preferred securities.

Interest on the junior subordinated debentures and distributions on the trust preferred securities are payable quarterly in arrears at the same interest rate.

We had the following junior subordinated debentures outstanding at December 31, 2020 (dollars in thousands):

Trust	Carrying Value as of December 31, 2020 ⁽¹⁾	Initial Equity In Trust ⁽²⁾	Issue Date	Interest Rate	Interest Rate at December 31, 2020	Maturity Date	Carrying Value as of December 31, 2019 ⁽¹⁾
BST I	\$ 15,238	\$ 355	3/15/2005	3-month LIBOR + 4.90%	5.12%	3/30/2035	\$ 15,059
BST II	17,058	401	5/4/2005	3-month LIBOR + 4.85%	5.06%	7/30/2035	16,862
BST III	6,898	164	5/10/2005	3-month LIBOR + 4.85%	5.06%	7/30/2035	6,823
BST IV	10,159	237	4/24/2006	3-month LIBOR + 4.85%	5.07%	6/30/2036	10,040
BST V	10,159	237	7/21/2006	3-month LIBOR + 4.85%	5.07%	9/30/2036	10,040
BST VI	13,420	311	2/26/2007	3-month LIBOR + 4.80%	5.01%	4/30/2037	13,257
	<u>\$ 72,932</u>	<u>\$ 1,705</u>					<u>\$ 72,081</u>

(1) Amounts include purchase accounting adjustments which reduced the total carrying value by \$37.9 million and \$38.7 million as of December 31, 2020 and 2019, respectively.

(2) Initial Equity in Trust is recorded as part of other assets in the Consolidated Balance Sheets.

As of December 31, 2020, we were in compliance with all financial debt covenants under our debt instruments. We had availability of approximately \$292.4 million under our receivable-backed purchase and credit facilities, inventory lines of credit and corporate credit line, subject to eligible collateral and the terms of the facilities, as applicable, as of December 31, 2020.

11. Fair Value of Financial Instruments

ASC 820 *Fair Value Measurements and Disclosures* (Topic 820) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The inputs used to measure fair value are classified into the following hierarchy:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, or unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability

Level 3: Unobservable inputs for the asset or liability

The carrying amounts of financial instruments included in the consolidated financial statements and their estimated fair values are as follows (in thousands):

	As of December 31, 2020		As of December 31, 2019	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Cash and cash equivalents	\$ 203,668	\$ 203,668	\$ 190,009	\$ 190,009
Restricted cash	35,728	35,728	49,637	49,637
Notes receivable, net	409,349	549,819	448,568	587,000
Lines-of-credit, notes payable, and receivable-backed notes payable	532,719	547,400	568,975	589,300
Junior subordinated debentures	72,932	91,000	72,081	98,500

Cash and cash equivalents. The amounts reported in the consolidated balance sheets for cash and cash equivalents approximate fair value.

Restricted cash. The amounts reported in the consolidated balance sheets for restricted cash approximate fair value.

Notes receivable, net. The fair value of our notes receivable is estimated using Level 3 inputs and is based on estimated future cash flows considering contractual payments and estimates of prepayments and defaults, discounted at a market rate.

Lines-of-credit, notes payable, and receivable-backed notes payable. The amounts reported in the consolidated balance sheets for our lines of credit, notes payable, and receivable-backed notes payable, approximate fair value for indebtedness that provides for variable interest rates. The fair value of our fixed-rate, receivable-backed notes payable was determined using Level 3 inputs by discounting the net cash outflows estimated to be used to repay the debt. These obligations are to be satisfied using the proceeds from the consumer loans that secure the obligations.

Junior subordinated debentures. The fair value of our junior subordinated debentures is estimated using Level 3 inputs based on the contractual cash flows discounted at a market rate or based on market price quotes from the over-the-counter bond market.

12. Commitments and Contingencies

Bluegreen Vacations Unlimited (“BVU”), our wholly-owned subsidiary, has an exclusive marketing agreement with Bass Pro, a nationally-recognized retailer of fishing, marine, hunting, camping and sports gear, that provides us with the right to market and sell vacation packages at kiosks in each of Bass Pro’s retail locations and through other means. Pursuant to a settlement agreement we entered into with Bass Pro and its affiliates during June 2019, we paid Bass Pro \$20.0 million and agreed to, among other things, make five annual payments to Bass Pro of \$4.0 million each commencing in 2020. In June 2019, we accrued for the net present value of the settlement, plus attorney’s fees and costs, totaling approximately \$39.1 million. The first \$4.0 million annual payment was made during January 2020. As of December 31, 2020, \$14.7 million was accrued for the remaining payments required by the settlement agreement (including the second annual \$4.0 million payment made during January 2021), which are included in accrued liabilities and other in the consolidated balance sheets as of December 31, 2020.

During the year ended December 31, 2020 and 2019, VOI sales to prospects and leads generated by the agreement with Bass Pro accounted for approximately 12% and 13%, respectively, of our VOI sales volume. Subject to the terms and conditions of the settlement agreement, we will generally be required to pay the fixed annual fee with respect to at least 59 Bass Pro retail stores and a minimum number of Cabela’s retail stores that increases over time to a total of at least 60 Cabela’s retail stores by the end of 2021. During 2020, we paid \$5.7 million for this fixed fee, which is included in selling, general and administrative expenses within our consolidated statements of operations and comprehensive income. Notwithstanding the foregoing, the minimum number of Bass Pro and Cabela’s retail stores for purposes of the fixed annual fee may be reduced under certain circumstances set forth in the agreement, including as a result of a reduction of traffic in the stores in excess of 25% year-over-year. In March 2020 as a result of the COVID-19 pandemic, we temporarily closed our retail marketing operations at Bass Pro Shops and Cabela’s stores. Beginning in mid-May 2020, we started the process of recommencing our sales and marketing operations and by December 31, 2020, we recommenced operating marketing kiosks at 88 Bass Pro Shops and Cabela’s stores (out of a total of 89 stores prior to the closure) and commenced operating marketing kiosks at 10 new Cabela’s stores, for a total of 98 Bass Pro Shops and Cabela’s stores.

In December 2019, our then-serving President and Chief Executive Officer resigned. In connection with his resignation, we agreed to make payments totaling \$3.5 million over a period of 18 months, \$1.2 million of which remained payable as of December 31, 2020.

In lieu of paying maintenance fees for unsold VOI inventory, we may enter into subsidy agreements with certain HOAs. During the years ended December 31, 2020, 2019 and 2018, we made subsidy payments related to such subsidies of \$24.0 million, \$24.9 million, and \$12.6 million, respectively, which are included within cost of other fee-based services in our consolidated statements of operations and comprehensive income. As of December 31, 2020 and December 31, 2019, we had no accrued liabilities for such subsidies.

In the ordinary course of business, we become subject to claims or proceedings from time to time relating to the purchase, sale, marketing, or financing of VOIs or our other business activities. We are also subject to certain matters relating to the Bluegreen Communities’ business, substantially all of the assets of which were sold by us on May 4, 2012. Additionally, from time to time in the ordinary course of business, we become involved in disputes with existing and former employees, vendors, taxing jurisdictions and various other parties, and we also receive individual consumer complaints, as well as complaints received through regulatory and consumer agencies, including Offices of State Attorneys General. We take these matters seriously and attempt to resolve any such issues as they arise. We may also become subject to litigation related to the COVID-19 pandemic, including with respect to any actions we take or may be required to take as a result thereof.

Reserves are accrued for matters in which management believes it is probable that a loss will be incurred and the amount of such loss can be reasonably estimated. Management does not believe that the aggregate liability relating to known contingencies in excess of the aggregate amounts accrued will have a material impact on our results of operations or financial condition. However, litigation is inherently uncertain and the actual costs of resolving legal

claims, including awards of damages, may be substantially higher than the amounts accrued for these claims and may have a material adverse impact on our results of operations or financial condition.

Management is not at this time able to estimate a range of reasonably possible losses with respect to matters in which it is reasonably possible that a loss will occur. In certain matters, management is unable to estimate the loss or reasonable range of loss until additional developments provide information sufficient to support an assessment of the loss or range of loss. Frequently in these matters, the claims are broad and the plaintiffs have not quantified or factually supported their claim.

On September 22, 2017, Stephen Potje, Tamela Potje, Sharon Davis, Beafus Davis, Matthew Baldwin, Tammy Baldwin, Arnor Lee, Angela Lee, Gretchen Brown, Paul Brown, Jeremy Estrada, Emily Estrada, Michael Oliver, Carrie Oliver, Russell Walters, Elaine Walters, and Mike Ericson, individually and on behalf of all other similarly situated, filed a purported class action lawsuit against us which asserts claims for alleged violations of the Florida Deceptive and Unfair Trade Practices Act and the Florida False Advertising Law. In the complaint, the plaintiffs alleged the making of false representations in connection with our sales of VOIs. The purported class action lawsuit was dismissed without prejudice after mediation. However, on or about April 24, 2018, plaintiffs re-filed their individual claims in Palm Beach County Circuit Court. Subsequently, on October 15, 2019, the Court entered an order granting summary judgment in our favor and dismissed all claims. We have moved for reimbursement of our attorneys' fees. Plaintiffs have appealed the summary judgement order.

On February 28, 2018, Oscar Hernandez and Estella Michael filed a purported class action lawsuit in San Bernardino Superior Court against BVU. Plaintiffs sought to represent a class of approximately 660 hourly, non-exempt employees who worked in the state of California since March 1, 2014. The central claims in the complaint, as amended during June 2018, include alleged failures to pay overtime and wages at termination and to provide meal and rest periods, claims relating to non-compliant wage statements and unreimbursed business expenses, and a claim under the Private Attorney's General Act. In April 2019, the parties mediated and agreed to settle the matter for an immaterial amount. Final approval of the settlement was granted by the court on January 21, 2021.

On June 28, 2018, Melissa S. Landon, Edward P. Landon, Shane Auxier and Mu Hpare, individually and on behalf of all others similarly situated, filed a purported class action lawsuit against the Company and BVU asserting claims for alleged violations of the Wisconsin Timeshare Act, Wisconsin law prohibiting illegal referral selling, and Wisconsin law prohibiting illegal attorney's fee provisions. Plaintiffs allegations include that we failed to disclose the identity of the seller of real property at the beginning of our initial contact with the purchaser; that we misrepresented who the seller of the real property was; that we misrepresented the buyer's right to cancel; that we included an illegal attorney's fee provision in the sales document(s); that we offered an illegal "today only" incentive to purchase; and that we utilize an illegal referral selling program to induce the sale of VOIs. Plaintiffs seek certification of a class consisting of all persons who, in Wisconsin, purchased from us one or more VOIs within six years prior to the filing of this lawsuit. Plaintiffs seek statutory damages, attorneys' fees and injunctive relief. We moved to dismiss the case, and on November 27, 2019, the Court issued a ruling granting the motion in part. We have answered the remaining claims. We believe the lawsuit is without merit and intend to vigorously defend the action.

On January 7, 2019, Shehan Wijesinha filed a purported class action lawsuit alleging violations of the Telephone Consumer Protection Act (the "TCPA"), specifically that BVU called plaintiff's cell phone for telemarketing purposes using an automated dialing system, and that plaintiff did not give BVU his express written consent to do so. Plaintiffs seek certification of a class comprised of other persons in the United States who received similar calls from or on behalf of BVU without the person's consent. Plaintiff seeks monetary damages, attorneys' fees and injunctive relief. We believe the lawsuit is without merit and intend to vigorously defend the action. On July 15, 2019, the court entered an order staying this case pending a ruling from the Federal Communications Commission ("FCC") clarifying the definition of an automatic telephone dialing system under the TCPA and the decision of the Eleventh Circuit in a separate action brought against a VOI company by a plaintiff alleging violations of the TCPA. On January 7, 2020, the Eleventh Circuit issued a ruling consistent with BVU's position, and on June 26, 2020, the FCC also issued a favorable ruling. The case currently remains stayed.

On July 18, 2019, Eddie Boyd, et al. filed an action alleging that BVU and co-defendants violated the Missouri Merchandise Practices Act for allegedly making false statements and misrepresentations with respect to the sale of VOIs. Plaintiffs further have filed a purported class action allegation that BVU's charging of an administrative processing fee constitutes the unauthorized practice of law, and have also asserted that we and our outside counsel engaged in abuse of process by filing a lawsuit against plaintiffs' counsel (The Montgomery Law Firm). Plaintiffs seek monetary damages, attorneys' fees and injunctive relief. On August 31, 2020, the court certified a class regarding the unauthorized practice of law claim and dismissed the claims regarding abuse of process. On January 11, 2021, the Court issued an order that the class members are not entitled to rescission of their contracts because they have failed to plead fraud in the inducement. We believe the lawsuit is without merit and intend to move to decertify the class.

On July 7, 2020, Robert Barban and approximately 172 other plaintiffs filed an action against our subsidiaries, Bluegreen Resorts Management, Inc. ("BRM") and Vacation Trust, Inc. ("VTI"), seeking a financial review. Plaintiffs allege that the allocation system in place does not allow them to freely and easily use, occupy, and enjoy the accommodations and facilities. They also allege that BRM has unreasonably escalated operating costs and that VTI failed to protect the plaintiffs from these costs. While we believe the case is without merit, we are in discussion with plaintiffs' counsel to voluntarily move this case to individual arbitration claims in Broward County, Florida. If the discussions are not successful, we intend to file our motion to dismiss.

On July 14, 2020, Kenneth Johansen, individually and on behalf of all others similarly situated, filed a purported class action against BVU for alleged violations of the TCPA. Specifically, the named plaintiff alleges that he received numerous telemarketing calls from BVU while he was on the National Do Not Call Registry. We filed a motion to dismiss, and plaintiff in response filed an amended complaint on September 18, 2020. On February 18, 2021, plaintiff filed a motion for class certification seeking to certify a class of thousands of individual proposed class members. We intend to oppose the class certification and vigorously defend the action.

On August 30, 2020, over 100 VOI owners at The Manhattan Club ("TMC") sued BVU and certain unaffiliated entities (the "Non-Bluegreen Defendants"). The complaint includes claims arising out of alleged misrepresentations made during the sale of VOIs at TMC and certain post-sale operational practices, including allegedly charging owners excessive annual maintenance fees and implementing reservation policies that restrict the ability of VOI owners to use their points to access the resort while allowing the general public to make reservations. The plaintiffs assert in the complaint that Bluegreen acquired operational control of TMC from the Non-Bluegreen Defendants in 2018 and assumed joint liability for any prior wrongdoing by them. We believe this assertion to be erroneous and that the claims against BVU are without merit. Accordingly, we have moved to dismiss the claims against BVU.

Commencing in 2015, it came to our attention that our collection efforts with respect to our VOI notes receivable were being impacted by a then emerging, industry-wide trend involving the receipt of "cease and desist" letters from exit firms and their attorneys purporting to represent certain VOI owners. Following receipt of these letters, we are unable to contact the owners unless allowed by law. We believe these exit firms have encouraged such owners to become delinquent and ultimately default on their obligations and that such actions and our inability to contact the owners are a primary contributor to the increase in our annual default rates. Our average annual default rates have increased from 6.9% in 2015 to 9.8% in 2020. We also estimate that approximately 9.2% of the total delinquencies on our VOI notes receivable as of December 31, 2020 related to VOI notes receivable are subject to this issue. We have in a number of cases pursued, and we may in the future pursue, legal action against the VOI owners, and as described below, against the exit firms.

On December 21, 2018, we filed a lawsuit against timeshare exit firm Totten Franqui and certain of its affiliates ("TPEs"). In the complaint, we alleged that the TPEs, through various forms of deceptive advertising, as well as inappropriate direct contact with VOI owners, made false statements about us and provided misleading information to the VOI owners. The TPEs have encouraged nonpayment by consumers and exacted fees for doing so. We believe the consumers are paying fees to the TPEs in exchange for illusory services. We have asserted claims against the TPEs under the Lanham Act, as well as tortious interference with contractual relations, civil conspiracy to commit tortious interference and other claims. During the course of the litigation, the TPEs and Totten Franqui filed for bankruptcy, which resulted in the litigation being stayed. We have reached favorable settlements with the TPE principals and the court has approved our settlement with the bankruptcy trustee, which allowed 100% of our claims against the TPEs

and Totten Franqui (which are in excess of \$1.0 million.) We agreed to subordinate our claims to the claims of our timeshare owners. The settlement with the principals includes findings of fact against the defendants regarding their business practices and a permanent injunction prohibiting the principals of the Totten Franqui from working again in the timeshare exit space.

On November 13, 2019, we filed a lawsuit against timeshare exit firm The Montgomery Law Firm and certain of its affiliates. In the complaint, we alleged that through various forms of deceptive advertising, as well as inappropriate direct contact with VOI owners, such firm and its affiliates made false statements about us and provided misleading information to the VOI owners and encouraged nonpayment by consumers. We believe the consumers are paying fees to the firm and its affiliates in exchange for illusory services. We have asserted claims under the Lanham Act, as well as tortious interference with contractual relations, civil conspiracy to commit tortious interference and other claims. Defendants' motion to dismiss was denied. Discovery is ongoing.

On November 13, 2020, we filed a lawsuit against timeshare exit firm, Carlsbad Law Group, LLP, and certain of its associated law firms and affiliates. On December 30, 2020, we filed a lawsuit against timeshare exit firm, The Molfetta Law Firm, and certain of its associated law firms and affiliates. In both of these actions, we make substantially the same claims against the timeshare exit firms and its associated law firms and affiliates as those made in our action against The Montgomery Law Firm described above.

13. Income Taxes

Our provision for income taxes consists of the following (in thousands):

	Year Ended December 31,		
	2020	2019	2018
Federal:			
Current	\$ 6,856	\$ 8,170	\$ 21,594
Deferred	(3,528)	2,081	927
	<u>\$ 3,328</u>	<u>\$ 10,251</u>	<u>\$ 22,521</u>
State and Other:			
Current	\$ 1,456	\$ 2,522	\$ 4,857
Deferred	(1,572)	(633)	1,163
	<u>(116)</u>	<u>1,889</u>	<u>6,020</u>
Total	<u>\$ 3,212</u>	<u>\$ 12,140</u>	<u>\$ 28,541</u>

The difference between our provision for income taxes and the results of applying the federal statutory tax rate to income before provision for income taxes relates to (in thousands):

	For the Year Ended December 31,		
	2020	2019	2018
Income tax expense at statutory rate	\$ 2,402	\$ 9,868	\$ 24,466
Effect of state taxes, net of federal tax benefit	1,150	1,992	3,837
Effect of federal rate change, net of federal tax benefit	—	—	(1,005)
Effect of state rate changes on net deferred liabilities	(1,940)	(755)	833
Change in valuation allowance	698	255	(283)
Non-deductible items	1,322	1,258	1,182
Tax credits	(420)	(478)	(489)
Total	<u>\$ 3,212</u>	<u>\$ 12,140</u>	<u>\$ 28,541</u>

Our deferred income taxes consist of the following components (in thousands):

	As of December 31,	
	2020	2019
Deferred federal and state tax liabilities (assets):		
Installment sales treatment of VOI notes receivable	\$ 99,409	\$ 105,396
Deferred federal and state loss carryforwards/AMT credits (net of valuation allowance of \$3.1 million and \$2.4 million as of December 31, 2020 and 2019, respectively)	(7,188)	(7,915)
Book reserves for loan losses and inventory costs under timeshare accounting rules	(20,298)	(19,615)
Tax over book depreciation	5,465	4,786
Real estate valuation	(5,472)	(5,492)
Intangible assets	14,197	14,185
Junior subordinated debentures	8,886	9,124
Other	(7,595)	(7,965)
Deferred income taxes	<u>\$ 87,404</u>	<u>\$ 92,504</u>
Total deferred federal and state tax liabilities	\$ 127,957	\$ 133,491
Total deferred federal and state tax assets	(40,553)	(40,987)
Deferred income taxes	<u>\$ 87,404</u>	<u>\$ 92,504</u>

As of December 31, 2020, we had state operating loss carryforwards of \$226.9 million, which expire from 2021 through 2040.

Internal Revenue Code Section 382 addresses limitations on the use of net operating loss carryforwards following a change in ownership, as defined in Section 382. We do not believe that any such ownership change occurred during 2020 or 2019. If our interpretation was found to be incorrect, there would be significant limitations placed on these carryforwards, which would result in an increase in our tax liability and negatively impact our results of operations.

We file income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. With certain exceptions, we are no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2017 for federal returns and 2016 for state returns.

Our effective income tax rate was approximately 28%, 26% and 25% during 2020, 2019 and 2018, respectively. Effective income tax rates for interim periods are based upon our current estimated annual rate. Our annual effective income tax rate varies based upon the estimate of taxable earnings as well as on the mix of taxable earnings in the various states in which we operate.

The Coronavirus Aid, Relief, and Economic Securities Act ("CARES Act") was signed into law on March 27, 2020 in response to the COVID-19 pandemic. As of December 31, 2020, we evaluated the income tax provisions of the CARES Act and determined they had no significant effect on the computation of our estimated effective tax rate for the year ended December 31, 2020. However, we have taken advantage of the deferral of the employer portion of the tax withholding amounts and the employee retention tax credits provided for in the CARES Act. During the year ended December 31, 2020, we recorded a tax withholding deferral of \$8.6 million and employee retention tax credits of \$7.1 million, which are included in selling, general and administrative expenses in our consolidated statements of operations and comprehensive income for the year ended December 31, 2020.

We evaluate our tax positions based upon guidelines of ASC 740-10, *Income Tax*, which clarifies the accounting for uncertainty in tax positions. Based on an evaluation of uncertain tax provisions, we are required to measure tax benefits based on the largest amount of benefit that is greater than 50% likely of being realized upon settlement. In accordance with our accounting policy, we recognize interest and penalties related to unrecognized taxes as a

component of general and administrative expenses. As of December 31, 2020, we did not recognize any interest or penalties related to ASC 740-10.

Certain of our state filings are under routine examination. While there is no assurance as to the results of these audits, we do not currently anticipate any material adjustments in connection with these examinations.

During 2015, we entered into an Agreement to Allocate Consolidated Income Tax Liability and Benefits with BVH and its other subsidiaries at the time pursuant to which, among other customary terms and conditions, the parties agreed to file consolidated federal tax returns. Under the agreement, the parties calculate their respective income tax liabilities and attributes as if each of them was a separate filer. If any tax attributes are used by another party to the agreement to offset its tax liability, the party providing the benefit will receive an amount for the tax benefits realized. We did not make any payments under the agreement during 2020. We paid BVH or its subsidiaries at the time \$13.0 million and \$23.1 million during 2019 and 2018, respectively, pursuant to the Agreement. As of December 31, 2020 and 2019, \$1.0 million and \$9.0 million, respectively, was due to us from BVH pursuant to the Agreement. The Agreement was terminated with respect to the subsidiaries of BVH other than Woodbridge Holdings Corporation, through which BVH holds its investment in us, in connection with BVH's spin-off of the non-Woodbridge subsidiaries on September 30, 2020.

14. Common Stock

Our Articles of Incorporation authorize us to issue 100 million shares of common stock, par value \$0.01 per share. BVH owns approximately 93% of our issued and outstanding common stock. On November 26, 2018, our board of directors approved a share repurchase program which authorizes the repurchase of up to 3,000,000 shares of our common stock at an aggregate cost of up to \$35.0 million. The repurchase program authorizes management at its discretion, to repurchase shares from time to time subject to market conditions and other factors. As of December 31, 2020, 2,250,162 shares of common stock had been repurchased for \$16.6 million under the repurchase plan.

15. Employee Retirement Savings Plan and Other Employee Matters

Our Employee Retirement Plan (the "Retirement Plan") is an Internal Revenue Code Section 401(k) Retirement Savings Plan. Historically, all U.S.-based employees at least 21 years of age with at least three months of employment with us are eligible to participate in the Retirement Plan. The Retirement Plan provides for an annual employer matching contribution equal to 100% of each participant's contributions not exceeding 3% of each participant's compensation, plus 50% of the participant's contributions in excess of 3% but not in excess of 5% of the participant's compensation. Further, we may make additional discretionary matching contributions not to exceed 4% of each participant's compensation. During the years ended December 31, 2020, 2019 and 2018, expenses recorded for our contributions to the Retirement Plan totaled \$4.7 million, \$5.7 million and \$5.0 million, respectively.

16. Related Party Transactions

BVH may be deemed to be controlled by Alan B. Levan, Chairman, Chief Executive Officer and President of BVH and Bluegreen, John E. Abdo, Vice Chairman of BVH and Bluegreen, Jarett S. Levan, a director of BVH and Bluegreen, and former President of BVH, and Seth M. Wise, a director of BVH and Bluegreen, and former Executive Vice President of BVH. Together, they may be deemed to beneficially own shares of BVH's Class A Common Stock and Class B Common Stock representing approximately 79% of BVH's total voting power. In addition, Raymond S. Lopez serves as our Chief Operating Officer and Chief Financial Officer and as BVH's Chief Financial Officer. Mr. Alan Levan, Mr. Abdo and Mr. Lopez receive a significant portion of their compensation from us for their services.

In April 2015, pursuant to a Loan Agreement and Promissory Note, our wholly owned subsidiary provided an \$80.0 million loan to BVH. Amounts outstanding bore interest at a rate of 6% per annum until April 17, 2020, at which time the interest rate was decreased to 4% per annum. Interest only payments were required on a quarterly basis, with all outstanding amounts becoming due and payable at maturity. In March 2020, the Loan Agreement and Promissory Note was amended to extend the maturity date from April 17, 2020 to April 17, 2021. During the years ended December 31, 2020, 2019 and 2018, we recognized \$2.5 million, \$4.8 million and \$4.8 million, respectively,

of interest income on the loan to BVH. During August 2020, we paid, a special cash dividend of \$1.19 per share of our common stock. BVH utilized its proceeds from the special cash dividend to repay the loan in full.

We paid or reimbursed BVH \$1.5 million, \$1.7 million and \$1.6 million during 2020, 2019, and 2018, respectively, for management advisory, risk management, administrative and other services. We had accrued \$0.2 million for the services described above as of December 31, 2019. No amounts were accrued for such services as of December 31, 2020. BVH paid or reimbursed us \$0.2 million, \$0.2 million and \$0.4 million for other shared services during 2020, 2019, and 2018, respectively. As of December 31, 2020 there were no amounts due to us from BVH for these services, \$0.1 million was due to us from BVH for these services as of December 31, 2019. During the fourth quarter of 2020, we paid BBX Capital Inc. ("BBX Capital"), the former subsidiary of BVH which was spun-off on September 30, 2020, \$0.1 million for administrative and other services, and \$0.1 million was accrued for payment to BBX Capital for such services as of December 31, 2020.

During 2020, we paid Abdo Companies, Inc. \$38,000 in exchange for certain management services. Mr. Abdo is the principal shareholder and Chief Executive Officer of Abdo Companies, Inc.

See also the description of the Agreement to Allocate Consolidated Income Tax Liability and Benefits under Note 13: Income Taxes above.

17. Segment Reporting

Operating segments are defined as components of an enterprise about which separate financial information is available that is regularly reviewed by the chief operating decision maker in assessing performance and deciding how to allocate resources. Reportable segments consist of one or more operating segments with similar economic characteristics, products and services, production processes, type of customer, distribution system or regulatory environment.

We report our results of operations through two reportable segments: (i) sales of VOIs and financing; and (ii) resort operations and club management.

Our sales of VOIs and financing segment includes our marketing and sales activities related to the VOIs that we own, our VOIs we acquire under just-in-time and secondary market inventory arrangements, our sales of VOIs through fee-for-service arrangements with third-party developers, our consumer financing activities in connection with sales of VOIs that we own, and our title services operations through a wholly owned subsidiary.

Our resort operations and club management segment includes our provision of management services activities for our Vacation Club and for a majority of the HOAs of the resorts within our Vacation Club. In connection with those services, we also provide club reservation services, services to owners and billing and collections services to our Vacation Club and certain HOAs. Additionally, we generate revenue within our resort operations and club management segment from our Traveler Plus program, food and beverage and other retail operations, our third-party rental services activities, and management of construction activities for certain of our fee-based developer clients.

The information provided for segment reporting is obtained from internal reports utilized by management. The presentation and allocation of results of operations may not reflect the actual economic costs of the segments as standalone businesses. Due to the nature of our business, assets are not allocated to a particular segment, and therefore management does not evaluate the balance sheet by segment. If a different basis of allocation were utilized, the relative contributions of the segments might differ but the relative trends in the segments' operating results would, in management's view, likely not be materially impacted.

The table below sets forth our segment information for the year ended December 31, 2020 (in thousands):

	Sales of VOIs and financing	Resort operations and club management	Corporate and other	Elimination	Total
Revenue:					
Sales of VOIs	\$ 173,997	\$ —	\$ —	\$ —	\$ 173,997
Fee-based sales commission revenue	89,965	—	—	—	89,965
Other fee-based services revenue	7,568	104,255	—	—	111,823
Cost reimbursements	—	64,305	—	—	64,305
Mortgage servicing revenue	5,873	—	—	(5,873)	—
Interest income	77,538	—	3,484	—	81,022
Other income, net	—	—	—	—	—
Total revenue	<u>354,941</u>	<u>168,560</u>	<u>3,484</u>	<u>(5,873)</u>	<u>521,112</u>
Costs and expenses:					
Cost of VOIs sold	13,597	—	—	—	13,597
Net carrying cost of VOI inventory	34,626	—	—	(34,626)	—
Cost of other fee-based services	3,823	40,985	—	34,626	79,434
Cost reimbursements	—	64,305	—	—	64,305
Selling, general and administrative expenses	244,755	—	68,165	(1,295)	311,625
Mortgage servicing expense	4,578	—	—	(4,578)	—
Interest expense	16,950	—	15,030	—	31,980
Other expense, net	942	30	370	—	1,342
Total costs and expenses	<u>319,271</u>	<u>105,320</u>	<u>83,565</u>	<u>(5,873)</u>	<u>502,283</u>
Income (loss) before non-controlling interest and provision for income taxes	<u>\$ 35,670</u>	<u>\$ 63,240</u>	<u>\$ (80,081)</u>	<u>\$ —</u>	<u>\$ 18,829</u>
Add: Depreciation and amortization	5,852	796	—	—	—
Add: Severance	4,445	1,369	—	—	—
Add: Loss on assets held for sale	942	30	—	—	—
Segment Adjusted EBITDA ⁽¹⁾	<u>\$ 46,909</u>	<u>\$ 65,435</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

(1) See Management's Discussion and Analysis of Financial Condition and Results of Operations for information regarding Adjusted EBITDA, including the definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net income.

The table below sets forth our segment information for the year ended December 31, 2019 (in thousands):

	Sales of VOIs and financing	Resort operations and club management	Corporate and other	Elimination	Total
Revenue:					
Sales of VOIs	\$ 255,375	\$ —	\$ —	\$ —	\$ 255,375
Fee-based sales commission revenue	207,832	—	—	—	207,832
Other fee-based services revenue	14,246	110,998	—	—	125,244
Cost reimbursements	—	63,889	—	—	63,889
Mortgage servicing revenue	6,223	—	—	(6,223)	—
Interest income	80,010	—	7,892	—	87,902
Other income, net	3,068	—	1,909	(4,977)	—
Total revenue	566,754	174,887	9,801	(11,200)	740,242
Costs and expenses:					
Cost of VOIs sold	21,845	—	—	—	21,845
Net carrying cost of VOI inventory	23,816	—	—	(23,816)	—
Cost of other fee-based services	6,972	52,652	—	23,816	83,440
Cost reimbursements	—	63,889	—	—	63,889
Selling, general and administrative expenses	391,474	—	81,829	(947)	472,356
Mortgage servicing expense	5,276	—	—	(5,276)	—
Interest expense	20,503	—	19,035	—	39,538
Other expense, net	—	5,887	—	(4,977)	910
Total costs and expenses	469,886	122,428	100,864	(11,200)	681,978
Income (loss) before non-controlling interest and provision for income taxes	\$ 96,868	\$ 52,459	\$ (91,063)	\$ —	\$ 58,264
Add: Depreciation and amortization	6,118	1,294	—	—	7,412
Add: Severance	1,416	238	—	—	1,654
Add: Bass Pro Settlement	39,121	—	—	—	39,121
Add: Loss on assets held for sale	58	5,887	—	—	5,945
Segment Adjusted EBITDA ⁽¹⁾	\$ 143,581	\$ 59,878	\$ —	\$ —	\$ 203,459

(1) See Management's Discussion and Analysis of Financial Condition and Results of Operations for information regarding Adjusted EBITDA, including the definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net income.

The table below sets forth our segment information for the year ended December 31, 2018 (in thousands):

	Sales of VOIs and financing	Resort operations and club management	Corporate and other	Elimination	Total
Revenue:					
Sales of VOIs	\$ 254,225	\$ —	\$ —	\$ —	\$ 254,225
Fee-based sales commission revenue	216,422	—	—	—	216,422
Other fee-based services revenue	12,205	105,819	—	—	118,024
Cost reimbursements	—	62,534	—	—	62,534
Mortgage servicing revenue	5,951	—	—	(5,951)	—
Interest income	79,377	—	6,537	—	85,914
Other income, net	—	—	1,201	—	1,201
Total revenue	568,180	168,353	7,738	(5,951)	738,320
Costs and expenses:					
Cost of VOIs sold	23,813	—	—	—	23,813
Net carrying cost of VOI inventory	11,358	—	—	(11,358)	—
Cost of other fee-based services	4,591	54,019	—	11,358	69,968
Cost reimbursements	—	62,534	—	—	62,534
Selling, general and administrative expenses	338,462	—	79,687	254	418,403
Mortgage servicing expense	6,205	—	—	(6,205)	—
Interest expense	19,514	—	15,195	—	34,709
Total costs and expenses	403,943	116,553	94,882	(5,951)	609,427
Income (loss) before non-controlling interest and provision for income taxes	\$ 164,237	\$ 51,800	\$ (87,144)	\$ —	\$ 128,893
Add: Depreciation and amortization	6,335	1,719			
Add: Severance	96	42			
Segment Adjusted EBITDA ⁽¹⁾	\$ 170,668	\$ 53,561			

(1) See Management's Discussion and Analysis of Financial Condition and Results of Operations for information regarding Adjusted EBITDA, including the definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net income.

18. Earnings Per Share

The following table presents the calculation of our basic and diluted EPS (in thousands, except per share data):

	For The Years Ended December 31,		
	2020	2019	2018
Basic and diluted EPS:			
Numerator:			
Net Income	\$ 8,225	\$ 34,851	\$ 87,962
Denominator:			
Weighted average shares outstanding	72,878	74,439	74,712
Basic and diluted EPS	\$ 0.11	\$ 0.47	\$ 1.18

19. Subsequent Events

Subsequent events have been evaluated through the date the financial statements were available to be issued. As of such date, other than described herein, there were no subsequent events identified that required recognition or disclosure.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of December 31, 2020. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2020, our disclosure controls and procedures were effective in ensuring that information required to be disclosed by us in reports that we file or submit under the Exchange Act has been recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and has been accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- ⌚ pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions of the company;
- ⌚ provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- ⌚ provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2020 based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO, in Internal Control —Integrated Framework (2013). Based on its assessment, our management concluded that, as of December 31, 2020, our internal control over financial reporting was effective.

Attestation Report of Independent Registered Public Accounting Firm

This Annual Report on Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting due to an exemption established by the Jumpstart Our Business Startups Act of 2012 for "emerging growth companies" due to a transition period established by the rules of the SEC for newly public companies.

Item 9B. OTHER INFORMATION

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item will be provided by incorporating such information by reference to our definitive proxy statement for our 2021 Annual Meeting of Shareholders if filed with the SEC within 120 days after December 31, 2020.

Item 11. Executive Compensation

The information required by this item will be provided by incorporating such information by reference to our definitive proxy statement for our 2021 Annual Meeting of Shareholders if filed with the SEC within 120 days after December 31, 2020.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

We have no compensation plans under which our equity securities are authorized for issuance. Our only outstanding equity-based awards are stock appreciation rights that may be settled in cash only. The other information required by this item will be provided by incorporating such information by reference to our definitive proxy statement for our 2021 Annual Meeting of Shareholders if filed with the SEC within 120 days after December 31, 2020.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item will be provided by incorporating such information by reference to our definitive proxy statement for our 2021 Annual Meeting of Shareholders if filed with the SEC within 120 days after December 31, 2020.

Item 14. Principal Accountant Fees and Services

The information required by this item will be provided by incorporating such information by reference to our definitive proxy statement for our 2021 Annual Meeting of Shareholders if filed with the SEC within 120 days after December 31, 2020.

PART IV

Item 15. Exhibits, Financial Statement Schedules

The following documents are filed as part of this Annual Report on Form 10-K:

1. All financial statements. See Index to Consolidated Financial Statements on page 76 of this Annual Report on Form 10-K.
2. Financial Statement Schedules. None required.
3. Exhibits. The following exhibits are either filed as part of or furnished with this Annual Report on Form 10-K or are incorporated herein by reference to documents previously filed, as indicated below.

Exhibit Number	Exhibit
3.1	Amended and Restated Articles of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2017 filed on March 7, 2018)
3.2	Fourth Amended and Restated Bylaws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2017 filed on March 7, 2018)
4.1*	Specimen Common Stock Certificate of the Registrant
4.2	Description of the Registrant's Securities (Incorporated by reference to Exhibit 4.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019 filed on March 12, 2020)
10.1	Amended and Restated Trust Agreement among Bluegreen Corporation as Depositor, JPMorgan Chase Bank, National Association as Property Trustee, Chase Bank USA, National Association as Delaware Trustee and the Administrative Trustees Named Therein as Administrative Trustees dated as of March 15, 2005 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 filed on May 10, 2005)
10.2	Junior Subordinated Indenture between Bluegreen Corporation and JPMorgan Chase Bank, National Association as Trustee dated as of March 15, 2005 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 filed on May 10, 2005)
10.3	Amended and Restated Trust Agreement among Bluegreen Corporation as Depositor, Wilmington Trust Company as Property Trustee, Wilmington Trust Company as Delaware Trustee and the Administrative Trustees Named Therein as Administrative Trustees dated as of May 4, 2005 (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 filed on May 10, 2005)
10.4	Junior Subordinated Indenture between Bluegreen Corporation and Wilmington Trust Company as Trustee dated as of May 4, 2005 (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 filed on May 10, 2005)
10.5	Amended and Restated Trust Agreement among Bluegreen Corporation as Depositor, Wilmington Trust Company as Property Trustee, Wilmington Trust Company as Delaware Trustee and the Administrative Trustees Named Therein as Administrative Trustees, dated as of May 10, 2005 (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005 filed on August 9, 2005)
10.6	Junior Subordinated Indenture between Bluegreen Corporation and Wilmington Trust Company as Trustee dated as of May 10, 2005 (incorporated by reference to Exhibit 10.6 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005 filed on August 9, 2005)
10.7	Amended and Restated Trust Agreement among Bluegreen Corporation as Depositor, Wilmington Trust Company as Property Trustee and Delaware Trustee, and various Administrative Trustees, dated as of February 26, 2007 (incorporated by reference to Exhibit 10.7 to the Registrant's Current Report on Form 8-K filed on March 1, 2007)
10.8	Junior Subordinated Indenture between Bluegreen Corporation and Wilmington Trust Company as Trustee, dated as of February 26, 2007 (incorporated by reference to Exhibit 10.8 to the Registrant's Current Report on Form 8-K filed on March 1, 2007)
10.9	Amended and Restated Trust Agreement among Bluegreen Corporation as Depositor, Wilmington Trust Company as Property Trustee and Delaware Trustee and various Administrative Trustees, dated April 24, 2006 (incorporated by reference to Exhibit 10.61 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 filed on May 10, 2006)
10.10	Junior Subordinated Indenture between Bluegreen Corporation and Wilmington Trust Company as Trustee dated as of April 24, 2006 (incorporated by reference to Exhibit 10.62 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 filed on May 10, 2006)
10.11	Trust Agreement of Bluegreen Statutory Trust V among Bluegreen Corporation as Depositor, Wilmington Trust Company as Trustee and Property Trustee, dated as of July 19, 2006 (incorporated by reference to Exhibit 10.63 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 filed on August 9, 2006)

Exhibit Number	Exhibit
10.12	Amended and Restated Trust Agreement among Bluegreen Corporation as Depositor, Wilmington Trust Company as Property Trustee and Delaware Trustee, and various Administrative Trustees, dated as of July 21, 2006 (Bluegreen Statutory Trust V) (incorporated by reference to Exhibit 10.64 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 filed on August 9, 2006)
10.13	Junior Subordinated Indenture between Bluegreen Corporation and Wilmington Trust Company as Trustee, dated as of July 21, 2006 (incorporated by reference to Exhibit 10.65 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 filed on August 9, 2006)
10.14	Bluegreen Corporation's Retirement Savings Plan (incorporated by reference to Exhibit 10.81 to the Registrant's Annual Report on Form 10-K for the year ended March 31, 2002 filed on July 1, 2002)
10.15	Mandatory Distribution Amendment to Bluegreen Corporation's Retirement Savings Plan dated as of March 28, 2005 (incorporated by reference to Exhibit 10.82 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 filed on May 10, 2006)
10.16	Amended and Restated Operating Agreement of Bluegreen/Big Cedar Vacations, LLC dated as of December 31, 2007 (incorporated by reference to Exhibit 10.301 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2007 filed on March 3, 2008)
10.17	First Amendment to Amended and Restated Operating Agreement of Bluegreen/Big Cedar Vacations, LLC dated as of October 1, 2010 (incorporated by reference to Exhibit 10.105 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 filed on November 10, 2010)
10.18	Amendment No. 2 to Amended and Restated Operating Agreement of Bluegreen/Big Cedar Vacations, LLC dated as of August 31, 2016 (incorporated by reference to Exhibit 10.24 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.19	Amended and Restated Marketing and Promotions Agreement by and among Bass Pro and affiliates and Bluegreen Corporation and affiliates, dated as of December 31, 2007 (incorporated by reference to Exhibit 10.302 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2007 filed on March 3, 2008)
10.20	First Amendment to Amended and Restated Marketing and Promotions Agreement by and among Bass Pro and affiliates and Bluegreen and affiliates, dated as of June 26, 2010 (incorporated by reference to Exhibit 10.103 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 filed on November 10, 2010)
10.21	Second Amendment to Amended and Restated Marketing and Promotions Agreement by and among Bass Pro and affiliates and Bluegreen and affiliates, dated as of October 1, 2010 (incorporated by reference to Exhibit 10.104 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 filed on November 10, 2010)
10.22	Amended and Restated Administrative Services Agreement dated as of December 31, 2007 by and among Bluegreen/Big Cedar Vacations, LLC, Bluegreen Vacations Unlimited, Inc. and Big Cedar LLC (incorporated by reference to Exhibit 10.303 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2007 filed on March 3, 2008)
10.23	First Amendment to Amended and Restated Administrative Services Agreement of Bluegreen/Big Cedar Vacations, LLC dated as of October 1, 2010 (incorporated by reference to Exhibit 10.107 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 filed on November 10, 2010)
10.24	Amended and Restated Servicing Agreement dated as of December 31, 2007 by and among Bluegreen Corporation, Bluegreen/Big Cedar Vacations, LLC and Big Cedar LLC (incorporated by reference to Exhibit 10.304 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2007 filed on March 3, 2008)
10.25	Contribution Agreement dated as of June 16, 2000 by and between Bluegreen Vacations Unlimited, Inc. and Big Cedar LLC (incorporated by reference to Exhibit 10.204 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended July 2, 2000 filed on August 16, 2000)

Exhibit Number	Exhibit
10.26	First Amendment to Amended and Restated Servicing Agreement of Bluegreen/Big Cedar Vacations, LLC dated as of October 1, 2010 (incorporated by reference to Exhibit 10.106 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 filed on November 10, 2010)
10.27	Lease with Option to Purchase dated as of May 9, 2017, by and between Bluegreen/Big Cedar Vacations, LLC and Big Cedar, LLC (incorporated by reference to Exhibit 10.33 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.28	Loan Sale and Servicing Agreement by and among BRFC – Q 2010 LLC as Seller, Quorum Federal Credit Union as Buyer, Vacation Trust, Inc. as Club Trustee, U.S. Bank National Association as Custodian and Paying Agent, Bluegreen Corporation as Servicer and Concord Servicing Corporation as Backup Servicer, dated as of December 22, 2010 (incorporated by reference to Exhibit 10.100 to the Registrant's Current Report on Form 8-K filed on December 29, 2010)
10.29	BRFC – Q 2010 LLC, Standard Definitions, dated as of December 22, 2010 (incorporated by reference to Exhibit 10.101 to the Registrant's Current Report on Form 8-K filed on December 29, 2010)
10.30	Purchase and Contribution Agreement by and among Bluegreen Corporation and BRFC – Q 2010 LLC, dated December 22, 2010 (incorporated by reference to Exhibit 10.102 to the Registrant's Current Report on Form 8-K filed on December 29, 2010)
10.31	Omnibus Amendment, dated as of May 3, 2011, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.37 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.32	First Commitment Amendment to Loan Sale and Servicing Agreement, effective as of March 1, 2012, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.150 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011 filed on March 28, 2012)
10.33	Second Commitment Amendment to Loan Sale and Servicing Agreement, effective as of January 31, 2013, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.39 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.34	Third Commitment Amendment to Loan Sale and Servicing Agreement, effective as of April 1, 2014, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.40 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.35	First General Amendment to Loan Sale and Servicing Agreement, effective as of April 1, 2014, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.41 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.36	Fourth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of November 1, 2014, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.42 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)

Exhibit Number	Exhibit
10.37	Fifth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of December 23, 2014, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.43 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.38	Omnibus Amendment No. 2, dated as of June 30, 2015, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.44 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.39	Sixth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of July 1, 2015, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.45 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.40	Seventh Commitment Amendment to Loan Sale and Servicing Agreement, effective as of September 1, 2016, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.46 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.41	Omnibus Amendment No. 3, dated as of June 30, 2016, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.47 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.42	Commitment Purchase Period Terms Letter; Terms Governing Sale of Timeshare Loans, effective as of June 30, 2016, by BRFC-Q 2010 LLC as seller to Quorum Federal Credit Union as buyer (incorporated by reference to Exhibit 10.48 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.43†	Ninth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of March 16, 2020, by and among BRFC-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer referenced therein, dated as of March 16, 2020
10.44	Loan Sale and Servicing Agreement by and among BBCV Receivables - Q 2010 LLC as Seller, Quorum Federal Credit Union as Buyer, Vacation Trust, Inc. as Club Trustee, U.S. Bank National Association as Custodian and Paying Agent, Bluegreen Corporation as Servicer and Concord Servicing Corporation as Backup Servicer, dated as of December 22, 2010 (incorporated by reference to Exhibit 10.103 to the Registrant's Current Report on Form 8-K filed on December 29, 2010)
10.45	BBCV Receivables – Q 2010 LLC, Standard Definitions, dated as of December 22, 2010 (incorporated by reference to Exhibit 10.104 to the Registrant's Current Report on Form 8-K filed on December 29, 2010)
10.46	Purchase and Contribution Agreement by and among Bluegreen/Big Cedar Vacations, LLC and BBCV Receivables – Q 2010 LLC, dated December 22, 2010 (incorporated by reference to Exhibit 10.105 to the Registrant's Current Report on Form 8-K filed on December 29, 2010)

Exhibit Number	Exhibit
10.47	Omnibus Amendment to Loan Sale and Servicing Agreement, dated as of May 3, 2011, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.52 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.48	Omnibus Amendment No. 2 to Loan Sale and Servicing Agreement, dated as of February 7, 2012, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.53 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.49	First Commitment Amendment to Loan Sale and Servicing Agreement, effective as of March 1, 2012, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.148 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011 filed on March 28, 2012)
10.50	Second Commitment Amendment to Loan Sale and Servicing Agreement, effective as of January 31, 2013, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.55 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.51	Third Commitment Amendment to Loan Sale and Servicing Agreement, effective as of April 1, 2014, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.56 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.52	First General Amendment to Loan Sale and Servicing Agreement, effective as of April 1, 2014, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.57 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.53	Fourth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of November 1, 2014, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.58 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.54	Fifth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of December 23, 2014, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.59 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)

Exhibit Number	Exhibit
10.55	Omnibus Amendment No. 3 to Loan Sale and Servicing Agreement, dated as of June 30, 2015, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.60 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.56	Seventh Commitment Amendment to Loan Sale and Servicing Agreement, effective as of September 1, 2016, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.62 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.57†	Ninth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of March 17, 2020, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer referenced therein, dated March 17, 2020
10.58†	Tenth Commitment Amendment to Loan Sale and Servicing Agreement, effective as of December 18, 2020, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer referenced therein, December 18, 2020
10.59	Omnibus Amendment No. 4 to Loan Sale and Servicing Agreement, dated as of June 30, 2016, by and among BBCV Receivables-Q 2010 LLC, as seller, Quorum Federal Credit Union, as buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as custodian and paying agent, Bluegreen Corporation, as servicer, and Concord Servicing Corporation, as backup servicer (incorporated by reference to Exhibit 10.63 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.60	Commitment Purchase Period Terms Letter; Terms Governing Sale of Timeshare Loans, effective as of June 30, 2016, by BBCV Receivables-Q 2010 LLC as seller to Quorum Federal Credit Union as buyer (incorporated by reference to Exhibit 10.64 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.61	BXG Receivables Note Trust 2013-A, Standard Definitions (incorporated by reference to Exhibit 10.1 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on October 2, 2013 (File No. 001-09071))
10.62	Indenture between BXG Receivables Note Trust 2013-A, as Issuer, Bluegreen Corporation, as Servicer, Vacation Trust, Inc. as Club Trustee, Concord Servicing Corporation, as Backup Servicer, and U.S. Bank National Association, as Indenture Trustee, Paying Agent and Custodian, dated as of September 15, 2013 (incorporated by reference to Exhibit 10.2 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on October 2, 2013 (File No. 001-09071))
10.63	Sale Agreement by and among BRFC 2013-A LLC, as Depositor, and BXG Receivables Note Trust 2013-A, as Issuer, dated as of September 15, 2013 (incorporated by reference to Exhibit 10.3 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on October 2, 2013 (File No. 001-09071))
10.64	Transfer Agreement by and among Bluegreen Corporation, BXG Timeshare Trust I, as Seller, and BRFC 2013-A LLC, as Depositor, dated as of September 15, 2013 (incorporated by reference to Exhibit 10.4 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on October 2, 2013 (File No. 001-09071))
10.65	Purchase and Contribution Agreement by and among Bluegreen Corporation, as Seller and BRFC 2013-A LLC as Depositor, dated as of September 15, 2013 (incorporated by reference to Exhibit 10.5 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on October 2, 2013 (File No. 001-09071))

Exhibit Number	Exhibit
10.66	Indenture, dated as of January 15, 2015, between BXG Receivables Note Trust 2015-A, as Issuer, Bluegreen Corporation, as Servicer, Vacation Trust, Inc. as Club Trustee, Concord Servicing Corporation, as Backup Servicer, and U.S. Bank National Association, as Indenture Trustee, Paying Agent and Custodian (incorporated by reference to Exhibit 10.1 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on February 3, 2015 (File No. 001-09071))
10.67	Sale Agreement, dated as of January 15, 2015, by and among BRFC 2015-A LLC, as Depositor, and BXG Receivables Note Trust 2015-A, as Issuer (incorporated by reference to Exhibit 10.2 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on February 3, 2015 (File No. 001-09071))
10.68	Transfer Agreement, dated as of January 15, 2015, by and among Bluegreen Corporation, BXG Timeshare Trust I, as Seller, and BRFC 2015-A LLC, as Depositor (incorporated by reference to Exhibit 10.3 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on February 3, 2015 (File No. 001-09071))
10.69	Purchase and Contribution Agreement, dated as of January 15, 2015, by and among Bluegreen Corporation, as Seller, and BRFC 2015-A LLC, as Depositor (incorporated by reference to Exhibit 10.4 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on February 3, 2015 (File No. 001-09071))
10.70	BXG Receivables Note Trust 2015-A, Standard Definitions (incorporated by reference to Exhibit 10.5 to Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on February 3, 2015 (File No. 001-09071))
10.71	Amended and Restated Loan and Security Agreement dated July 10, 2013, by and among Bluegreen Corporation, as Borrower, and CapitalSource Bank, as lender and the other lenders party thereto from time to time (incorporated by reference to Exhibit 10.85 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.72	First Amendment to Amended and Restated Loan and Security Agreement dated December 6, 2013, by and among Bluegreen Corporation, as Borrower, and CapitalSource Bank, as lender (incorporated by reference to Exhibit 10.86 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.73	Second Amended and Restated Secured Promissory Note dated June 25, 2015, by and among Bluegreen Vacations Unlimited, Inc., as Borrower, and Pacific Western Bank, as successor-by-merger to CapitalSource Bank, as Lender (incorporated by reference to Exhibit 10.1 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on June 30, 2015 (File No. 001-09071))
10.74	Second Amendment to Amended and Restated Loan and Security Agreement dated June 25, 2015, by and among Bluegreen Corporation, as Borrower, and Pacific Western Bank, as successor-by-merger to CapitalSource Bank, as lender (incorporated by reference to Exhibit 10.2 of Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on June 30, 2015 (File No. 001-09071))
10.75	Third Amendment to Amended and Restated Loan and Security Agreement dated October 24, 2016, by and among Bluegreen Corporation, as Borrower, and Pacific Western Bank, as successor-by-merger to CapitalSource Bank, as lender (incorporated by reference to Exhibit 10.89 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.76†	Fourth Amendment to Amended and Restated Loan and Security Agreement dated October 19, 2017, by and among Bluegreen Vacations Corporation fka Bluegreen Corporation, as Borrower, and Pacific Western Bank, as successor-by-merger to CapitalSource Bank, as lender referenced therein, dated October 19, 2017
10.77†	Fifth Amendment to Amended and Restated Loan and Security Agreement dated August 15, 2018, by and among Bluegreen Vacations Corporation fka Bluegreen Corporation, as Borrower, and Pacific Western Bank, as successor-by-merger to CapitalSource Bank, as lender referenced therein, dated August 15, 2018
10.78	Agreement to Allocate Consolidated Income Tax Liabilities and Benefits dated as of May 8, 2015, by and among BFC Financial Corporation, Bluegreen Vacations Holding and Bluegreen (incorporated by reference to Exhibit 10.2 of Bluegreen Vacations Holding Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 filed on May 8, 2015 (File No. 001-09071))

Exhibit Number	Exhibit
10.79	Indenture dated as of March 17, 2016, between BXG Receivables Note Trust 2016-A, as Issuer, Bluegreen Corporation, as Servicer, Vacation Trust, Inc., as Club Trustee, Concord Servicing Corporation, as Backup Servicer, and U.S. Bank National Association, as Indenture Trustee, Paying Agent and Custodian (incorporated by reference to Exhibit 10.1 to Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on March 23, 2016 (File No. 001-09071))
10.80	Sale Agreement, dated as of March 17, 2016, by and among BRFC 2016-A LLC, as Depositor, and BXG Receivables Note Trust 2016-A, as Issuer (incorporated by reference to Exhibit 10.2 to Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on March 23, 2016 (File No. 001-09071))
10.81	Transfer Agreement, dated as of March 17, 2016, by and among Bluegreen Corporation, BXG Timeshare Trust I, as Seller, and BRFC 2016-A LLC, as Depositor (incorporated by reference to Exhibit 10.3 to Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on March 23, 2016 (File No. 001-09071))
10.82	Purchase and Contribution Agreement, dated as of March 17, 2016, by and among Bluegreen Corporation, as Seller, and BRFC 2016-A LLC, as Depositor (incorporated by reference to Exhibit 10.4 to Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on March 23, 2016 (File No. 001-09071))
10.83	BXG Receivables Note Trust 2016-A, Standard Definitions (incorporated by reference to Exhibit 10.5 to Bluegreen Vacations Holding Corporation's Current Report on Form 8-K filed on March 23, 2016 (File No. 001-09071))
10.84	Second Amended and Restated Purchase and Contribution Agreement, dated as of May 1, 2017, between Bluegreen Corporation and Bluegreen Timeshare Finance I (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.1 to Current Report on Form 8-K filed on May 24, 2017 (File No. 001-09071))
10.85	Second Amended and Restated Sale Agreement, dated as of May 1, 2017, between Bluegreen Timeshare Finance I and BXG Timeshare Trust I (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.2 to Current Report on Form 8-K filed on May 24, 2017 (File No. 001-09071))
10.86	Sixth Amended and Restated Indenture, dated as of May 1, 2017, among BXG Timeshare Trust I, Bluegreen Corporation, Vacation Trust, Inc., Concord Servicing Corporation, U.S. Bank National Association, KeyBank National Association and DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt AM Main (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.3 to Current Report on Form 8-K filed on May 24, 2017 (File No. 001-09071))
10.87	Sixth Amended and Restated Note Funding Agreement, dated as of May 1, 2017, by and among Bluegreen Corporation, BXG Timeshare Trust I, Bluegreen Timeshare Finance Corporation I, the purchasers from time to time parties thereto and KeyBank National Association and DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt AM Main (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.4 to Current Report on Form 8-K filed on May 24, 2017 (File No. 001-09071))
10.88	Second Amended and Restated Trust Agreement, dated as of May 19, 2017, by and among Bluegreen Timeshare Finance I, GSS Holdings, Inc. and Wilmington Trust Company (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.5 to Current Report on Form 8-K filed on May 24, 2017 (File No. 001-09071))
10.89	Seventh Amended and Restated Standard Definitions to the Transaction Documents (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.6 to Current Report on Form 8-K filed on May 24, 2017 (File No. 001-09071))
10.90	Indenture, dated as of June 6, 2017, between BXG Receivables Note Trust 2017-A, as Issuer, Bluegreen Corporation, as Servicer, Vacation Trust, Inc. as Club Trustee, Concord Servicing Corporation, as Backup Servicer, and U.S. Bank National Association, as Indenture Trustee, Paying Agent and Custodian (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.1 to Current Report on Form 8-K filed on June 9, 2017 (File No. 001-09071))
10.91	Sale Agreement, dated as of June 6, 2017, by and among BRFC 2017-A LLC, as Depositor, and BXG Receivables Note Trust 2017-A, as Issuer (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.2 to Current Report on Form 8-K filed on June 9, 2017 (File No. 001-09071))

Exhibit Number	Exhibit
10.92	Transfer Agreement, dated as of June 6, 2017, by and among Bluegreen Corporation, BXG Timeshare Trust I, as Seller, and BRFC 2017-A LLC, as Depositor (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.3 to Current Report on Form 8-K filed on June 9, 2017 (File No. 001-09071))
10.93	Purchase and Contribution Agreement, dated as of June 6, 2017, by and among Bluegreen Corporation, as Seller, and BRFC 2017-A LLC, as Depositor (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.4 to Current Report on Form 8-K filed on June 9, 2017 (File No. 001-09071))
10.94	BXG Receivables Note Trust 2017-A, Standard Definitions (incorporated by reference to Bluegreen Vacations Holding Corporation's Exhibit 10.5 to Current Report on Form 8-K filed on June 9, 2017 (File No. 001-09071))
10.95+	Bluegreen Corporation 2011 Long Term Incentive Plan, as amended and restated (incorporated by reference to Exhibit 10.119 to the Registrant's Registration Statement on Form S-1 filed on October 23, 2017)
10.96+	Form of Award Agreement under Bluegreen Corporation 2011 Long Term Incentive Plan, as amended and restated (incorporated by reference to Exhibit 10.100 to Current Report on Form 8-K filed on November 1, 2011)
10.97	Fifth Amendment to Amended and Restated Loan and Security Agreement, dated August 15, 2018, by and among Bluegreen Vacations Corporation, the Borrower, each of the financial institutions from time to time party thereto, and Pacific Western Bank, as Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on August 20, 2018).
10.98	Indenture, dated as of October 15, 2018, among BXG Receivables Note Trust 2018-A, as Issuer, Bluegreen Vacations Corporation, as Servicer, Vacation Trust, Inc. as Club Trustee, Concord Servicing Corporation, as Backup Servicer, and U.S. Bank National Association, as Indenture Trustee, Paying Agent and Custodian (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 29, 2018).
10.99	Sale Agreement, dated as of October 15, 2018, by and between BRFC 2018-A LLC, as Depositor, and BXG Receivables Note Trust 2018-A, as Issuer (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 29, 2018).
10.100	Transfer Agreement, dated as of October 15, 2018, by and among Bluegreen Vacations Corporation, BXG Timeshare Trust I, as Seller, and BRFC 2018-A LLC, as Depositor (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 29, 2018).
10.101	Purchase and Contribution Agreement, dated as of October 15, 2018, by and between Bluegreen Vacations Corporation, as Seller, and BRFC 2018-A LLC, as Depositor (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 29, 2018).
10.102	BXG Receivables Note Trust 2018-A, Standard Definitions (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 29, 2018).
10.103	Employment Agreement between Bluegreen Vacations Corporation and Shawn B. Pearson, dated May 9, 2018 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on May 14, 2018).
10.104	Acquisition Loan and Security Agreement, dated as of April 17, 2018, by and among Bluegreen Vacations Corporation and Bluegreen Vacations Unlimited, Inc., jointly and severally as Borrower, and ZB, N.A., as Lender (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on April 20, 2018).

Exhibit Number	Exhibit
10.105	Promissory Note, dated as of April 17, 2018 by and among Bluegreen Vacations Corporation and Bluegreen Vacations, Inc, jointly and severally, in favor of ZB, N.A. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on April 20, 2018).
10.106	Eighth Commitment Amendment to Loan Sale and Servicing Agreement, dated as of April 6, 2018, by and among BBCV Receivables-Q 2010 LLC, as Seller, Quorum Federal Credit Union, as Buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as Custodian, Bluegreen Vacations Corporation, as Servicer, and Concord Servicing Corporation as Backup Servicer (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on April 12, 2018).
10.107	Commitment Purchase Period Terms Letter, dated as of April 6, 2018, by BBCV Receivables-Q 2010 LLC, as Seller, and Quorum Federal Credit Union, as Buyer (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on April 12, 2018).
10.108	Eighth Commitment Amendment to Loan Sale and Servicing Agreement, dated as of April 6, 2018, by and among BRFC-Q 2010 LLC, as Seller, Quorum Federal Credit Union, as Buyer, Vacation Trust, Inc., as Club Trustee, U.S. Bank National Association, as Custodian, Bluegreen Vacations Corporation, as Servicer, and Concord Servicing Corporation as Backup Servicer (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on April 12, 2018).
10.109	Commitment Purchase Period Terms Letter, dated as of April 6, 2018, by BRFC-Q 2010 LLC, as Seller, and Quorum Federal Credit Union, as Buyer (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on April 12, 2018).
10.110	Second Amended and Restated Receivables Loan Agreement, dated as of March 12, 2018, by and among Bluegreen Vacations Corporation, as Borrower, and Liberty Bank, as Lender and Administrative and Collateral Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on March 15, 2018).
10.111	Second Amended and Restated Receivables Loan Note, dated as of March 12, 2018, by Bluegreen Vacations Corporation in favor of Liberty Bank (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on March 15, 2018).
10.113	Settlement Agreement and Amendment No.3 to the Amended and Restated Marketing and Promotions Agreement dated as of June 13, 2019, by and among Bluegreen Vacations Unlimited, Inc., Bass Pro, LLC and its affiliate, Big Cedar, LLC, and Bluegreen/Big Cedar Vacations, LLC (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on June 18, 2019).
10.114	Second Amended and Restated Credit Agreement dated as of October 23, 2019, by and among Bluegreen Vacations Corporation, as Borrower, the Guarantors from time to time party, the Lenders from time to time party, and Fifth Third Bank, as Administrative Agent and L/C Issuer (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 28, 2019).
10.115	Second Amended and Restated Security Agreement, dated as of October 23, 2019, by and among Bluegreen Vacations Corporation, as Borrower, Bluegreen Vacations Unlimited, Inc., Bluegreen Resorts Management, Inc., Bluegreen Nevada, LLC, Bluegreen Louisiana, LLC, Bluegreen New Jersey, LLC and TFRI 2013-1 LLC and each other guarantor party from time to time, as Grantors, and Fifth Third Bank, as Administrative Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 28, 2019).
10.116	Pledge Agreement, dated as of October 23, 2019, by and among Bluegreen Vacations Corporation, as Pledgor, in favor of Fifth Third Bank, as Administrative Agent (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K (File No. 001-09292) filed on October 28, 2019).
10.117	Omnibus Amendment No. 2, dated as of December 27, 2019, by and among BXG Timeshare Trust I, Bluegreen Vacations Corporation, Vacation Trust, Inc., Concord Servicing Corporation, U.S. Bank National Association, KeyBank National Association and DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt AM Main (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 2, 2020).

Exhibit Number	Exhibit
10.118	First Amendment to Second Amended and Restated Receivables Loan Agreement, effective June 30 2020 by and among Liberty Bank and Bluegreen Vacations Corporation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 30, 2020)
10.119	Third Amended and Restated Receivables Loan Note by Bluegreen Vacations Corporation in favor of Liberty Bank (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on June 30, 2020)
10.120	Third Amended and Restated Loan and Security Agreement (Hypothecation Facility), dated as of September 25, 2020, by and among Bluegreen/Big Cedar Vacations, LLC and National Bank of Arizona (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 30, 2020)
10.121	Fifth Amended and Restated Revolving Promissory Note (Hypothecation Facility), dated as of September 25, 2020, by and among Bluegreen/Big Cedar Vacations, LLC and National Bank of Arizona (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on September 30, 2020)
10.122	Indenture, dated as of October 8, 2020, among BXG Receivables Note Trust 2020-A, as Issuer, Bluegreen Vacations Corporation, as Servicer, Vacation Trust, Inc., as Club Trustee, Concord Servicing Corporation, as Backup Servicer, and U.S. Bank National Association, as Indenture Trustee, Paying Agent and Custodian (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 13, 2020)
10.123	Sale Agreement, dated as of October 8, 2020, by and between BRFC 2020-A LLC, as Depositor, and BXG Receivables Note Trust 2020-A, as Issuer (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on October 13, 2020)
10.124	Transfer Agreement, dated as of October 8, 2020, by and among Bluegreen Vacations Corporation, BXG Timeshare Trust I, as Seller, and BRFC 2020-A LLC, as Depositor (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on October 13, 2020)
10.125	Purchase and Contribution Agreement, dated as of October 8, 2020, by and between Bluegreen Vacations Corporation, as Seller, and BRFC 2020-A LLC, as Depositor (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on October 13, 2020)
10.126	BXG Receivables Note Trust 2020-A, Standard Definitions (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed on October 13, 2020)
21.1	List of Subsidiaries of the Registrant
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1†	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2†	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels LinkBase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

*Shares of common stock are in uncertificated form, unless otherwise required by applicable law or otherwise determined by the board of directors. Therefore, no specimen common stock certificate is being filed.

† Furnished with this report.

+ Indicates a management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

March 1, 2021

BLUEGREEN VACATIONS CORPORATION

By: /s/ Alan B. Levan

Alan B. Levan
Chairman of the Board of Directors, President
and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Alan B. Levan Alan B. Levan	Chairman of the Board of Directors, President and Chief Executive Officer	March 1, 2021
/s/ Raymond S. Lopez Raymond S. Lopez	Executive Vice President, Chief Operating Officer, Chief Financial Officer and Treasurer	March 1, 2021
/s/ Adrienne Kelley Adrienne Kelley	Senior Vice President and Chief Accounting Officer	March 1, 2021
/s/ John E. Abdo John E. Abdo	Vice Chairman of the Board of Directors	March 1, 2021
/s/ James R. Allmand, III James R. Allmand, III	Director	March 1, 2021
/s/ Norman H. Becker Norman H. Becker	Director	March 1, 2021
/s/ Lawrence A. Cirillo Lawrence A. Cirillo	Director	March 1, 2021
/s/ Darwin Dornbush Darwin Dornbush	Director	March 1, 2021
/s/ Jarett S. Levan Jarett S. Levan	Director	March 1, 2021
/s/ Joel Levy Joel Levy	Director	March 1, 2021
/s/ William Nicholson William Nicholson	Director	March 1, 2021
/s/ Mark A. Nerenhausen Mark A. Nerenhausen	Director	March 1, 2021
/s/ Arnold Sevell Arnold Sevell	Director	March 1, 2021
/s/ Orlando Sharpe Orlando Sharpe	Director	March 1, 2021
/s/ Seth M. Wise Seth M. Wise	Director	March 1, 2021

**NINTH COMMITMENT AMENDMENT TO
LOAN SALE AND SERVICING AGREEMENT**

THIS NINTH COMMITMENT AMENDMENT TO LOAN SALE AND SERVICING AGREEMENT (this "**Ninth Amendment**"), dated as of March 16, 2020, is entered into by and among BRFC-Q 2010 LLC, a Delaware limited liability company, as seller (the "**Seller**"), Quorum Federal Credit Union, a federally chartered credit union, as buyer (the "**Buyer**"), Vacation Trust, Inc., a Florida Corporation, as Club Trustee (the "**Club Trustee**"), U.S. Bank National Association, a national banking association, as custodian and paying agent (the "**Custodian**"), Bluegreen Vacations Corporation, a Florida corporation, as servicer (the "**Servicer**"), and Concord Servicing Corporation, an Arizona corporation, as backup servicer (the "**Backup Servicer**").

RECITALS

WHEREAS, the Buyer, the Seller, the Servicer and the Backup Servicer have previously entered into that certain Loan Sale and Servicing Agreement, dated as of December 22, 2010, as amended by that certain Omnibus Amendment, dated as of May 3, 2011, that certain Omnibus Amendment No. 2, dated as of June 30, 2015, and that certain Omnibus Amendment No. 3, dated as of June 30, 2016, and as further amended by that certain First Commitment Amendment, dated as of March 1, 2012, that Second Commitment Amendment, dated as of January 31, 2013 that Third Commitment Amendment dated as of April 1, 2014, that Fourth Commitment Amendment, dated as of November 1, 2014, that Fifth Commitment Amendment, dated as of December 23, 2014, that Sixth Commitment Amendment, dated as of July 1, 2015, that Seventh Commitment Amendment, dated as of September 1, 2016, that First General Amendment, dated as of April 1, 2014, and that and that certain Eighth Commitment Amendment dated as of April 6, 2018 (as may be amended, supplemented or restated from time to time, the "Loan Sale and Servicing Agreement").

WHEREAS, Standard Definitions are attached to the Loan Sale and Servicing Agreement at Annex A (the "Standard Definitions").

WHEREAS, the parties hereto desire to modify the Loan Sale and Servicing Agreement as set forth in this Eighth Amendment.

WHEREAS, capitalized terms used herein not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Sale and Servicing Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Amendment of Standard Definitions.

(a) The following definitions shall replace the corresponding definition in the Standard Definitions:

"Commitment Period" shall mean the period commencing on January 1, 2020 and continuing until December 31, 2020.

"Commitment Purchase Period" shall mean the period referenced in the Commitment Purchase Period Terms Letter.

2. Choice of Law and Venue. This Ninth Amendment shall be construed in accordance with the internal laws of the State of New York.

3. Binding Effect. This Ninth Amendment shall inure to the benefit of and be binding upon the parties to this Eighth Amendment and their successors and assigns.

4. Counterpart Execution. This Ninth Amendment may be executed in counterpart, and any number of copies of this Ninth Amendment which in the aggregate have been executed by all parties to this Eighth Amendment shall constitute one original.

5. Time is of the Essence. Time is of the essence in the performance of the obligations in this Ninth Amendment.

6. No Third-Party Beneficiary. No third party shall be a beneficiary hereof.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have executed this Ninth Amendment as of the date set forth above.

THE BUYER: QUORUM FEDERAL CREDIT UNION

By: /s/ Bruno Sementilli
Bruno Sementilli,
President and CEO

THE SELLER: BRFC-Q 2010 LLC

By: /s/ Paul Humphrey
Paul Humphrey
President

THE SERVICER: BLUEGREEN VACATIONS CORPORATION

By: /s/ Paul Humphrey
Paul Humphrey
Senior Vice President Finance, Capital
Markets, and Mortgage Operations

THE BACKUP SERVICER: CONCORD SERVICING CORPORATION

By: /s/ Sonja M. Yurkiw
Sonja M. Yurkiw, Esq.
COO & General Counsel

THE CUSTODIAN: U.S. BANK NATIONAL ASSOCIATION, not
in its individual capacity but solely as
Custodian and Paying Agent hereunder

By: /s/ Eric M. Ott
Eric M. Ott
Vice President

THE CLUB TRUSTEE: VACATION TRUST, INC.,
as Club Trustee

By: /s/ Douglas S. Carr
Douglas S. Carr
Vice President

The NINTH COMMITMENT AMENDMENT TO
LOAN SALE AND SERVICING AGREEMENT

THIS NINTH COMMITMENT AMENDMENT TO LOAN SALE AND SERVICING AGREEMENT (this “**Ninth Amendment**”), dated as of March 17, 2020, is entered into by and among BBCV Receivables-Q 2010 LLC, a Delaware limited liability company, as seller (the “**Seller**”), Quorum Federal Credit Union, a federally chartered credit union, as buyer (the “**Buyer**”), Vacation Trust, Inc., a Florida Corporation, as Club Trustee (the “**Club Trustee**”), U.S. Bank National Association, a national banking association, as custodian and paying agent (the “**Custodian**”), Bluegreen Vacations Corporation, a Florida corporation, as servicer (the “**Servicer**”), and Concord Servicing Corporation, an Arizona corporation, as backup servicer (the “**Backup Servicer**”).

RECITALS

WHEREAS, the Buyer, the Seller, the Servicer, and the Backup Servicer have previously entered into that certain Loan Sale and Servicing Agreement, dated as of December 22, 2010, as amended by that certain Omnibus Amendment, dated as of May 3, 2011, that certain Omnibus Amendment No. 2, dated as of February 7, 2012, that certain First Commitment Amendment, dated as of March 1, 2012, that certain Second Commitment Amendment, dated as of January 31, 2013, that certain Third Commitment Amendment dated as of April 1, 2014, that certain First General Amendment, dated as of April 1, 2014, that certain Fourth Commitment Amendment, dated as of November 1, 2014, that certain Fifth Commitment Amendment, dated as of December 23, 2014, that certain Omnibus Amendment No. 3, dated as of June 30, 2015, that certain Sixth Commitment Amendment, dated as of July 1, 2015, that certain Seventh Commitment Amendment, dated September 1, 2016, that certain Omnibus Amendment No. 4, dated as of June 30, 2016, that certain Omnibus Amendment No. 5, dated as of January 24, 2018, and that certain Eighth Commitment Amendment dated as of April 6, 2018 (as may be amended, supplemented or restated from time to time, the “**Loan Sale and Servicing Agreement**”).

WHEREAS, Standard Definitions are attached to the Loan Sale and Servicing Agreement at Annex A (the “**Standard Definitions**”).

WHEREAS, the parties hereto desire to modify the Loan Sale and Servicing Agreement as set forth in this Ninth Amendment.

WHEREAS, capitalized terms used herein not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Sale and Servicing Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Amendment of Standard Definitions.

(a) The following definitions shall replace the corresponding definition in the Standard Definitions:

"Commitment Period" shall mean the period commencing on January 1, 2020 and continuing until December 31, 2020.

"Commitment Purchase Period" shall mean the period referenced in the Commitment Purchase Period Terms Letter.

"Distribution Date" shall mean, commencing in the month of February 2020, the second to last Business Day of each calendar month following the end of the preceding Due Period.

"Fifth Aggregate Sale Date Loan Pool" shall mean, on any date of determination, all Timeshare Loans sold to the Buyer on each Sale Date occurring between January 1, 2018 and December 31, 2018.

"Reacquisition Date" shall mean, with respect to the reacquisition of the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool on or after the Second Optional Reacquisition Date, the Third Optional Reacquisition Date, the Fourth Optional Reacquisition Date, the Fifth Optional Reacquisition Date, or the Sixth Optional Reacquisition Date, respectively, the date fixed pursuant to Section 11.3 of this Agreement.

"Reacquisition Price" shall mean, with respect to the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool, the sum of the Net Investment Amounts of all Sale Date Loan Pools comprising the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool or the Sixth Aggregate Sale Date Loan Pool respectively, together with the Program Fee accrued and unpaid thereon at the applicable Program Fee Rate up to and including the Reacquisition Date.

(b) The following definitions shall be added to the Standard Definitions:

"Sixth Aggregate Sale Date Loan Pool" shall mean, on any date of determination, all Timeshare Loans sold to the Buyer on each Sale Date occurring between June 1, 2019 and December 31, 2019.

"Sixth Optional Reacquisition Date" shall mean the first date on which the then current aggregate Net Investment Amounts in respect of all Timeshare Loans in the Sixth Aggregate Sale Date Loan Pool is less than or equal to fifteen percent (15%) of all of the original aggregate Net Investment Amounts in respect of all of the Timeshare Loans sold in each Sale Date Loan Pool corresponding to the Sixth Aggregate Sale Date Loan Pool on the related Sale Date.

2. Section 7.5(a) of the Loan Sale and Servicing Agreement is hereby deleted in its entirety and replaced with the following:

- (a) Monthly Servicer Report. Not later than two (2) Business Days prior to the Distribution Date, the Servicer shall deliver to the Seller, the Buyer, and the Backup Servicer, a report (the "**Monthly Servicer Report**") substantially in the form of Exhibit G hereto, detailing certain activity relating to the Timeshare' Loans. The Monthly Servicer Report shall be completed with the information specified therein for the related Due Period and shall contain such other information as may be reasonably requested by the Seller, the Buyer or the Backup Servicer in writing at least five (5) Business Days prior to such Determination Date. Each such Monthly Servicer Report shall be accompanied by an Officer's Certificate of the Servicer in the form of Exhibit H hereto, certifying the accuracy of the computations reflected in such Monthly Servicer Report.

3. Section 11.1 of the Loan Sale and Servicing Agreement is hereby deleted in its entirety and replaced with the following:

SECTION 11.1. Clean-up Call; Optional Reacquisition; Election to Reacquire.

The initial Servicer shall have the option to reacquire not less than all of the Timeshare Loans in the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool or the Sixth Aggregate Sale Date Loan Pool any date after the Second Optional Reacquisition Date, the Third Optional Reacquisition Date, the Fourth Optional Reacquisition Date, the Fifth Optional Reacquisition Date or the Sixth Optional Reacquisition Date respectively, by payment of an amount equal to the Reacquisition Price (unless amounts in the Trust Accounts are sufficient to make such payments).

4. Section 11.2 of the Loan Sale and Servicing Agreement is hereby deleted in its entirety and replaced with the following:

SECTION 11.2. Notice to Buyer.

The Servicer shall give written notice of its intention to reacquire the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool, as applicable, to the Buyer at least fifteen (15) days prior to the Reacquisition Date (unless a shorter period shall be satisfactory to the Buyer).

5. Section 11.3 of the Loan Sale and Servicing Agreement is hereby deleted in its entirety and replaced with the following:

SECTION 11.3. Notice of Reacquisition by the Servicer.

Notices of reacquisition shall be given by electronic transmission and by first class mail, postage prepaid, mailed not less than fifteen (15) days prior to the Reacquisition Date, to the Buyer. All notices of reacquisition shall state (a) the Reacquisition Date, (b) the Reacquisition Price, (c) that the Timeshare Loans comprising the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool is being reacquired, and (d) that on the Reacquisition Date, the Reacquisition Price shall become due and payable in respect of the reacquisition of the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool, as applicable, and that the Program Fee shall cease to accrue if payment is made on the Reacquisition Date.

6. Section 11.5 of the Loan Sale and Servicing Agreement is hereby deleted in its entirety and replaced with the following:

SECTION 11.5. Timeshare Loans on Reacquisition Date.

Notice of reacquisition having been given as provided in Section 11.2 hereof and deposit of the Reacquisition Price with the Buyer having been made as provided in Section 11.4 hereof, the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool or the Sixth Aggregate Sale Date Loan Pool being reacquired shall on the Reacquisition Date, become due and payable at the Reacquisition Price, and, on such Reacquisition Date, the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool, as applicable, shall cease to accrue the Program Fee. The Buyer shall apply all available funds in the Trust Accounts and the Buyer shall be paid any remaining portion of the Reacquisition Price by the Servicer upon transfer of the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool being purchased by the Servicer or its designee. If the Servicer shall have failed to deposit the Reacquisition Price with the Buyer, the principal and the Program Fee with respect to the Second Aggregate Sale Date Loan Pool, the Third Aggregate Sale Date Loan Pool, the Fourth Aggregate Sale Date Loan Pool, the Fifth Aggregate Sale Date Loan Pool, or the Sixth Aggregate Sale Date Loan Pool, as applicable, shall, until paid, continue to accrue at the applicable Program Fee Rate. The Servicer's failure to deposit the Reacquisition Price shall not constitute a Purchase Termination Event hereunder.

7. **Choice of Law and Venue.** This Ninth Amendment shall be construed in accordance with the internal laws of the State of New York.

8. **Binding Effect.** This Ninth Amendment shall inure to the benefit of and be binding upon the parties to this Ninth Amendment and their successors and assigns.

9. **Counterpart Execution.** This Ninth Amendment may be executed in counterpart, and any number of copies of this Ninth Amendment which in the aggregate have been executed by all parties to this Ninth Amendment shall constitute one original.

10. **Time is of the Essence.** Time is of the essence in the performance of the obligations in this Ninth Amendment.

11. **No Third-Party Beneficiary.** No third party shall be a beneficiary hereof.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Ninth Amendment as of the date set forth above.

THE BUYER: QUORUM FEDERAL CREDIT UNION

By: /s/ Bruno Sementilli
Bruno Sementilli,
President and CEO

THE SELLER: BBCV Receivables-Q 2010 LLC

By: /s/ Paul Humphrey
Paul Humphrey
President

THE SERVICER: BLUEGREEN VACATIONS CORPORATION

By: /s/ Paul Humphrey
Paul Humphrey
Senior Vice President Finance, Capital
Markets, and Mortgage Operations

THE BACKUP SERVICER: CONCORD SERVICING CORPORATION

By: /s/ Sonja M. Yurkiw
Sonja M. Yurkiw, Esq.
COO & General Counsel

THE CUSTODIAN: U.S. BANK NATIONAL ASSOCIATION,
not in its individual capacity but solely as
Custodian and Paying Agent hereunder

By: /s/ Eric M. Ott
Eric M. Ott
Vice President

THE CLUB TRUSTEE: VACATION TRUST, INC.,
as Club Trustee

By: /s/ Douglas S. Carr
Douglas S. Carr
Vice President

**TENTH COMMITMENT AMENDMENT TO
LOAN SALE AND SERVICING AGREEMENT**

THIS TENTH COMMITMENT AMENDMENT TO LOAN SALE AND SERVICING AGREEMENT (this “**Tenth Amendment**”), dated as of December 18, 2020, is entered into by and among BBCV Receivables-Q 2010 LLC, a Delaware limited liability company, as seller (the “**Seller**”), Quorum Federal Credit Union, a federally chartered credit union, as buyer (the “**Buyer**”), Vacation Trust, Inc., a Florida Corporation, as Club Trustee (the “**Club Trustee**”), U.S. Bank National Association, a national banking association, as custodian and paying agent (the “**Custodian**”), Bluegreen Vacations Corporation, a Florida corporation, as servicer (the “**Servicer**”), and Concord Servicing Corporation, an Arizona corporation, as backup servicer (the “**Backup Servicer**”).

RECITALS

WHEREAS, the Buyer, the Seller, the Servicer, and the Backup Servicer have previously entered into that certain Loan Sale and Servicing Agreement, dated as of December 22, 2010, as amended by that certain Omnibus Amendment, dated as of May 3, 2011, that certain Omnibus Amendment No. 2, dated as of February 7, 2012, that certain First Commitment Amendment, dated as of March 1, 2012, that certain Second Commitment Amendment, dated as of January 31, 2013, that certain Third Commitment Amendment dated as of April 1, 2014, that certain First General Amendment, dated as of April 1, 2014, that certain Fourth Commitment Amendment, dated as of November 1, 2014, that certain Fifth Commitment Amendment, dated as of December 23, 2014, that certain Omnibus Amendment No. 3, dated as of June 30, 2015, that certain Sixth Commitment Amendment, dated as of July 1, 2015, that certain Seventh Commitment Amendment, dated September 1, 2016, that certain Omnibus Amendment No. 4, dated as of June 30, 2016, that certain Omnibus Amendment No. 5, dated as of January 24, 2018, that certain Eighth Commitment Amendment dated as of April 6, 2018, and that certain Ninth Commitment Amendment dated as of March 17, 2018 (as may be amended, supplemented or restated from time to time, the “**Loan Sale and Servicing Agreement**”).

WHEREAS, Standard Definitions are attached to the Loan Sale and Servicing Agreement at Annex A (the “**Standard Definitions**”).

WHEREAS, the parties hereto desire to modify the Loan Sale and Servicing Agreement as set forth in this Tenth Amendment.

WHEREAS, capitalized terms used herein not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Sale and Servicing Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Amendment of Standard Definitions**. The following definitions shall replace the corresponding definition in the Standard Definitions:

"Commitment Period" shall mean the period commencing on January 1, 2021 and continuing until December 31, 2022.

2. **Choice of Law and Venue.** This Tenth Amendment shall be construed in accordance with the internal laws of the State of New York.

3. **Binding Effect.** This Tenth Amendment shall inure to the benefit of and be binding upon the parties to this Tenth Amendment and their successors and assigns.

4. **Counterpart Execution.** This Tenth Amendment may be executed in counterpart, and any number of copies of this Tenth Amendment which in the aggregate have been executed by all parties to this Tenth Amendment shall constitute one original.

5. **Time is of the Essence.** Time is of the essence in the performance of the obligations in this Tenth Amendment.

6. **No Third-Party Beneficiary.** No third party shall be a beneficiary hereof.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Tenth Amendment as of the date set forth above.

THE BUYER: QUORUM FEDERAL CREDIT UNION

By: /s/ Bruno Sementilli
Bruno Sementilli,
Chief Executive Officer

THE SELLER: BBCV Receivables-Q 2010 LLC

By: /s/ Paul Humphrey
Paul Humphrey
President

THE SERVICER: BLUEGREEN VACATIONS CORPORATION

By: /s/ Paul Humphrey
Paul Humphrey
Senior Vice President Finance, Capital
Markets, and Mortgage Operations

THE BACKUP SERVICER: CONCORD SERVICING CORPORATION

By: /s/ Sonja M. Yurkiw
Sonja M. Yurkiw, Esq.
Vice President & General Counsel

THE CUSTODIAN: U.S. BANK NATIONAL ASSOCIATION,
not in its individual capacity but solely as
Custodian and Paying Agent hereunder

By: /s/ Timothy Matyi
Timothy Matyi
Vice President

THE CLUB TRUSTEE: VACATION TRUST, INC.,
as Club Trustee

By: /s/ Constance G. Dodd
Constance G. Dodd
President, Treasurer and Secretary

**FOURTH AMENDMENT TO AMENDED AND RESTATED
LOAN AND SECURITY AGREEMENT**

This **FOURTH AMENDMENT TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT** (this “**Amendment**”), dated as of October 19, 2017 (“**Amendment Date**”), by and among **BLUEGREEN VACATIONS CORPORATION**, a Florida corporation f/k/a Bluegreen Corporation (“**Borrower**”), each of the financial institutions from time to time party hereto (individually, each a “**Lender**”, and collectively, the “**Lenders**”) and **PACIFIC WESTERN BANK**, a California state-chartered bank, as successor-by-merger to CapitalSource Bank, as administrative, payment and collateral agent for itself, as a Lender and the other Lenders (in such capacities, “**Agent**”).

RECITALS

WHEREAS, Borrower, Lenders and Agent are parties to, among other Loan Documents, that certain Amended and Restated Loan and Security Agreement, dated as of July 10, 2013, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of December 6, 2013, as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of June 25, 2015, as further amended by that certain Third Amendment to Amended and Restated Loan and Security Agreement, dated as of October 24, 2016 (as amended, restated, supplemented or otherwise modified in writing from time to time, the “**Loan Agreement**”); and

WHEREAS, Borrower, Lenders and Agent desire to amend the Loan Agreement as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

ARTICLE I.

Definitions

Capitalized terms used in this Amendment are defined in the Loan Agreement unless otherwise stated.

ARTICLE II.

Amendments to Loan Agreement and Side Letter

2.1 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending the chart set forth in the definition of “Calculated Rate” in its entirety as follows:

2	Applicable Portion of the Outstanding Unpaid Principal Balance of the Loan	Calculated Rate
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Applicable Time Period		
From October 19, 2017 and thereafter	Equal to or less than the sum of \$10,000,000 less the then outstanding principal balance of the Inventory Loan	4.50%
From October 19, 2017 and thereafter	Greater than the sum of \$10,000,000 less the then outstanding principal balance of the Inventory Loan, but less than or equal to the sum of \$19,000,000 less the then outstanding principal balance of the Inventory Loan	4.00%
From October 19, 2017 and thereafter	Greater than the sum of \$19,000,000 less the then outstanding principal balance of the Inventory Loan	3.50%

Notwithstanding the foregoing, in the event Lenders agree to extend the Revolving Credit Period Expiration Date as set forth in the definition of "Revolving

Credit Period Expiration Date” hereunder, the “Calculated Rate” shall be equal to (i) for that portion of the outstanding unpaid principal balance of the Loan that is less than the sum of \$19,000,000 less the then outstanding principal balance of the Inventory Loan, four percent (4.0%) per annum from September 20, 2018 and thereafter or (ii) for that portion of the outstanding unpaid principal balance of the Loan that is greater than the sum of \$19,000,000 less the then outstanding principal balance of the Inventory Loan, three and one-half percent (3.5%) per annum from September 20, 2018 and thereafter.”

2.2 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by adding the definition of “Force Majeure Receivable” in the correct alphabetical order as follows:

“‘Force Majeure Receivable’ shall mean a Receivable for which a natural disaster or act of terror has had a direct impact on the ability of the related Obligor to make payments due to disruption of employment or to place of residence, as reasonably determined by the Servicer in accordance with the servicing standard, and for which the Servicer has determined, in accordance with the servicing standard, to defer loan payments for a specified grace period of not more than two (2) months. A Receivable shall no longer be deemed a Force Majeure Receivable if the Obligor has made two consecutive timely payments following the implementation of the loan payment deferral described above.”

2.3 Amendment to Section 6.25 of the Loan Agreement. Effective as of the date hereof, clause (a) of Section 6.25 of the Loan Agreement is hereby amended to (i) remove the word “and” from clause (viii) thereto, (ii) replace the period with “; and” in clause (ix) thereto and (iii) add a new clause (x) to the end thereto as follows:

“(x) no more than five percent (5%) (as determined on the basis of the aggregate Receivable Balances of such Receivables) of the Financed Pool of Eligible Receivables shall be Force Majeure Receivables.”

2.4 Amendment to Section 7.13 of the Loan Agreement. Effective as of the date hereof, Section 7.13 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“7.13 Tangible Net Worth

Borrower shall not permit its Tangible Net Worth (as measured on the last day of each fiscal year end of Borrower) to be less than Two Hundred Five Million and No/100 Dollars (\$205,000,000) for any fiscal year ending during the term of the Loan.”

2.5 Amendment to Section 7.14 of the Loan Agreement. Effective as of the date hereof, Section 7.14 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“7.14 Maximum Leverage Ratio

Borrower shall not permit its Leverage Ratio to be more than 3.50 to 1.00 as measured on the last day of each fiscal year end of Borrower.”

2.6 Amendment to Exhibit D of the Loan Agreement. Effective as of the date hereof, Exhibit D of the Loan Agreement is hereby amended and restated in the form of Exhibit D attached to this amendment.

2.7 Amendment to Schedule 1.1 of the Loan Agreement. Effective as of the date hereof, Schedule 1.1 of the Loan Agreement is hereby amended and restated in the form of Schedule 1.1 attached to this amendment.

2.8 Amendment to Schedule 1.2 of the Loan Agreement. Effective as of the date hereof, Schedule 1.2 of the Loan Agreement is hereby amended and restated in the form of Schedule 1.2 attached to this amendment.

2.9 Amendment to Schedule 5.15 of the Loan Agreement. Effective as of the date hereof, Schedule 5.15 of the Loan Agreement is hereby amended and restated in the form of Schedule 5.15 attached to this amendment.

2.10 Amendment to Schedule 5.30 of the Loan Agreement. Effective as of the date hereof, Schedule 5.30 of the Loan Agreement is hereby amended and restated in the form of Schedule 5.30 attached to this amendment.

2.11 Amendment to Specified Receivables Side Letter. Effective as of the date hereof, the first sentence of the second paragraph of that certain letter agreement, dated as of December 1, 2016, by and between Agent and Borrower (the “Specified Receivables Side Letter”) is hereby amended to add the phrase “(which such schedule may be updated from time to time in the sole and absolute discretion of Agent)” immediately after the word “hereto” therein.

2.12 Amendment to Specified Receivables Side Letter. Effective as of the date hereof, clauses (c), (d) and (e) of the Specified Receivables Side Letter are hereby amended and restated in their entirety as follows:

“(c) For the period beginning October 19, 2017 and ending June 30, 2018, Borrower shall at all such times ensure that no more than twenty-five percent (25%) of the unpaid principal balance of the Loan and the Inventory Loan, as measured in the aggregate, shall be composed of Advances secured by Specified Receivables;

(d) For the period beginning July 1, 2018 and ending September 30, 2018, Borrower shall at all such times ensure that no more than twenty percent (20%) of the unpaid principal balance of the Loan and the Inventory Loan, as measured in the aggregate, shall be composed of Advances secured by Specified Receivables;

(e) For the period beginning October 1, 2018 and thereafter, Borrower shall at all such times ensure that no more than fifteen percent (15%) of the

unpaid principal balance of the Loan and the Inventory Loan, as measured in the aggregate, shall be composed of Advances secured by Specified Receivables; and”

ARTICLE III.
Conditions Precedent

The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent in a manner satisfactory to Agent, unless specifically waived in writing by Agent:

3.1 Agent shall have received each of the following, each in form and substance satisfactory to Agent, in its sole discretion, and, where applicable, each duly executed by each party thereto:

(a) This Amendment duly executed by Borrower;

(b) The Third Amended and Restated Secured Promissory Note in the original principal amount of \$2,722,750.00, duly executed by Borrower (the “**Third A&R Note**”);

(c) Each of the other documents required to be delivered in connection with the Third A&R Note, together with any endorsements to existing title insurance policies required by Agent, duly executed by each of the parties thereto; and

(d) All other documents Agent may reasonably request prior to or as of the date of this Amendment with respect to any matter relevant to this Amendment or the transactions contemplated hereby.

3.2 Representations and Warranties. The representations and warranties contained herein, in the Loan Agreement and in the other Loan Documents, as each is amended hereby, and in the Inventory Loan Documentation, shall be true and correct as of the date hereof, as if made on the date hereof, except for such representations and warranties as are by their express terms limited to a specific date.

3.3 Defaults. No Potential Default or Event of Default shall have occurred and be continuing, unless such Potential Default or Event of Default has been otherwise specifically waived in writing by Agent. No Default or Event of Default (as such terms are defined in the Inventory Loan Promissory Note) shall have occurred and be continuing, unless such Default or Event of Default has been otherwise specifically waived in writing by Inventory Loan Lender.

3.4 Corporate Proceedings and other Matters. All corporate proceedings taken in connection with the transactions contemplated by this Amendment and all documents, instruments and other legal matters incident thereto shall be satisfactory to Agent.

ARTICLE IV.

No Consent or Waiver

Nothing contained herein shall be construed as a consent or waiver by Agent or any Lender of any covenant or provision of the Loan Agreement, the other Loan Documents, this Amendment or any other contract or instrument among Borrower, Agent or any Lender, and the failure of Agent or any Lender at any time or times hereafter to require strict performance by Borrower of any provision thereof shall not waive, affect or diminish any right of Agent or any Lender to thereafter demand strict compliance therewith.

ARTICLE V.

Ratifications, Representations and Warranties

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Loan Agreement and the other Loan Documents, and, except as expressly modified and superseded by this Amendment, the terms and provisions of the Loan Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. Borrower, Agent and Lenders agree that the Loan Agreement and the other Loan Documents, all as amended hereby, shall continue to be legal, valid, binding and enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, liquidation, dissolution, moratorium and other similar applicable laws affecting the enforceability of creditors' rights generally applicable in the event of bankruptcy, insolvency, reorganization, liquidation, or dissolution, and to general principles of equity, regardless of whether such enforceability shall be considered in a proceeding in equity or at law. Borrower agrees that this Amendment is not intended to and shall not cause a novation with respect to any or all of the obligations under the Loan Agreement. Borrower agrees that the Payment Guaranty (the "**Guaranty**"), dated as of November 19, 2012, executed by Borrower in favor of Agent (as successor-by-merger to CapitalSource Bank) is hereby ratified and confirmed and shall continue in full force and effect. Borrower agrees that the Guaranty shall continue to be legal, valid, binding and enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, liquidation, dissolution, moratorium and other similar applicable laws affecting the enforceability of creditors' rights generally applicable in the event of bankruptcy, insolvency, reorganization, liquidation, or dissolution, and to general principles of equity, regardless of whether such enforceability shall be considered in a proceeding in equity or at law.

5.2 Representations and Warranties. Borrower hereby represents and warrants to Agent and each Lender that (a) the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite action (as applicable) on the part of Borrower and will not violate the articles (or certificate) of incorporation or bylaws of Borrower; (b) Borrower's board of directors has authorized the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith; (c) the representations and warranties contained in the Loan Agreement and any other Loan Document, all as amended hereby, are true and correct on and as of the date hereof and on and as of the date of execution hereof as though made on and as of each such date, except for such representations and warranties as are by their express terms limited to a specific date; (d) no Potential Default or Event of Default under the Loan Agreement, as amended hereby, has occurred and is continuing,

unless such Potential Default or Event of Default has been specifically waived in writing by Agent; (e) Borrower is in full compliance with all covenants and agreements contained in the Loan Agreement and the other Loan Documents, all as amended hereby; and (f) except as disclosed to Agent, Borrower has not amended its articles (or certificate) of incorporation or bylaws or similar organizational documents since the date of the Loan Agreement.

ARTICLE VI.
Miscellaneous Provisions

6.1 Survival of Representations and Warranties. All representations and warranties of the Borrower made in the Loan Agreement or any other Loan Document, including, without limitation, any document furnished in connection with this Amendment, shall survive the execution and delivery of this Amendment and the other Loan Documents to the same extent provided in any applicable Loan Documents, and no investigation by Agent or any Lender or any closing shall affect the representations and warranties or the right of Agent or any Lender to rely upon them.

6.2 Reference to Loan Agreement. Each of the Loan Agreement and the other Loan Documents, and any and all other Loan Documents, documents or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Loan Agreement, all as amended hereby, are hereby amended so that any reference in the Loan Agreement and such other Loan Documents to the Loan Agreement shall mean a reference to the Loan Agreement and the other Loan Documents, all as amended hereby.

6.3 Expenses of Agent. As provided in Section 12.7 of the Loan Agreement, Borrower agrees to pay on demand all costs and expenses incurred by Agent, any Lender or their respective Affiliates, in connection with the preparation, negotiation, and execution of this Amendment and the other Loan Documents executed pursuant hereto and any and all amendments, modifications, and supplements thereto, including, without limitation, the costs and fees of legal counsel, and all reasonable costs and expenses incurred by Agent or any Lender in connection with the enforcement or preservation of any rights under the Loan Agreement or any other Loan Documents, all as amended hereby, including, without, limitation, the reasonable costs and fees of legal counsel. Notwithstanding anything to the contrary in this Amendment or otherwise, nothing in this Section 6.3 is intended to be inconsistent with, or interpreted in a manner inconsistent with, Section 12.7 of the Loan Agreement.

6.4 Severability. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

6.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of Lenders, Agent and Borrower and their respective permitted successors and assigns, except that Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of Agent.

6.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. This Amendment may be executed by facsimile transmission, which facsimile signatures shall be considered original executed counterparts for purposes of this Section 6.6, and each party to this Amendment agrees that it will be bound by its own facsimile signature and that it accepts the facsimile signature of each other party to this Amendment.

6.7 Effect of Waiver. No consent or waiver, express or implied, by Agent or any Lender to or for any breach of or deviation from any covenant or condition by Borrower shall be deemed a consent to or waiver of any other breach of the same or any other covenant, condition or duty.

6.8 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

6.9 Applicable Law. THIS AMENDMENT AND ALL OTHER LOAN DOCUMENTS EXECUTED PURSUANT HERETO SHALL BE DEEMED TO HAVE BEEN MADE AND TO BE PERFORMABLE IN AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AS SET FORTH IN THE LOAN AGREEMENT.

6.10 Final Agreement. THE LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS, EACH AS AMENDED HEREBY, AND THE INVENTORY LOAN DOCUMENTATION REPRESENT THE ENTIRE EXPRESSION OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF ON THE DATE THIS AMENDMENT IS EXECUTED. THE LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS, EACH AS AMENDED HEREBY, AND THE INVENTORY LOAN DOCUMENTATION MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. NO MODIFICATION, RESCISSION, WAIVER, RELEASE OR AMENDMENT OF ANY PROVISION OF THIS AMENDMENT SHALL BE MADE, EXCEPT BY A WRITTEN AGREEMENT SIGNED BY BORROWER AND AGENT AND LENDERS.

6.11 Release by Borrower. FOR AND IN CONSIDERATION OF AGENT AND LENDERS' AGREEMENTS CONTAINED HEREIN, BORROWER ("**RELEASOR**") HEREBY VOLUNTARILY AND KNOWINGLY RELEASES AND FOREVER WAIVES AND DISCHARGES AGENT AND LENDERS WHO ARE PARTIES TO THE LOAN AGREEMENT AS OF THE DATE HEREOF (INDIVIDUALLY AND COLLECTIVELY, THE "**RELEASED PARTIES**") FROM ALL POSSIBLE CLAIMS, COUNTERCLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, COSTS, EXPENSES AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, ANTICIPATED OR UNANTICIPATED, SUSPECTED OR UNSUSPECTED, FIXED, CONTINGENT OR CONDITIONAL OR AT LAW OR IN EQUITY, IN WHOLE OR IN PART, ARISING ON OR BEFORE THE DATE OF THIS AMENDMENT THAT RELEASOR MAY NOW OR HEREAFTER HAVE AGAINST THE RELEASED PARTIES, IF ANY, IRRESPECTIVE OF

WHETHER ANY SUCH CLAIMS ARISE OUT OF CONTRACT, TORT, VIOLATION OF LAW OR REGULATIONS OR OTHERWISE, INCLUDING WITHOUT LIMITATION ARISING DIRECTLY OR INDIRECTLY FROM ANY OF THE LOAN DOCUMENTS, THE INVENTORY LOAN DOCUMENTATION, THE EXERCISE OF ANY RIGHTS AND REMEDIES UNDER ANY OF THE LOAN DOCUMENTS OR INVENTORY LOAN DOCUMENTATION AND/OR NEGOTIATION FOR AND EXECUTION OF THIS AMENDMENT, INCLUDING, WITHOUT LIMITATION, ANY CONTRACTING FOR, CHARGING, TAKING, RESERVING, COLLECTING OR RECEIVING INTEREST IN EXCESS OF THE HIGHEST LAWFUL RATE APPLICABLE. RELEASOR WAIVES THE BENEFITS OF ANY LAW, WHICH MAY PROVIDE IN SUBSTANCE: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS SETTLEMENT WITH THE DEBTOR." RELEASOR UNDERSTANDS THE FACTS IT BELIEVES TO BE TRUE AT THE TIME OF MAKING THE RELEASE PROVIDED FOR HEREIN MAY LATER TURN OUT TO BE DIFFERENT THAN IT NOW BELIEVES, AND INFORMATION NOT NOW KNOWN OR SUSPECTED MAY LATER BE DISCOVERED. RELEASOR ACCEPTS THIS POSSIBILITY AND ASSUMES THE RISK OF THE FACTS TURNING OUT TO BE DIFFERENT AND NEW INFORMATION BEING DISCOVERED AND FURTHER AGREES THE RELEASE PROVIDED FOR HEREIN SHALL IN ALL RESPECTS CONTINUE TO BE EFFECTIVE AND NOT SUBJECT TO TERMINATION OR RESCISSION BECAUSE OF ANY DIFFERENCE IN SUCH FACTS OR ANY NEW INFORMATION.

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IN WITNESS WHEREOF, this Amendment has been executed as of the date first written above.

BORROWER:

BLUEGREEN VACATIONS CORPORATION,
a Florida corporation

By: /s/ Paul Humphrey

Name: Paul Humphrey

Title: Senior Vice President, Finance and Capital Markets

AGENT AND LENDER:

PACIFIC WESTERN BANK,

a California state-chartered bank, as successor-by-merger to CapitalSource Bank

By: /s/ Jason Schwartz

Name: Jason Schwartz

Title: Senior Vice President, Portfolio Manager

EXHIBIT D

UNDERWRITING GUIDELINES

Customer financing on sales of timeshare interests requires (a) that the obligor (which may include one or more persons) has made total payments (comprised of a down payment and/or principal payments) by cash, check, credit card or otherwise of at least 10% (or 20% in limited circumstances) of the actual purchase price of the timeshare property (which down payment may, (i) in the case of upgrade club loans or conversion in connection with an introductory loan be represented in whole or in part by the principal payments and down payment made on, as applicable, such related original club loan or the related introductory loan since its date of origination, (ii) in the case of an upgrade or a conversion in connection with an introductory product, be represented in whole or in part by the amount paid where the obligor has paid in full, whether at the point of sale or otherwise for the original timeshare property or introductory product, as applicable, or (iii) in the case of no equity loans, may be represented by equity from a previous purchase), (b) an executed mortgage note and mortgage or, in the case of sales in the La Cabana Resort, an owner beneficiary agreement, and (c) other closing documents between the originator and the purchaser. Bluegreen Vacations Corporation and its affiliates, as applicable, (together the "Company") encourages purchasers to make increased down payments by offering a lower interest rate. Purchasers who participate in the Company's pre-authorized checking payment plan receive a 1% discount in the interest rate, where allowed by applicable laws and regulations.

Prior to December 15, 2008, the Company's customer financing was not subject to any significant loan underwriting criteria and no FICO® score was obtained prior to extending credit. The Company implemented a formal FICO® score-based credit underwriting program effective December 15, 2008. Following implementation, the Company no longer provided financing to customers with FICO® scores below 500 and new customers with FICO® scores between 500 and 599 were required to make a minimum cash down payment of 20%. Effective January 1, 2010, the Company increased its credit underwriting standards and no longer provided financing to new customers with FICO® scores below 575 and new customers with FICO® scores between 575 and 599 were required to make a minimum cash down payment of 20%. Effective March 29, 2017, the Company has temporarily further increased its credit underwriting standards to no longer provide financing to new customers with FICO® scores below 600. Interest rates may vary due to transaction sizes, FICO® scores and/or other factors. The Company may, from time to time, offer certain introductory products with FICO® scores and finance terms that are intended to be held in the Company's portfolio. Additionally, the Company may provide financing to customers with no FICO® scores who make a minimum down payment.

Schedule 1.1

Occupancy Issues Regarding Resorts as of Amendment Date

The Lake Eve Resort was affected by Hurricane Irma. A portion of the resort experienced water intrusion (100 out of 160 units) and is expected to be open over time and completely by year end.

Schedule 1.2

Resorts

Primary Resorts

1.	BG Fountains Condominium	Orlando	Florida
2.	BG Club 36	Las Vegas	Nevada
3.	Bluegreen Odyssey Dells	Lake Delton	Wisconsin
4.	Lake Eve Resort	Orlando	Florida

Secondary Resorts

1.	Wilderness Traveler at Shenandoah	Gordonsville	Virginia
2.	BG Pirate's Lodge Condominium	Lake Delton	Wisconsin
3.	The Villas at Christmas Mountain	Wisconsin Dells	Wisconsin
4.	Christmas Mountain — Timbers	Wisconsin Dells	Wisconsin
5.	Christmas Mountain — Campground	Wisconsin Dells	Wisconsin
6.	BG Patrick Henry Square	Williamsburg	Virginia
7.	Grande Villas at World Golf Village Condominium	St. Augustine	Florida
8.	Mountain Run at Boyne	Boyne Falls	Michigan
9.	Falls Village	Branson	Missouri
10.	MountainLoft	Gatlinburg	Tennessee
11.	MountainLoft II	Gatlinburg	Tennessee
12.	Harbour Lights Resort Horizontal Property Regime	Myrtle Beach	South Carolina
13.	Shore Crest	Myrtle Beach	South Carolina
14.	Shore Crest II	Myrtle Beach	South Carolina
15.	Laurel Crest	Pigeon Forge	Tennessee

Other Approved Resorts

Club Resorts

1.	Daytona SeaBreeze	Daytona Beach Shores	Florida
2.	The Hammocks at Marathon	Marathon	Florida
3.	Orlando's Sunshine Resort I & II	Orlando	Florida
4.	Casa Del Mar Beach Resort	Ormond Beach	Florida
5.	Solara Surfside	Surfside	Florida
6.	Bluegreen Club La Pension	New Orleans	Louisiana
7.	The Suites at Hershey	Hershey	Pennsylvania
8.	The Lodge Alley Inn	Charleston	South Carolina
9.	Carolina Grande	Myrtle Beach	South Carolina
10.	SeaGlass Tower	Myrtle Beach	South Carolina
11.	Shenandoah Crossing Farm & Country Club	Gordonsville	Virginia
12.	La Cabana Beach And Racquet Club	Oranjestad	Aruba
13.	Resort at World Golf Village	St. Augustine	Florida
14.	The Innsbruck, A Condominium	Aspen	Colorado

15.	The Hotel Blake	Chicago	Illinois
16.	Club at Big Bear	Big Bear Lake	California
17.	The Atlantic Palace	Atlantic City	New Jersey
18.	King 583	Charleston	South Carolina
19.	Club Lodges at Trillium	Cashiers	North Carolina

	The Soundings Seaside Resort	Dennisport	Massachusetts
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20.			
21.	The Breakers Resort	Dennisport	Massachusetts
22.	Bluegreen at Tradewinds	St. Pete Beach	Florida
23.	Horizons at 77th	N. Myrtle Beach	South Carolina
24.	Cibola Vista Resort & Spa	Peoria	Arizona
25.	Blue Ridge Village	Banner Elk	North Carolina

Club Associate Resorts (other than FBS Resorts)

1.	Paradise Isle Resort	Gulf Shores	Alabama
2.	Shoreline Towers Resort	Gulf Shores	Alabama
3.	Via Roma Beach Resort	Bradenton Beach	Florida
4.	Dolphin Beach Club	Daytona Beach Shores	Florida
5.	Fantasy Island Resort II	Daytona Beach Shores	Florida
6.	Mariner's Boathouse and Beach Resort	Fort Myers Beach	Florida
7.	Tropical Sands Resort	Fort Myers Beach	Florida
8.	Windward Passage Resort	Fort Myers Beach	Florida
9.	Gulfstream Manor	Gulfstream	Florida
10.	Resort Sixty-Six	Holmes Beach	Florida
11.	Outrigger Beach Club	Ormond Beach	Florida
12.	Landmark Holiday Beach Resort	Panama City Beach	Florida
13.	Ocean Towers Beach Club	Panama City Beach	Florida
14.	Panama City Resort & Club	Panama City Beach	Florida
15.	Surfrider Beach Club	Sanibel Island	Florida
16.	Petit Crest Villas at Big Canoe	Marble Hill	Georgia
17.	Pono Kai Resort	Kapaa (Kauai)	Hawaii
18.	Lake Condominiums at Big Sky	Big Sky	Montana
19.	Foxrun Townhouses	Lake Lure	North Carolina
20.	Sandcastle Village	New Bern	North Carolina
21.	Waterwood Townhouses	New Bern	North Carolina
22.	Players Club	Hilton Head Island	South Carolina
23.	Hemlock	Boyne Falls	Michigan

FBS Resorts

1.	Parkside a Vacation Ownership Resort	Williamsburg	Virginia
2.	InnSeason Resorts South Mountain Condominium	Lincoln	New Hampshire
3.	The Breakers Resort Condominium	Dennisport	Massachusetts
4.	The Soundings Seaside Resort Condominium	Dennisport	Massachusetts
5.	Cibola Vista Resort & Spa	Peoria	Arizona

6.	Studio Homes at Ellis Square	Savannah	Georgia
7.	The Hotel Blake	Chicago	Illinois

Schedule 5.15

Names, Addresses and States of Formation

Name: Bluegreen Vacations Corporation (a Florida corporation), fka Bluegreen Corporation

Address: 4960 Conference Way North, Suite 100
Boca Raton, Florida 33431

Additional names used during past five (5) years:

- (1) **North Carolina:** Bluegreen Corporation d/b/a Bluegreen Patten Corporation
- (2) **Louisiana:** Bluegreen Corporation of Massachusetts
- (3) **California:** BXG California, Inc.

And such other names and/or addresses as may be provided to the Agent from time to time.

Schedule 5.30

Resort Documents

BG FOUNTAINS CONDOMINIUM

- a. Master Declaration of Covenants, Conditions and Restrictions, recorded July 28, 1998, in Book 5535, Page 3243 of the Public Records of Orange County, Florida.
- b. Declaration of Condominium for BG Fountains Condominium, recorded October 26, 2004, in Book 07674, Page 4336 of the Public Records of Orange County, Florida, with amendments of record in Book 07785, Page 2252; Book 08559, Page 1321; Book 08559, Page 1360; Book 08775, Page 4485; Book 09443, Page 2378; Book 9881, Page 2943.
- c. Articles of Incorporation of BG Fountains Condominium Association, Inc.
- d. Bylaws of BG Fountains Condominium Association, Inc.
- e. That certain Timeshare Management Agreement dated as of October 3, 2012, by and between BG Fountains Condominium Association, Inc. and Bluegreen Resorts Management, Inc.
- f. BG Fountains Condominium A Bluegreen Vacation Club Resort Public Offering Statement (Florida).
- g. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to BG Fountains Condominium.
- h. The applicable Consumer Documents for BG Fountains Condominium.
- i. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to BG Fountains Condominium.

BG CLUB 36

- a. Master Declaration of Covenants, Conditions, Easements and Restrictions for Bluegreen Club 36, recorded July 29, 2008, Book 080729, at Document No. 0004566, in the office of the County Recorder of Clark County, Nevada.
 - b. Articles of Incorporation of BG Club 36 Master Association, Inc.
 - c. Bylaws of BG Club 36 Master Association, Inc.
 - d. Declaration of Covenants, Conditions, Easements, Restrictions and Timeshare Ownership Instrument for BG Club 36, recorded July 29, 2008, in Book 080729 at Document No. 0004568, in the office of the County Recorder of Clark County, Nevada.
 - e. Articles of Incorporation of BG Club 36 Owners Association, Inc.
 - f. Bylaws of BG Club 36 Owners Association, Inc.
 - g. That certain Timeshare Management Agreement, dated as of September 18, 2012, by and between BG Club 36 Owners Association, Inc., and Bluegreen Resorts Management, Inc.
 - h. Nevada Public Offering Statement for Bluegreen Vacation Club.
 - i. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to BG Club 36.
 - j. The applicable Consumer Documents for BG Club 36.
 - k. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to BG Club 36.
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BLUEGREEN WILDERNESS TRAVELER AT SHENANDOAH

- a. Declaration of Covenants, Conditions and Restrictions for Bluegreen Wilderness Traveler at Shenandoah Vacation Ownership Program, dated November 28, 2007, recorded at Deed Book 1117, Page 861 of the Public Records of Louisa County, Virginia, with amendments of record at Book 1126, Page 372, and Book 1216, Page 818, and Book 1526, Page 111.
- b. Articles of Incorporation of Bluegreen Wilderness Traveler at Shenandoah Owners Association, Inc.
- c. By-Laws of Bluegreen Wilderness Traveler at Shenandoah Owners Association, Inc.
- d. That certain Timeshare Management Agreement dated as of the July 14, 2014 by and between Bluegreen Wilderness Traveler at Shenandoah Owners Association Inc. and Bluegreen Resorts Management, Inc.
- e. Bluegreen Wilderness Traveler at Shenandoah Vacation Ownership Program Public Offering Statement (Virginia).
- f. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Bluegreen Wilderness Traveler at Shenandoah.
- g. The applicable Consumer Documents for Bluegreen Wilderness Traveler at Shenandoah.
- h. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Bluegreen Wilderness Traveler at Shenandoah.

BG PIRATE'S LODGE

- a. Master Declaration by and between Treasure Island, LLC, Bluegreen Vacations Unlimited, Inc., Dells Vacation Condominium Unit Owners Association, Inc., and Club Optima Dells Owners' Association, Inc., recorded September 28, 2006 as Document No. 918419 in the Public Records of Sauk County, Wisconsin, with an amendment recorded on May 28, 2008 as Document No. 962000.
 - b. First Amendment to Declaration of Condominium of Dells Vacation Condominium and Declaration of Covenants, Conditions, Easements and Restrictions and Time-Share Instrument for Club Optima Amending, Restating, and Merging them into Declaration of Condominium for BG Pirate's Lodge Condominium recorded November 3, 2006, as Document No. 921739 in the Public Records of Sauk County, Wisconsin.
 - c. Declaration of Condominium for Bluegreen Odyssey Dells, A Condominium recorded June 30, 2008, as Document No. 963977 in the Public Records of Sauk County, Wisconsin.
 - d. Amended and Restated Articles of Incorporation of BG Pirate's Lodge Owners Association, Inc.
 - e. Amended and Restated By-Laws of BG Pirate's Lodge Owners Association, Inc., adopted September 12, 2006.
 - f. That certain Timeshare Management Agreement dated December 5, 2012, by and between BG Pirate's Lodge Owners Association, Inc. and Bluegreen Resorts Management, Inc.
 - g. Time-Share Disclosure Statement BG Pirate's Lodge Condominium (Wisconsin).
 - h. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to BG Pirate's Lodge Condominium.
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- i. The applicable Consumer Documents for BG Pirate's Lodge Condominium.
- j. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to BG Pirate's Lodge Condominium.

CHRISTMAS MOUNTAIN TIMBERS

- a. Declaration of Covenants, Conditions and Restrictions for Christmas Mountain Village recorded in the Office of the Register of Deeds of Sauk County, Wisconsin on August 26, 1991, in Book 002, Page 762, with amendment of record at Book 002, Page 791.
- b. Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Timbers at Christmas Mountain recorded December 4, 2003, in the Office of the Register of Deeds of Sauk County, Wisconsin, as Document No. 827468.
- c. Articles of Association of The Timbers at Christmas Mountain Association.
- d. By-Laws of The Timbers at Christmas Mountain Association, as amended.
- e. That certain Timeshare Management Agreement dated June 1, 2014, by and between The Timbers at Christmas Mountain Association U.A., and Bluegreen Resorts Management, Inc., as amended by First Amendment dated June 1, 2015.
- f. Time-Share Disclosure Statement The Timbers at Christmas Mountain (Wisconsin).
- g. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to The Timbers at Christmas Mountain.
- h. The applicable Consumer Documents for The Timbers at Christmas Mountain.
- i. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to The Timbers at Christmas Mountain.

CHRISTMAS MOUNTAIN VILLAS

- a. Declaration of Covenants, Conditions and Restrictions for Christmas Mountain Village recorded in the Office of the Register of Deeds of Sauk County, Wisconsin on August 26, 1991, in Book 002, Page 762, with amendment of record at Book 002, Page 791.
 - b. Restated Declaration of Time-Share Condominium of The Villas at Christmas Mountain recorded in the Office of the Register of Deeds of Sauk County, Wisconsin, in Book 002, Page 271, with amendments of record in Book 002, Page 560; Book 002, Page 677; Book 003, Page 576; and Document 842609.
 - c. Articles of The Villas at Christmas Mountain Association, as amended.
 - d. By-Laws of The Villas at Christmas Mountain Association, as amended.
 - e. That certain Timeshare Management Agreement dated June 1, 2014, by and between The Villas at Christmas Mountain Association, U.A., and Bluegreen Resorts Management, Inc., as amended by First Amendment dated June 1, 2015.
 - f. Time-Share Disclosure Statement The Villas at Christmas Mountain (Wisconsin).
 - g. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to The Villas at Christmas Mountain.
 - h. The applicable Consumer Documents for The Villas at Christmas Mountain.
 - i. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to The Villas at Christmas Mountain.
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CHRISTMAS MOUNTAIN CAMPGROUND

- a. Declaration of Covenants, Conditions and Restrictions for Christmas Mountain Village recorded in the Office of the Register of Deeds of Sauk County, Wisconsin on August 26, 1991, in Book 002, Page 762, with amendment of record at Book 002, Page 791.
- b. Declaration of Covenants, Conditions and Restrictions for Christmas Mountain Campground recorded in the Office of the Register of Deeds of Sauk County, Wisconsin, at Book 206, Page 898, with amendments of record at Book 405, Page 688; Book 461, Page 716; and Book 002, Page 519; Book 002, Page 556; Book 002, Page 797; Book 003, Page 267; Book 003, Page 568; and Document No. 842924.
- c. Articles of Association of The Christmas Mountain Campground Association.
- d. By-Laws of The Christmas Mountain Campground Association, as amended.
- j. That certain Timeshare Management Agreement dated June 1, 2014, by and between The Christmas Mountain Campground Association and Bluegreen Resorts Management, Inc., as amended by First Amendment dated June 1, 2015.
- e. Time-Share Disclosure Statement Christmas Mountain Campground (Wisconsin).
- f. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Christmas Mountain Campground.
- g. The applicable Consumer Documents for Christmas Mountain Campground.
- h. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Christmas Mountain Campground.

PATRICK HENRY

- a. Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for BG Patrick Henry Square recorded in the Clerk's Office, Circuit Court of Williamsburg/James City County, Virginia, at Instrument Number 142739, as amended by Instrument Number 166377.
 - b. Amended and Restated Declaration of Covenants, Conditions and Restrictions for BG Patrick Henry Square Vacation Ownership Program recorded in the Clerk's Office, Circuit Court of Williamsburg/James City County, Virginia, at Instrument Number 152793, as amended by Instrument Number 171441.
 - c. Articles of Incorporation of BG Patrick Henry Square Timeshare Owners Association, Inc.
 - d. By-laws of BG Patrick Henry Square Timeshare Owners Association, Inc.
 - e. That certain Timeshare Management Agreement dated July 14, 2014, by and between BG Patrick Henry Square Timeshare Owners Association, Inc. and Bluegreen Resorts Management, Inc.
 - i. BG Patrick Henry Square Vacation Ownership Program Public Offering Statement (Virginia).
 - f. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Patrick Henry Square.
 - g. The applicable Consumer Documents for Patrick Henry Square.
 - h. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Patrick Henry Square.
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GRANDE VILLAS AT WORLD GOLF VILLAGE CONDOMINIUM

- a. Master Declaration of Covenants, Conditions and Restrictions recorded September 3, 1998 in the Official Records of St. John's County, Florida, in Book 1345, Page 1586.
- b. Declaration of Condominium for Grande Villas at World Golf Village Condominium a Bluegreen Vacation Club Resort recorded January 22, 2004, in the Official Records of St. John's County, Florida, in Book 2126, Page 1051, with an amendment of record in Book 2964, Page 1900.
- c. Articles of Incorporation of Grand Villas at World Golf Village Condominium Association, Inc.
- d. Bylaws of Grande Villas at World Golf Village Condominium Association, Inc.
- e. That certain Timeshare Management Agreement dated October 16, 2012, by and between Grande Villas at World Golf Village Condominium Association, Inc. and Bluegreen Resorts Management, Inc.
- f. Grande Villas at World Golf Village Condominium A Bluegreen Vacation Club Resort Public Offering Statement (Florida).
- g. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Grande Villas at World Golf Village Condominium.
- h. The applicable Consumer Documents for Grande Villas at World Golf Village Condominium.
- i. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Grande Villas at World Golf Village Condominium.

MOUNTAIN RUN AT BOYNE

- a. Master Deed of Mountain Run at Boyne recorded August 14, 2003 in the Register of Deeds of Charlevoix County, Michigan in Liber 563, Page 576, with amendments of record in Liber 690, Page 762; Liber 690, Page 772; and Liber 714, Page 118.
- b. Restated Articles of Incorporation of Mountain Run at Boyne Owners Association, Inc.
- c. Bylaws of the Mountain Run at Boyne Owners Association, Inc.
- d. That certain Timeshare Management Agreement dated September 27, 2012, by and between Mountain Run at Boyne Owners Association, Inc. and Bluegreen Resorts Management, Inc.
- e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Mountain Run at Boyne.
- f. The applicable Consumer Documents for Mountain Run at Boyne.
- g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Mountain Run at Boyne.

FALLS VILLAGE

- a. Declaration of Restrictions of The Falls recorded in Taney County, Missouri at Book 0318, Page 8772.
 - b. Declaration of Condominium and By-Laws for The Falls Village Resort, a Condominium, as recorded in Taney County, Missouri, in Book 340, Page 1764, and amended in Book 344, Page 4886; Book 346, Page 7596; Book 349, Page 7131; Book 354, Page 8986; Book 362, Page 5723; Book 362, Page 5731; Book 365, Page 7217; Book 368, Page 3323; Book 370, Page 5496; Book 424, Page 5329; Book 450, Page 735;
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Book 450, Page 743; Book 456, Page 2709; Book 463, Page 828; Book 485, Page 965; Book 485, Page 989; and Book 2007L, Page 16245.

- c. Articles of Incorporation of The Falls Village Resort Condominium Association, Inc.
- d. That certain Timeshare Management Agreement dated the January 1, 2013, by and between The Falls Village Resort Condominium Association, Inc., and Bluegreen Resorts Management, Inc.
- e. Original Sales Certificate for The Falls Village Resort (Missouri).
- f. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to The Falls Village Resort.
- g. The applicable Consumer Documents for The Falls Village Resort.
- h. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to The Falls Village Resort.

MOUNTAINLOFT

- a. Declaration of Condominium for MountainLoft Resort recorded in the Official Records of Sevier County, Tennessee, at Book D516, Page 324, with amendments of record in Book D525, Page 356; Book D543, Page 21; Book D551, Page 256; Book D568, Page 573; Book D569, Page 561; Book D587, Page 292; Book D607, Page 526; Book D620, Page 81; Book D627, Page 161; Book D636, Page 783; Book D667, Page 242; Book 1006, Page 443; Book 1450, Page 526; and Book 3350, Page 362.
- b. Charter of The MountainLoft Resort Condominium Association, Inc.
- c. By-Laws of The MountainLoft Resort Condominium Association, Inc., as amended
- d. That certain Timeshare Management Agreement dated May 7, 2014, by and between The MountainLoft Resort Condominium Association, Inc. and Bluegreen Resorts Management, Inc.
- e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to The MountainLoft Resort Condominium.
- f. The applicable Consumer Documents for The MountainLoft Resort Condominium.
- g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to The MountainLoft Resort Condominium.

MOUNTAINLOFT II

- a. Declaration of Condominium for MountainLoft Resort II recorded in the Official Records of Sevier County, Tennessee, at Book 2714, Page 171.
 - b. Articles of Incorporation of MountainLoft Resort II Condominium Association, Inc.
 - c. Bylaws of MountainLoft Resort II Condominium Association, Inc.
 - d. That certain Timeshare Management Agreement dated February 1, 2013, by and between MountainLoft Resort II Condominium Association, Inc. and Bluegreen Resorts Management, Inc.
 - e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to MountainLoft Resort II Condominium.
 - f. The applicable Consumer Documents for MountainLoft Resort II Condominium.
 - g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to MountainLoft Resort II Condominium.
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HARBOUR LIGHTS RESORT HORIZONTAL PROPERTY REGIME

- a. Master Deed for Harbour Lights Resort Horizontal Property Regime recorded June 29, 1998, in Book 2049, Page 437, in the office of the Registrar of Deeds in Horry County, South Carolina, with amendments of record in Book 2087, Page 875; Book 2374, Page 372; Book 2221, Page 951; Book 2681, Page 538; Book 2758, Page 699; Book 3078, Page 743; Book 3078, Page 750; Book 3162, Page 359; Book 3860, Page 2176; and Book 3870, Page 3394.
- b. Articles of Incorporation of Harbour Lights Resorts Owners Association, Inc.
- c. Bylaws of Harbour Lights Resorts Owners Association, Inc.
- d. That certain Timeshare Management Agreement dated as of September 12, 2017, between Harbour Lights Resorts Owners Association, Inc. and Bluegreen Resorts Management, Inc.
- e. Public Offering Statement for Harbour Lights, a Condominium (South Carolina).
- f. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Harbour Lights Resort Horizontal Property Regime.
- g. The applicable Consumer Documents for Harbour Lights Resort Horizontal Property Regime.
- h. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Harbour Lights Resort Horizontal Property Regime.

SHORE CREST

- a. Master Deed for Shore Crest Vacation Villas Horizontal Property Regime, recorded April 29, 1997, in Book 1937, Page 530 of the Public Records of Horry County, South Carolina, with amendments of record in Book 2221, Page 947; Book 3860, Page 2170; and Book 3871, Page 1826.
 - b. Articles of Incorporation of The Shore Crest Vacation Villas Owners Association, Inc.
 - c. By-Laws of The Shore Crest Vacation Villas Owners Association, Inc., as amended.
 - d. That certain Timeshare Management Agreement dated as of October 23, 2012, by and between Shore Crest Vacation Villas Owners Association, Inc., and Bluegreen Resorts Management, Inc.
 - e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Shore Crest Vacation Villas Horizontal Property Regime.
 - f. The applicable Consumer Documents for Shore Crest Vacation Villas Horizontal Property Regime.
 - g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Shore Crest Vacation Villas Horizontal Property Regime.
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SHORE CREST II

- a. Master Deed for Shore Crest Vacation Villas II Horizontal Property Regime, recorded December 17, 1999, in Book 2217, Page 48 of the Public Records of Horry County, South Carolina.
- b. Articles of Incorporation of the Shore Crest Vacation Villas II Owners Association, Inc.
- c. By-Laws of the Shore Crest Vacation Villas II Owners Association, Inc.
- d. That certain Timeshare Management Agreement dated as of October 23, 2012, by and between Shore Crest Vacation Villas II Owners Association, Inc., and Bluegreen Resorts Management, Inc.
- i. Public Offering Statement for Shore Crest Vacation Villas II Horizontal Property Regime (South Carolina).
- e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Shore Crest Vacation Villas II Horizontal Property Regime.
- f. The applicable Consumer Documents for Shore Crest Vacation Villas II Horizontal Property Regime.
- g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Shore Crest Vacation Villas II Horizontal Property Regime.

LAUREL CREST

- a. Declaration of Condominium for Laurel Crest Resort, recorded in the Public Records of Sevier County, Tennessee, June 23, 1995, in Book D548, Page 228, and amendments recorded in Book D554, Page 9; Book D567, Page 549; Book D590, Page 60; Book D608, Page 205; Book D637, Page 1; Book D666, Page 251; Book 1006, Page 438; Book 1763, Page 327; Book 3350, Page 325; and Book 3350, Page 331, of the Public Records of Sevier County, Tennessee.
 - b. Charter of The Laurel Crest Resort Condominium Association, Inc.
 - c. By-Laws of The Laurel Crest Resort Condominium Association, Inc., as amended.
 - d. That certain Timeshare Management Agreement dated as of August 23, 2012, by and between The Laurel Crest Resort Condominium Association, Inc., and Bluegreen Resorts Management, Inc.
 - e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to The Laurel Crest Resort Condominium.
 - f. The applicable Consumer Documents for The Laurel Crest Resort Condominium.
 - g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to The Laurel Crest Resort Condominium.
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LAKE EVE RESORT

- a. Master Declaration of Covenants, Conditions and Restrictions for Lake Eve Resort, recorded November 13, 2013, in Book 10663, Page 6429 of the Public Records of Orange County, Florida, with amendments of record in Book 10686, Page 3217, Book 10871, Page 4936, Book 10916, Page 5930, Document No. 20160233549, Document No. 20160342959, Document No. 20160584368, Document No. 20170253808.
 - b. Amended and Restated Declaration of Condominium for Lake Eve Resort Condominium, recorded July 5, 2016, as Document No. 20160342961 of the Public Records of Orange County, Florida, with amendments of recorded as Document No. 20160342962, Document No. 20160584370, Document No. 20170253810.
 - c. Articles of Incorporation of Lake Eve Resort Condominium Owners Association, Inc.
 - d. Bylaws of Lake Eve Resort Condominium Owners Association, Inc.
 - e. That certain Management Agreement dated as of November 6, 2013, by and between Lake Eve Resort Condominium Owners Association, Inc. and Bluegreen Resorts Management, Inc.
 - f. Lake Eve Resort Condominium A Bluegreen Vacation Club Resort Public Offering Statement (Florida).
 - g. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Lake Eve Resort Condominium.
 - h. The applicable Consumer Documents for BG Fountains Condominium.
 - i. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to BG Fountains Condominium.
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**Fifth AMENDMENT TO AMENDED AND RESTATED
LOAN AND SECURITY AGREEMENT**

This **FIFTH AMENDMENT TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT** (this “**Amendment**”), dated as of August 15, 2018 (“**Amendment Date**”), by and among **BLUEGREEN VACATIONS CORPORATION**, a Florida corporation f/k/a Bluegreen Corporation (“**Borrower**”), each of the financial institutions from time to time party hereto (individually, each a “**Lender**”, and collectively, the “**Lenders**”) and **PACIFIC WESTERN BANK**, a California state-chartered bank, as successor-by-merger to CapitalSource Bank, as administrative, payment and collateral agent for itself, as a Lender and the other Lenders (in such capacities, “**Agent**”).

RECITALS

WHEREAS, Borrower, Lenders and Agent are parties to, among other Loan Documents, that certain Amended and Restated Loan and Security Agreement, dated as of July 10, 2013, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of December 6, 2013, as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of June 25, 2015, as further amended by that certain Third Amendment to Amended and Restated Loan and Security Agreement, dated as of October 24, 2016, as further amended by that certain Fourth Amendment to Amended and Restated Loan and Security Agreement, dated as of October 19, 2017 (as amended, restated, supplemented or otherwise modified in writing from time to time, the “**Loan Agreement**”); and

WHEREAS, Borrower, Lenders and Agent desire to amend the Loan Agreement as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

**ARTICLE I.
Definitions**

Capitalized terms used in this Amendment are defined in the Loan Agreement unless otherwise stated.

**ARTICLE II.
Amendments to Loan Agreement and Side Letter**

2.1 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by deleting the reference to “BFC Financial Corporation” in the definition of “Affiliate” and replacing such reference with “BBX Capital Corporation”.

2.2 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending and restating the definition of “Calculated Rate” in its entirety as follows:

““Calculated Rate” shall mean, as of any date of determination, the applicable percentage referenced in the table below during the time period opposite each such percentage with respect to the portion of the outstanding unpaid principal balance of the Loan opposite each such percentage:

Applicable Time Period	Applicable Portion of the Outstanding Unpaid Principal Balance of the Loan	Calculated Rate
From Fifth Amendment Effective Date to September 20, 2018	Equal to or less than the sum of \$10,000,000 <u>less</u> the then outstanding principal balance of the Inventory Loan	4.50%
From Fifth Amendment Effective Date to September 20, 2018	Greater than the sum of \$10,000,000 <u>less</u> the then outstanding principal balance of the Inventory Loan, but less than or equal to the sum of \$19,000,000 <u>less</u> the then outstanding principal balance of the Inventory Loan	4.00%
From Fifth Amendment Effective Date to September 20, 2018	Greater than the sum of \$19,000,000 <u>less</u> the then outstanding principal balance of the Inventory Loan	3.50%
From September 21, 2018 and thereafter	Equal to or less than the sum of \$15,000,000 <u>less</u> the then outstanding principal balance of the Inventory Loan	3.00%
From September 21, 2018 and thereafter	Greater than the sum of \$15,000,000 <u>less</u> the then outstanding principal balance of the Inventory Loan	2.75%

2.3 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by deleting all references to “BFC Financial Corporation” in the definition of “Change of Control.”

2.4 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending and restating clause (v) of the definition of “Custodian Deliverables” as follows:

“(v) for all Receivables, a Collateral Assignment (which may be part of a blanket assignment of more than one Receivable, in which case the original or copy of the blanket Collateral Assignment is held by the Custodian in the related master pool header file and which, in the case of Receivables other than Aruba Receivables, shall be deemed a representation and warranty by Borrower that such Collateral Assignment has not been returned from recording and an agreement by Borrower to promptly deliver the original recorded document or copy thereof to Custodian upon its receipt thereof);”

2.5 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by adding the definition of “Customer Service Cancellation” in correct alphabetical order as follows:

““Customer Service Cancellation” shall mean the cancellation by Borrower of a Receivable as a result of dissatisfaction by the Obligor thereunder with some aspect of such Obligor’s Vacation Ownership Interest.”

2.6 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending and restating clause (xix) of the definition of “Eligible A Receivables” in its entirety as follows:

“(xix) the Unit in which the applicable Vacation Ownership Interest financed by such Receivable is situated and to which the Obligor has access: (A) as of the applicable Transfer Date, (w) has been completed in compliance with all Applicable Law, (x) is currently served by all required utilities, (y) is fully furnished and (z) is ready for use, except with respect to this clause (z) (1) for renovations for improvements from time to time in the ordinary course of maintaining the Unit, (2) for temporary closure or partial closure of Resorts for which Receivables included in the Borrowing Base are not in excess of \$100,000 in the aggregate per such Resort, and (3) as set forth on Schedule 1.1 hereto; (B) is covered by a valid permanent and unconditional certificate of occupancy (or its equivalent) duly issued; (C) is subject to the terms of the Declaration for the applicable Resort; and (D) has been developed to the specifications provided for in the applicable Timeshare Agreement; all furnishings (including appliances) within the Unit(s) to which the Obligor has access have been or will timely be fully paid for and are free and clear of any lien or other interest by any third party, except for any furniture leases which contain non-disturbance provisions acceptable to Agent;”

2.7 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by adding the definition of “Fifth Amendment Effective Date” in correct alphabetical order as follows:

““Fifth Amendment Effective Date” means August 15, 2018.”

2.8 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending and restating the definition of “LIBOR Rate” as follows:

““LIBOR Rate” shall mean a rate per annum rounded upwards, if necessary, to the nearest 1/1000 of 1% (3 decimal places). The LIBOR Rate is equal to the rate of interest which is identified and normally published by Bloomberg Professional Service page USD-LIBOR-BBA (BBAM) as the offered rate for loans in United States dollars for a one (1) month period. The rate is set by the British Bankers Association as of 11:00 a.m. (London time) as adjusted on a daily basis and effective on the second full Business Day after each such day (unless such date is not a Business Day, in which event the next succeeding Business Day will be used). If Bloomberg Professional Service (or another nationally-recognized rate reporting source acceptable to Lender) no longer reports the LIBOR or Lender determines in good faith that the rate so reported no longer accurately reflects the rate available to Lender in the London Interbank Market or if such index no longer exists or if page USD-LIBOR-BBA (BBAM) no longer exists or accurately reflects the rate available to Lender in the London Interbank Market, Lender may select a substitute index or page, as the case may be, that results in a Calculated Rate that is materially comparable to the Calculated Rate that was determined immediately prior to the date that the LIBOR Rate becomes unavailable, after notifying Borrower.”

2.9 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending and restating the definition of “Lockbox Agreement” as follows:

““Lockbox Agreement” shall mean that certain Deposit Account Control Agreement by and among Agent, Borrower and Lockbox Bank dated on or about the Original Closing Date, which evidences a security interest in the Lockbox Account and provides for Lockbox Bank to collect through a lockbox, payments under Pledged Receivables and remit them to Agent, for the benefit of Lenders, as the same may be amended, supplemented or restated, from time to time. Borrower and Agent shall cooperate in good faith in the event Borrower or Lockbox Bank desire to enter into a master lockbox agreement satisfactory to Agent in its Permitted Discretion (it being understood that any such master lockbox agreement shall, at a minimum, provide to Agent a perfected first lien and security interest and control commensurate with the existing Lockbox Agreement). Bank of America, N.A. shall be deemed by Agent to be an approved lockbox bank.”

2.10 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending and restating the definition of “Maturity Date” as follows:

““Maturity Date” shall mean September 20, 2024; provided, the Maturity Date shall be extended to September 20, 2025, in the event Agent agrees to extend

the Revolving Credit Period Expiration Date by a one (1) year period as set forth in the definition of “Revolving Credit Period Expiration Date” hereunder.”

2.11 Amendment to Section 1.1 of the Loan Agreement. Effective as of the date hereof, Section 1.1 of the Loan Agreement is hereby amended by amending and restating the definition of “Revolving Credit Period Expiration Date” as follows:

““Revolving Credit Period Expiration Date” shall mean the expiry date of the Revolving Credit Period, which shall be September 20, 2021; provided, however, Lenders may, in their sole and absolute discretion, agree to extend the expiry date of the Revolving Credit Period (and the Maturity Date) by a one (1) year period by delivering written notice thereof to Borrower on or before March 20, 2021, the parties hereby agreeing that no other documentation need be executed and no other action need be taken for the occurrence of such extension of the Revolving Credit Period Expiration Date (and the Maturity Date), though Borrower hereby agrees to execute such documentation and to take such actions in connection with such extension as shall be required by Lenders, in Lenders’ Permitted Discretion. Borrower shall not be responsible for and shall not be required to pay any costs related to Lenders’ extension of the Revolving Credit Period Expiration Date.”

2.12 Amendment to Section 2.15 of the Loan Agreement. Effective as of the date hereof, clause (b) of Section 2.15 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“(b) Borrower shall give written notification to Agent and Custodian, in the form annexed hereto as Exhibit G, in the event the obligation of an Obligor under a Pledged Receivable has been (i) satisfied in full by such Obligor and all amounts paid thereunder are actually deposited into the Lockbox Account or (ii) cancelled due to an upgrade of the related Vacation Ownership Interest or Customer Service Cancellation, then within thirty-one (31) days after the date of the occurrence of such upgrade or Customer Service Cancellation, Borrower will at its sole option either (x) make to Agent a principal payment in an amount necessary so that Borrower remains in compliance with Section 2.5 hereof following such release of such Pledged Receivable(s), (y) deliver to Custodian on behalf of Agent, one or more Receivables having an aggregate unpaid principal balance not less than the unpaid principal balance of the Pledged Receivable that was upgraded or cancelled or (z) a combination of (x) and (y). Upon receipt of such notice and confirmation by Agent that it has received in good funds all such amounts owing on such Pledged Receivable or replacement Receivables, as the case may be, Agent shall promptly execute any documents reasonably necessary or required by law to release the Lien of Agent and Lenders with respect to the related Collateral under this Agreement. Agent shall return or cause to be returned all Collateral, including, without limitation, all Custodian Deliverables (original or otherwise) related thereto, to Borrower.”

2.13 Amendment to Section 3.5 of the Loan Agreement. Effective as of the date hereof, Section 3.5 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“3.5 Unused Line Fee

On the first Business Day of each calendar month following the Fifth Amendment Effective Date during (and immediately following the termination of, as provided herein) the Revolving Credit Period, Borrower agrees to pay to Agent, for the benefit of Lenders, with respect to the preceding calendar month (or the portion thereof, if the expiration of the Revolving Credit Period does not occur on the first day of a calendar month), a fee payable in an amount (calculated as of the last day of the preceding calendar month) equal to one-twelfth (1/12th) of 0.375% multiplied by the positive difference between (A) the Facility Cap and (B) the greater of (x) the Average Daily Balance of the Loan during such prior calendar month plus the outstanding principal balance of the Inventory Loan and (y) \$15,000,000. The Unused Line Fee shall be waived upon the termination of the Revolving Credit Period.”

2.14 Amendment to Section 3.6 of the Loan Agreement. Effective as of the date hereof, Section 3.6 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“3.6 Minimum Yield Maintenance Fee

Beginning on September 20, 2019, Borrower agrees to pay to Agent, for the benefit of Lenders, with respect to the preceding twelve (12) calendar month period (or the portion thereof, if the expiration of the Revolving Credit Period occurs within a time period less than twelve (12) calendar months since the most recent annual payment), an annual fee (the “**Minimum Yield Maintenance Fee**”) payable in an amount equal to the product of (a) a percentage equal to the sum of (x) the LIBOR Rate plus (y) the Calculated Rate multiplied by (b) the positive difference, if any, between (i)(A) as it relates to any date of determination on or after September 20, 2019, \$15,000,000; or (B) as it relates to any date of determination on or after September 21, 2021, in the event Lenders agree to extend the Revolving Credit Period Expiration Date by a one (1) year period as set forth in the definition of “Revolving Credit Period Expiration Date” hereunder, \$10,000,000 and (ii) an amount equal to the sum of (x) the Average Daily Balance of the Loan during such prior twelve (12) calendar month period plus (y) the outstanding principal balance of the Inventory Loan as of the last day of such prior twelve (12) calendar month period. The Minimum Yield Maintenance Fee shall be waived upon the termination of the Revolving Credit Period.”

2.15 Amendment to Section 5.5 of the Loan Agreement. Effective as of the date hereof, Section 5.5 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“5.5 **Litigation**

Except as set forth on Borrower’s most recent SEC filings or Schedule 5.5, there are no suits, actions or proceedings pending or to the best of Borrower’s knowledge, threatened, against or affecting any Resort, the Collateral, Borrower, or its properties, at law or in equity before any court or before any governmental or regulatory authority or agency, arbitration board or other tribunal, which would reasonably be expected to result in a Material Adverse Change. Neither Borrower nor any Affiliate of Borrower has received any written notice from any court, governmental authority or agency or other tribunal alleging that Borrower, any Affiliate of Borrower or any Resort has violated in any material respect any Applicable Law, the Declarations or other agreements or arrangements, in a manner which would reasonably be expected to result in a Material Adverse Change.”

2.16 Amendment to Section 6.1 of the Loan Agreement. Effective as of the date hereof, Sections 6.1(a)(i) and 6.1(a)(iv) are hereby amended and restated as follows:

“(i) as soon as available and in any event within ninety-one (91) calendar days after the end of each fiscal year of Borrower, audited annual financial statements of Borrower on a consolidated basis, including the notes thereto, consisting of a balance sheet at the end of such completed fiscal year and the related statements of income, cash flows and owners’ equity (including retained earnings, such statement may be included in a note to the financial statements as allowed by GAAP), for such completed fiscal year, which financial statements shall be prepared by an independent certified public accounting firm of recognized standing; provided, that the financial statements of Borrower shall be deemed delivered and the foregoing requirements satisfied when such financial statements are filed with the SEC and publicly available;”

“(iv) as soon as available and in any event within forty-five (45) calendar days after the end of each fiscal quarter (other than the final fiscal quarter of each fiscal year; provided that, upon the request of Agent, Borrower shall deliver draft, annual financial statements of Borrower, excluding notes, supplemental schedules and management discussion, within sixty (60) calendar days of the end of each fiscal year) of Borrower, unaudited, quarterly financial statements of Borrower on a consolidated and consolidating basis, including the notes thereto, consisting of a balance sheet at the end of such completed fiscal quarter and the related statements of income, cash flows and owners’ equity (including retained earnings, such statement may be included in a note to the financial statements as allowed by GAAP) for such completed fiscal quarter; provided, that the financial statements of Borrower shall be deemed delivered and the foregoing requirements satisfied when such financial statements are filed with the SEC and publicly available.”

2.17 Amendment to Section 6.28 of the Loan Agreement. . Effective as of the date hereof, Section 6.28 is hereby amended and restated, as follows:

“6.28 Deposit Accounts.

Unless otherwise consented to by Agent in writing, the Borrower will establish and maintain average deposits, measured on a quarterly basis, in Borrower’s demand deposit accounts with Pacific Western Bank of a minimum of (a) \$5,000,000 for the period beginning on the Fifth Amendment Effective Date and ending on September 19, 2018 and (b) \$2,000,000 for the period beginning September 20, 2018 and thereafter, and Borrower shall not enter into any agreement to move any such relationship to another financial institution during the term of the Loan without Agent’s prior written consent. Borrower will receive earnings credits or monthly interest and can use such earnings credits or monthly interest to offset expenses of the Loan.”

2.18 Amendment to Section 7.2 of the Loan Agreement. Effective as of the date hereof, Section 7.2 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“Notwithstanding any provision of any Loan Document, following the occurrence and continuance of an Event of Default or if an Event of Default would result therefrom, Borrower will not (a) declare, pay or make any dividend or distribution on any Equity Interests or other securities or ownership interests or (b) apply any of its funds, property or assets to the acquisition, redemption or other retirement of any Equity Interests or other securities or interests or of any options to purchase or acquire any of the foregoing; provided that, to the extent an Event of Default has occurred and is continuing and Agent has accelerated the Obligations and is exercising remedies in accordance with the Loan Documents, and Borrower is required to pay \$10,000,000 of outstanding Obligations pursuant to Section 13.13 in connection therewith and Borrower does pay such amount in full, then upon the making of such payment Borrower shall be permitted to declare, pay or make any dividend or distribution on any Equity Interest or other Securities or ownership interests.”

2.19 Amendment to Section 7.13 of the Loan Agreement. Effective as of the date hereof, Section 7.13 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“7.13 Tangible Net Worth

Borrower shall not permit its Tangible Net Worth (as measured on the last day of each fiscal year end of Borrower) to be less than One Hundred Eighty-Four Million Five Hundred Thousand and No/100 Dollars (\$184,500,000) for any fiscal year ending during the term of the Loan.”

2.20 Amendment to Section 8.1(h) of the Loan Agreement. Effective as of the date hereof, Section 8.1(h) of the Loan Agreement is hereby amended and restated in its entirety as follows:

“(h) [Reserved.]”

2.21 Amendment to Article XIII of the Loan Agreement. Effective as of the date hereof, Section 13.13 is hereby added to the Loan Agreement, immediately following Section 13.12, as follows:

“13.13 Exculpation.

Subject to the qualifications below, Agent shall not enforce the liability and obligation of Borrower to perform and observe the obligations contained in the Loan Documents by any action or proceeding wherein a money judgment of more than \$10,000,000 of outstanding Obligations shall be sought against Borrower, except that Lender may bring an action for specific performance or any other appropriate action or proceeding to enable Agent to enforce and realize upon its interest and rights to the Collateral securing the Loan; provided, however, that, except as specifically provided herein, any judgment in any such action or proceeding in excess of \$10,000,000 shall be enforceable against Borrower only to the extent of Borrower’s interest in the Collateral given to Agent, and Agent shall not sue for, seek or demand any deficiency judgment against Borrower in any such action or proceeding under or by reason of or under or in connection with any Loan Document. The provisions of this Section 13.13 shall not, however, (a) constitute a waiver, release or impairment of any obligation evidenced or secured by any Loan Document; (b) affect the validity or enforceability of any of the Loan Documents or any of the rights and remedies of Agent thereunder; (c) constitute a prohibition against Lender to commence any other appropriate action or proceeding in order for Lender to fully realize the security granted by the Collateral; or (d) constitute a waiver of the right of Lender to enforce the liability and obligation of Borrower, by money judgment or otherwise, to the extent of any actual, out-of-pocket loss, damage, cost, expense, liability, claim or other obligation incurred by Lender (including attorneys’ fees and costs reasonably incurred) arising out of or in connection with the following:

- (i) any willful or intentional misrepresentation or gross negligence by Borrower in connection with the Loan;
- (ii) any acts of fraud, misappropriation of funds or theft by Borrower;
- (iii) any unauthorized, consensual and intentional transfer, assignment, sale or encumbrance of any Collateral under the Loan caused by the acts or omissions of Borrower, other than as permitted under the Loan Documents;
- (iv) any material damage, destruction or waste to any Collateral or the Resort caused by the acts or omissions of Borrower, its agents or employees;

(v) the removal or disposal by, or at the direction of Borrower, of any portion of the Collateral, other than as permitted under the Loan Documents;

(vi) any failure by Borrower to pay taxes, assessments, or other charges affecting the Resort or any Collateral as may be required by Borrower pursuant to the Loan Agreement;

(vii) any failure by Borrower to maintain insurance as required by Borrower pursuant to the Loan Agreement; and/or

(viii) the misapplication or conversion by Borrower of (A) any insurance proceeds received by Borrower which are paid by reason of any loss, damage or destruction to the Collateral, or (B) any awards or other amounts received by Borrower in connection with the condemnation of all or a portion of the Resort in violation of the Loan Documents, in each of the foregoing clauses (A) and (B) only to the extent of proceeds received or misapplied by Borrower;

Notwithstanding anything to the contrary in this Amendment or any of the Loan Documents, (A) Agent shall not be deemed to have waived any right which Agent may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amount of the Obligations or to require that all collateral shall continue to secure all of the Obligations in accordance with the Loan Documents, and (B) Agent's agreement not to pursue personal liability of Borrower as set forth above SHALL BECOME NULL AND VOID and shall be of no further force and effect, and the Obligations shall be fully recourse to Borrower in the event that one or more of the following occurs:

(i) Borrower files a voluntary petition under any Debtor Relief Law or consents to any such filing, or commences a proceeding for the appointment of a receiver, trustee, liquidator or conservator of Borrower or of the whole or any substantial part of the Collateral or the Resort or the whole or any substantial part of Borrower's assets;

(ii) an officer, director, representative or Person which controls, directly or indirectly, Borrower, files, or joins in the filing of, an involuntary petition against Borrower under the Bankruptcy Code or any other federal or state bankruptcy or insolvency law, or solicits or causes to be solicited petitioning creditors for any involuntary petition against Borrower from any Person;

(iii) Borrower files an answer consenting to or otherwise acquiescing in or joining in any involuntary petition filed against Borrower, by any other Person under the Bankruptcy Code or any other federal or state bankruptcy or insolvency law, or solicits or causes to be

solicited petitioning creditors for any involuntary petition from any Person;

(iv) in any case or proceeding under the Bankruptcy Code or in any other judicial proceeding, Borrower makes application to a court to (A) declare that all or any portion of the lien of Agent or the Obligations of Borrower to pay principal and interest as specified in the Loan Documents be rescinded, set aside, or determined to be void or unenforceable, or (B) modify any of the terms of any of the Loan Documents without Agent's consent;

(v) the voluntary dissolution or liquidation of the Borrower;

(vi) Borrower or any of its Affiliates asserts any claim, defense or offset against Agent that Borrower has waived or agreed not to assert.

2.22 Amendment to Schedules to Loan Agreement. Effective as of the date hereof, Schedules 1.2 and 5.30 to the Loan Agreement are hereby amended and restated in their entirety in the form of Exhibit A attached hereto.

2.23 Amendment to Specified Receivables Side Letter. Effective as of the date hereof, clauses (e) and (f) of the Specified Receivables Side Letter are hereby deleted in their entirety and clauses (a) through (d) of the Specified Receivables Side Letter are hereby amended and restated in their entirety as follows:

“(a) The Obligor on each Specified Receivable shall have a FICO Score equal to or greater than six hundred twenty-five (625);

(b) The weighted average FICO® Score of the Obligors on the Specified Receivables shall be equal to or greater than seven hundred twenty (720);

(c) Borrower shall at all such times ensure that no more than twenty-five percent (25%) of the unpaid principal balance of the Loan and the Inventory Loan, as measured in the aggregate, shall be composed of Advances secured by Specified Receivables, provided that for a period of six (6) calendar months following a Securitization Event, no more than fifty percent (50%) of the unpaid principal balance of the Loan, as measured in the aggregate, shall be composed of Advances secured by Specified Receivables; and

(d) The Obligor on each Specified Receivable must at the closing of the Specified Receivable be the owner of a Vacation Ownership Interest other than the Vacation Ownership Interest securing such Specified Receivable.”

ARTICLE III.

Conditions Precedent

The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent in a manner satisfactory to Agent, unless specifically waived in writing by Agent:

3.1 Agent shall have received each of the following, each in form and substance satisfactory to Agent, in its sole discretion, and, where applicable, each duly executed by each party thereto:

(a) This Amendment duly executed by Borrower;

(b) Agent shall have received an amendment fee due and payable by Borrowers in the amount of \$100,000, which fee shall be deemed fully earned and non-refundable upon the execution of this Amendment by Borrowers; and

(c) All other documents Agent may reasonably request prior to or as of the date of this Amendment with respect to any matter relevant to this Amendment or the transactions contemplated hereby.

3.2 Representations and Warranties. The representations and warranties contained herein, in the Loan Agreement and in the other Loan Documents, as each is amended hereby, and in the Inventory Loan Documentation, shall be true and correct as of the date hereof, as if made on the date hereof, except for such representations and warranties as are by their express terms limited to a specific date.

3.3 Defaults. No Potential Default or Event of Default shall have occurred and be continuing, unless such Potential Default or Event of Default has been otherwise specifically waived in writing by Agent. No Default or Event of Default (as such terms are defined in the Inventory Loan Promissory Note) shall have occurred and be continuing, unless such Default or Event of Default has been otherwise specifically waived in writing by Inventory Loan Lender.

3.4 Corporate Proceedings and other Matters. All corporate proceedings taken in connection with the transactions contemplated by this Amendment and all documents, instruments and other legal matters incident thereto shall be satisfactory to Agent.

ARTICLE IV.

No Consent or Waiver

Nothing contained herein shall be construed as a consent or waiver by Agent or any Lender of any covenant or provision of the Loan Agreement, the other Loan Documents, this Amendment or any other contract or instrument among Borrower, Agent or any Lender, and the failure of Agent or any Lender at any time or times hereafter to require strict performance by Borrower of any provision thereof shall not waive, affect or diminish any right of Agent or any Lender to thereafter demand strict compliance therewith.

ARTICLE V.

Ratifications, Representations and Warranties

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Loan Agreement and the other Loan Documents, and, except as expressly modified and superseded by this Amendment, the terms and provisions of the Loan Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. Borrower, Agent and Lenders agree that the Loan Agreement and the other Loan Documents, all as amended hereby, shall continue to be legal, valid, binding and enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, liquidation, dissolution, moratorium and other similar applicable laws affecting the enforceability of creditors' rights generally applicable in the event of bankruptcy, insolvency, reorganization, liquidation, or dissolution, and to general principles of equity, regardless of whether such enforceability shall be considered in a proceeding in equity or at law. Borrower agrees that this Amendment is not intended to and shall not cause a novation with respect to any or all of the obligations under the Loan Agreement. Borrower agrees that the Payment Guaranty (the "**Guaranty**"), dated as of November 19, 2012, executed by Borrower in favor of Agent (as successor-by-merger to CapitalSource Bank) is hereby ratified and confirmed and shall continue in full force and effect. Borrower agrees that the Guaranty shall continue to be legal, valid, binding and enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, liquidation, dissolution, moratorium and other similar applicable laws affecting the enforceability of creditors' rights generally applicable in the event of bankruptcy, insolvency, reorganization, liquidation, or dissolution, and to general principles of equity, regardless of whether such enforceability shall be considered in a proceeding in equity or at law.

5.2 Representations and Warranties. Borrower hereby represents and warrants to Agent and each Lender that (a) the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite action (as applicable) on the part of Borrower and will not violate the articles (or certificate) of incorporation or bylaws of Borrower; (b) Borrower's board of directors has authorized the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith; (c) the representations and warranties contained in the Loan Agreement and any other Loan Document, all as amended hereby, are true and correct on and as of the date hereof and on and as of the date of execution hereof as though made on and as of each such date, except for such representations and warranties as are by their express terms limited to a specific date; (d) no Potential Default or Event of Default under the Loan Agreement, as amended hereby, has occurred and is continuing, unless such Potential Default or Event of Default has been specifically waived in writing by Agent; (e) Borrower is in full compliance with all covenants and agreements contained in the Loan Agreement and the other Loan Documents, all as amended hereby; and (f) except as disclosed to Agent, Borrower has not amended its articles (or certificate) of incorporation or bylaws or similar organizational documents since the date of the Loan Agreement.

ARTICLE VI.

Miscellaneous Provisions

6.1 Survival of Representations and Warranties. All representations and warranties of the Borrower made in the Loan Agreement or any other Loan Document, including, without limitation, any document furnished in connection with this Amendment, shall survive the execution and delivery of this Amendment and the other Loan Documents to the same extent provided in any applicable Loan Documents, and no investigation by Agent or any Lender or any closing shall affect the representations and warranties or the right of Agent or any Lender to rely upon them.

6.2 Reference to Loan Agreement. Each of the Loan Agreement and the other Loan Documents, and any and all other Loan Documents, documents or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Loan Agreement, all as amended hereby, are hereby amended so that any reference in the Loan Agreement and such other Loan Documents to the Loan Agreement shall mean a reference to the Loan Agreement and the other Loan Documents, all as amended hereby.

6.3 Expenses of Agent. As provided in Section 12.7 of the Loan Agreement, Borrower agrees to pay on demand all costs and expenses incurred by Agent, any Lender or their respective Affiliates, in connection with the preparation, negotiation, and execution of this Amendment and the other Loan Documents executed pursuant hereto and any and all amendments, modifications, and supplements thereto, including, without limitation, the costs and fees of legal counsel, and all reasonable costs and expenses incurred by Agent or any Lender in connection with the enforcement or preservation of any rights under the Loan Agreement or any other Loan Documents, all as amended hereby, including, without, limitation, the reasonable costs and fees of legal counsel. Notwithstanding anything to the contrary in this Amendment or otherwise, nothing in this Section 6.3 is intended to be inconsistent with, or interpreted in a manner inconsistent with, Section 12.7 of the Loan Agreement.

6.4 Severability. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

6.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of Lenders, Agent and Borrower and their respective permitted successors and assigns, except that Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of Agent.

6.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. This Amendment may be executed by facsimile or other electronic transmission, which facsimile or other electronic signatures shall be considered original executed counterparts for purposes of this Section 6.6, and each party to this Amendment agrees that it will be bound by its own facsimile or other electronic signature and that it accepts such facsimile or other electronic signature of each other party to this Amendment.

6.7 Effect of Waiver. No consent or waiver, express or implied, by Agent or any Lender to or for any breach of or deviation from any covenant or condition by Borrower shall be deemed a consent to or waiver of any other breach of the same or any other covenant, condition or duty.

6.8 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

6.9 Applicable Law. THIS AMENDMENT AND ALL OTHER LOAN DOCUMENTS EXECUTED PURSUANT HERETO SHALL BE DEEMED TO HAVE BEEN MADE AND TO BE PERFORMABLE IN AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AS SET FORTH IN THE LOAN AGREEMENT.

6.10 Final Agreement. THE LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS, EACH AS AMENDED HEREBY, AND THE INVENTORY LOAN DOCUMENTATION REPRESENT THE ENTIRE EXPRESSION OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF ON THE DATE THIS AMENDMENT IS EXECUTED. THE LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS, EACH AS AMENDED HEREBY, AND THE INVENTORY LOAN DOCUMENTATION MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. NO MODIFICATION, RESCISSION, WAIVER, RELEASE OR AMENDMENT OF ANY PROVISION OF THIS AMENDMENT SHALL BE MADE, EXCEPT BY A WRITTEN AGREEMENT SIGNED BY BORROWER AND AGENT AND LENDERS.

6.11 Release by Borrower. FOR AND IN CONSIDERATION OF AGENT AND LENDERS' AGREEMENTS CONTAINED HEREIN, BORROWER ("**RELEASOR**") HEREBY VOLUNTARILY AND KNOWINGLY RELEASES AND FOREVER WAIVES AND DISCHARGES AGENT AND LENDERS WHO ARE PARTIES TO THE LOAN AGREEMENT AS OF THE DATE HEREOF (INDIVIDUALLY AND COLLECTIVELY, THE "**RELEASED PARTIES**") FROM ALL POSSIBLE CLAIMS, COUNTERCLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, COSTS, EXPENSES AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, ANTICIPATED OR UNANTICIPATED, SUSPECTED OR UNSUSPECTED, FIXED, CONTINGENT OR CONDITIONAL OR AT LAW OR IN EQUITY, IN WHOLE OR IN PART, ARISING ON OR BEFORE THE DATE OF THIS AMENDMENT THAT RELEASOR MAY NOW OR HEREAFTER HAVE AGAINST THE RELEASED PARTIES, IF ANY, IRRESPECTIVE OF WHETHER ANY SUCH CLAIMS ARISE OUT OF CONTRACT, TORT, VIOLATION OF LAW OR REGULATIONS OR OTHERWISE, INCLUDING WITHOUT LIMITATION ARISING DIRECTLY OR INDIRECTLY FROM ANY OF THE LOAN DOCUMENTS, THE INVENTORY LOAN DOCUMENTATION, THE EXERCISE OF ANY RIGHTS AND REMEDIES UNDER ANY OF THE LOAN DOCUMENTS OR INVENTORY LOAN DOCUMENTATION AND/OR NEGOTIATION FOR AND EXECUTION OF THIS AMENDMENT, INCLUDING, WITHOUT LIMITATION, ANY CONTRACTING FOR, CHARGING, TAKING, RESERVING, COLLECTING OR RECEIVING INTEREST IN

EXCESS OF THE HIGHEST LAWFUL RATE APPLICABLE. RELEASOR WAIVES THE BENEFITS OF ANY LAW, WHICH MAY PROVIDE IN SUBSTANCE: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS SETTLEMENT WITH THE DEBTOR." RELEASOR UNDERSTANDS THE FACTS IT BELIEVES TO BE TRUE AT THE TIME OF MAKING THE RELEASE PROVIDED FOR HEREIN MAY LATER TURN OUT TO BE DIFFERENT THAN IT NOW BELIEVES, AND INFORMATION NOT NOW KNOWN OR SUSPECTED MAY LATER BE DISCOVERED. RELEASOR ACCEPTS THIS POSSIBILITY AND ASSUMES THE RISK OF THE FACTS TURNING OUT TO BE DIFFERENT AND NEW INFORMATION BEING DISCOVERED AND FURTHER AGREES THE RELEASE PROVIDED FOR HEREIN SHALL IN ALL RESPECTS CONTINUE TO BE EFFECTIVE AND NOT SUBJECT TO TERMINATION OR RESCISSION BECAUSE OF ANY DIFFERENCE IN SUCH FACTS OR ANY NEW INFORMATION.

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IN WITNESS WHEREOF, this Amendment has been executed as of the date first written above.

BORROWER:

BLUEGREEN VACATIONS CORPORATION,
a Florida corporation

By: /s/ Paul Humphrey

Name: Paul Humphrey

Title: Senior Vice President, Finance, Capital Markets and Mortgage Operations

AGENT AND LENDER:

PACIFIC WESTERN BANK,

a California state-chartered bank, as successor-by-merger to CapitalSource Bank

By: /s/ Robert Dailey

Name: Robert Dailey

Title: SVP, Managing Director

Exhibit A

Schedule 1.2

Resorts

Primary Resorts

1.	BG Fountains Condominium	Orlando	Florida
2.	BG Club 36	Las Vegas	Nevada
3.	Bluegreen Odyssey Dells	Lake Delton	Wisconsin
4.	The Manhattan Club	New York	New York
5.	Éilan Hotel & Spa	San Antonio	Texas

Secondary Resorts

1.	Wilderness Traveler at Shenandoah	Gordonsville	Virginia
2.	BG Pirate's Lodge Condominium	Lake Delton	Wisconsin
3.	Mountain Run at Boyne	Boyne Falls	Michigan
4.	Harbour Lights Resort Horizontal Property Regime	Myrtle Beach	South Carolina
5.	Laurel Crest	Pigeon Forge	Tennessee

Other Approved Resorts

Club Resorts

1.	Lake Eve Resort	Orlando	Florida
2.	The Villas at Christmas Mountain	Wisconsin Dells	Wisconsin
3.	Christmas Mountain — Timbers	Wisconsin Dells	Wisconsin
4.	Christmas Mountain — Campground	Wisconsin Dells	Wisconsin
5.	BG Patrick Henry Square	Williamsburg	Virginia
6.	Grande Villas at World Golf Village Condominium	St. Augustine	Florida
7.	Falls Village	Branson	Missouri
8.	MountainLoft	Gatlinburg	Tennessee
9.	MountainLoft II	Gatlinburg	Tennessee
10.	Shore Crest	Myrtle Beach	South Carolina
11.	Shore Crest II	Myrtle Beach	South Carolina
12.	Daytona SeaBreeze	Daytona Beach Shores	Florida
13.	The Hammocks at Marathon	Marathon	Florida
14.	Orlando's Sunshine Resort I & II	Orlando	Florida
15.	Casa Del Mar Beach Resort	Ormond Beach	Florida
16.	Solara Surfside	Surfside	Florida
17.	Bluegreen Club La Pension	New Orleans	Louisiana
18.	The Suites at Hershey	Hershey	Pennsylvania
19.	The Lodge Alley Inn	Charleston	South Carolina
20.	Carolina Grande	Myrtle Beach	South Carolina

	SeaGlass Tower	Myrtle Beach	South Carolina
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21.			
22.	Shenandoah Crossing Farm & Country Club	Gordonsville	Virginia
23.	La Cabana Beach And Racquet Club	Oranjestad	Aruba
24.	Resort at World Golf Village	St. Augustine	Florida
25.	The Innsbruck, A Condominium	Aspen	Colorado
26.	The Hotel Blake	Chicago	Illinois
27.	Club at Big Bear	Big Bear Lake	California
28.	The Atlantic Palace	Atlantic City	New Jersey
29.	King 583	Charleston	South Carolina
30.	Club Lodges at Trillium	Cashiers	North Carolina
31.	The Soundings Seaside Resort	Dennisport	Massachusetts
32.	The Breakers Resort	Dennisport	Massachusetts
33.	Bluegreen at Tradewinds	St. Pete Beach	Florida
34.	Horizons at 77th	N. Myrtle Beach	South Carolina
35.	Cibola Vista Resort & Spa	Peoria	Arizona
36.	Blue Ridge Village	Banner Elk	North Carolina

Club Associate Resorts (other than FBS Resorts)

1.	Paradise Isle Resort	Gulf Shores	Alabama
2.	Shoreline Towers Resort	Gulf Shores	Alabama
3.	Via Roma Beach Resort	Bradenton Beach	Florida
4.	Dolphin Beach Club	Daytona Beach Shores	Florida
5.	Fantasy Island Resort II	Daytona Beach Shores	Florida
6.	Mariner's Boathouse and Beach Resort	Fort Myers Beach	Florida
7.	Tropical Sands Resort	Fort Myers Beach	Florida
8.	Windward Passage Resort	Fort Myers Beach	Florida
9.	Gulfstream Manor	Gulfstream	Florida
10.	Resort Sixty-Six	Holmes Beach	Florida
11.	Outrigger Beach Club	Ormond Beach	Florida
12.	Landmark Holiday Beach Resort	Panama City Beach	Florida
13.	Ocean Towers Beach Club	Panama City Beach	Florida
14.	Panama City Resort & Club	Panama City Beach	Florida
15.	Surfrider Beach Club	Sanibel Island	Florida
16.	Petit Crest Villas at Big Canoe	Marble Hill	Georgia
17.	Pono Kai Resort	Kapaa (Kauai)	Hawaii
18.	Lake Condominiums at Big Sky	Big Sky	Montana
19.	Foxrun Townhouses	Lake Lure	North Carolina
20.	Sandcastle Village	New Bern	North Carolina

21.	Waterwood Townhouses	New Bern	North Carolina
22.	Players Club	Hilton Head Island	South Carolina
23.	Hemlock	Boyne Falls	Michigan

FBS Resorts

1.	Parkside a Vacation Ownership Resort	Williamsburg	Virginia
2.	InnSeason Resorts South Mountain Condominium	Lincoln	New Hampshire

	The Breakers Resort Condominium	Dennisport	Massachusetts
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3.			
4.	The Soundings Seaside Resort Condominium	Dennisport	Massachusetts
5.	Cibola Vista Resort & Spa	Peoria	Arizona
6.	Studio Homes at Ellis Square	Savannah	Georgia
7.	The Hotel Blake	Chicago	Illinois

Schedule 5.30

Resort Documents

BG FOUNTAINS CONDOMINIUM

- a. Master Declaration of Covenants, Conditions and Restrictions, recorded July 28, 1998, in Book 5535, Page 3243 of the Public Records of Orange County, Florida.
- b. Declaration of Condominium for BG Fountains Condominium, recorded October 26, 2004, in Book 07674, Page 4336 of the Public Records of Orange County, Florida, with amendments of record in Book 07785, Page 2252; Book 08559, Page 1321; Book 08559, Page 1360; Book 08775, Page 4485; Book 09443, Page 2378; Book 9881, Page 2943.
- c. Articles of Incorporation of BG Fountains Condominium Association, Inc.
- d. Bylaws of BG Fountains Condominium Association, Inc.
- e. That certain Timeshare Management Agreement dated as of December 18, 2017, by and between BG Fountains Condominium Association, Inc. and Bluegreen Resorts Management, Inc.
- f. BG Fountains Condominium A Bluegreen Vacation Club Resort Public Offering Statement (Florida).
- g. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to BG Fountains Condominium.
- h. The applicable Consumer Documents for BG Fountains Condominium.
- i. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to BG Fountains Condominium.

BG CLUB 36

- a. Master Declaration of Covenants, Conditions, Easements and Restrictions for Bluegreen Club 36, recorded July 29, 2008, Book 080729, at Document No. 0004566, in the office of the County Recorder of Clark County, Nevada.
 - b. Articles of Incorporation of BG Club 36 Master Association, Inc.
 - c. Bylaws of BG Club 36 Master Association, Inc.
 - d. Declaration of Covenants, Conditions, Easements, Restrictions and Timeshare Ownership Instrument for BG Club 36, recorded July 29, 2008, in Book 080729 at Document No. 0004568, in the office of the County Recorder of Clark County, Nevada.
 - e. Articles of Incorporation of BG Club 36 Owners Association, Inc.
 - f. Bylaws of BG Club 36 Owners Association, Inc.
 - g. That certain Timeshare Management Agreement, dated as of September 18, 2012, by and between BG Club 36 Owners Association, Inc., and Bluegreen Resorts Management, Inc.
 - h. Nevada Public Offering Statement for Bluegreen Vacation Club.
 - i. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to BG Club 36.
 - j. The applicable Consumer Documents for BG Club 36.
 - k. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to BG Club 36.
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BG PIRATE'S LODGE

- a. Master Declaration by and between Treasure Island, LLC, Bluegreen Vacations Unlimited, Inc., Dells Vacation Condominium Unit Owners Association, Inc., and Club Optima Dells Owners' Association, Inc., recorded September 28, 2006 as Document No. 918419 in the Public Records of Sauk County, Wisconsin, with an amendment recorded on May 28, 2008 as Document No. 962000.
- b. First Amendment to Declaration of Condominium of Dells Vacation Condominium and Declaration of Covenants, Conditions, Easements and Restrictions and Time-Share Instrument for Club Optima Amending, Restating, and Merging them into Declaration of Condominium for BG Pirate's Lodge Condominium recorded November 3, 2006, as Document No. 921739 in the Public Records of Sauk County, Wisconsin.
- c. Declaration of Condominium for Bluegreen Odyssey Dells, A Condominium recorded June 30, 2008, as Document No. 963977 in the Public Records of Sauk County, Wisconsin.
- d. Amended and Restated Articles of Incorporation of BG Pirate's Lodge Owners Association, Inc.
- e. Amended and Restated By-Laws of BG Pirate's Lodge Owners Association, Inc., adopted September 12, 2006.
- f. That certain Timeshare Management Agreement dated December 5, 2012, by and between BG Pirate's Lodge Owners Association, Inc. and Bluegreen Resorts Management, Inc.
- g. Time-Share Disclosure Statement BG Pirate's Lodge Condominium (Wisconsin).
- h. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to BG Pirate's Lodge Condominium.
- i. The applicable Consumer Documents for BG Pirate's Lodge Condominium.
- j. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to BG Pirate's Lodge Condominium.

THE MANHATTAN CLUB

- a. Thirteenth Amendment To Declaration of Timeshare Plan Amended, Restated and Consolidated Timeshare Declaration, recorded June 1, 2012, as Document ID 2012053100053001 in The Public Records of NYC Department of Finance Office of the City Register.
 - b. Fourteenth Amendment To Declaration of Timeshare Plan, The Manhattan Club, recorded June 19th, 2018, as Document ID 2018061900368001 in The Public Records of NYC Department of Finance Office of the City Register.
 - c. Seventh Amendment to Declaration, Amended, Restated and Consolidated Declaration, The Park Central Condominium, recorded November 20, 2003, as Document ID 2003102102291001 in The Public Records of NYC Department of Finance Office of the City Register.
 - d. Eighth Amendment to Declaration, The Park Central Condominium, recorded July 28, 2005, as Document ID 2005072200142002 in The Public Records of NYC Department of Finance Office of the City Register.
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- e. Ninth Amendment to Declaration and Eighth Amendment to Tax Lot Plans, The Park Central Condominium, recorded March 1, 2007, as Document ID 2007022701835001 in The Public Records of NYC Department of Finance Office of the City Register.
- f. Assignment of Declarant Rights (Condominium Declaration and Timeshare Declaration) The Manhattan Club, recorded July 5, 2018, as Document ID 2018062501395004001 in The Public Records of NYC Department of Finance Office of the City Register.
- g. Certificate of Amendment of the Certificate of Incorporation of The Manhattan Club Urban Ownership Inc., filed June 5, 1996.
- h. Timeshare By-Laws of The Manhattan Club.
- i. Timeshare Reservation Rules, The Manhattan Club, dated as of May 1, 2012.
- j. That certain Fourth Amendment to Management Agreement (Restated Management Agreement) The Manhattan Club, dated as of January 18, 2012, by and between The Manhattan Club Timeshare Association, Inc., and New York Urban Ownership Management LLC.
- k. Amendment Number Eighteen to Second Restated, New York Supplement to the Bluegreen Vacation Club MULTI-SITE Timeshare Offering Plan, dated May 18, 2018.
- l. Letter of State of New York Office of Attorney General, Division of Economic Justice, Real Estate Finance Bureau, dated May 31, 2018, File Number T050009.
- m. The applicable Consumer Documents for The Manhattan Club.
- n. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to The Manhattan Club.

ÉILAN HOTEL & SPA

[TO BE ADDED UPON APPROVAL OF THE RESORT]

BLUEGREEN WILDERNESS TRAVELER AT SHENANDOAH

- a. Declaration of Covenants, Conditions and Restrictions for Bluegreen Wilderness Traveler at Shenandoah Vacation Ownership Program, dated November 28, 2007, recorded at Deed Book 1117, Page 861 of the Public Records of Louisa County, Virginia, with amendments of record at Book 1126, Page 372, and Book 1216, Page 818, and Book 1526, Page 111.
 - b. Articles of Incorporation of Bluegreen Wilderness Traveler at Shenandoah Owners Association, Inc.
 - c. By-Laws of Bluegreen Wilderness Traveler at Shenandoah Owners Association, Inc.
 - d. That certain Timeshare Management Agreement dated as of the December 13, 2017 by and between Bluegreen Wilderness Traveler at Shenandoah Owners Association Inc. and Bluegreen Resorts Management, Inc.
 - e. Bluegreen Wilderness Traveler at Shenandoah Vacation Ownership Program Public Offering Statement (Virginia).
 - f. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Bluegreen Wilderness Traveler at Shenandoah.
 - g. The applicable Consumer Documents for Bluegreen Wilderness Traveler at Shenandoah.
 - h. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Bluegreen Wilderness Traveler at Shenandoah.
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MOUNTAIN RUN AT BOYNE

- a. Master Deed of Mountain Run at Boyne recorded August 14, 2003 in the Register of Deeds of Charlevoix County, Michigan in Liber 563, Page 576, with amendments of record in Liber 690, Page 762; Liber 690, Page 772; and Liber 714, Page 118.
- b. Restated Articles of Incorporation of Mountain Run at Boyne Owners Association, Inc.
- c. Bylaws of the Mountain Run at Boyne Owners Association, Inc.
- d. That certain Timeshare Management Agreement dated December 18, 2017, by and between Mountain Run at Boyne Owners Association, Inc. and Bluegreen Resorts Management, Inc.
- e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Mountain Run at Boyne.
- f. The applicable Consumer Documents for Mountain Run at Boyne.
- g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Mountain Run at Boyne.

HARBOUR LIGHTS RESORT HORIZONTAL PROPERTY REGIME

- a. Master Deed for Harbour Lights Resort Horizontal Property Regime recorded June 29, 1998, in Book 2049, Page 437, in the office of the Registrar of Deeds in Horry County, South Carolina, with amendments of record in Book 2087, Page 875; Book 2374, Page 372; Book 2221, Page 951; Book 2681, Page 538; Book 2758, Page 699; Book 3078, Page 743; Book 3078, Page 750; Book 3162, Page 359; Book 3860, Page 2176; and Book 3870, Page 3394.
 - b. Articles of Incorporation of Harbour Lights Resorts Owners Association, Inc.
 - c. Bylaws of Harbour Lights Resorts Owners Association, Inc.
 - d. That certain Timeshare Management Agreement dated as of September 12, 2017, between Harbour Lights Resorts Owners Association, Inc. and Bluegreen Resorts Management, Inc.
 - e. Public Offering Statement for Harbour Lights, a Condominium (South Carolina).
 - f. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to Harbour Lights Resort Horizontal Property Regime.
 - g. The applicable Consumer Documents for Harbour Lights Resort Horizontal Property Regime.
 - h. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to Harbour Lights Resort Horizontal Property Regime.
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LAUREL CREST

- a. Declaration of Condominium for Laurel Crest Resort, recorded in the Public Records of Sevier County, Tennessee, June 23, 1995, in Book D548, Page 228, and amendments recorded in Book D554, Page 9; Book D567, Page 549; Book D590, Page 60; Book D608, Page 205; Book D637, Page 1; Book D666, Page 251; Book 1006, Page 438; Book 1763, Page 327; Book 3350, Page 325; and Book 3350, Page 331, of the Public Records of Sevier County, Tennessee.
 - b. Charter of The Laurel Crest Resort Condominium Association, Inc.
 - c. By-Laws of The Laurel Crest Resort Condominium Association, Inc., as amended.
 - d. That certain Timeshare Management Agreement dated as of August 23, 2012, by and between The Laurel Crest Resort Condominium Association, Inc., and Bluegreen Resorts Management, Inc.
 - e. Bluegreen Vacation Club MULTI-SITE Public Offering Statement and any and all additional documents referenced therein with respect to The Laurel Crest Resort Condominium.
 - f. The applicable Consumer Documents for The Laurel Crest Resort Condominium.
 - g. Any and all such other documents and records as may be existing in any recording office of an applicable jurisdiction relating to The Laurel Crest Resort Condominium.
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SUBSIDIARIES OF BLUEGREEN VACATIONS CORPORATION

<u>Name of Subsidiary</u>	<u>Jurisdiction of Incorporation or Organization</u>
BBCV Receivables-Q 2010, LLC	Delaware
Bluegreen Asset Management Corporation	Delaware
Bluegreen Beverage, LLC	Delaware
Bluegreen Communities of Texas, LP	Delaware
Bluegreen Corporation of Tennessee	Delaware
Bluegreen Golf Clubs, Inc.	Delaware
Bluegreen HoldCo, LLC	Nevada
Bluegreen Holding Corporation (Texas)	Delaware
Bluegreen Louisiana, LLC	Delaware
Bluegreen Nevada, LLC	Delaware
Bluegreen New Jersey, LLC	Delaware
Bluegreen Properties N.V.	Aruba
Bluegreen Properties of Virginia, Inc.	Delaware
Bluegreen Purchasing & Design, Inc.	Florida
Bluegreen Receivables Finance Corporation III	Delaware
Bluegreen Resorts International, Inc.	Delaware
Bluegreen Resorts Management, Inc.	Delaware
Bluegreen Servicing LLC	Delaware
Bluegreen Southwest Land, Inc.	Delaware
Bluegreen Southwest One, L.P.	Delaware
Bluegreen Specialty Finance, LLC	Delaware
Bluegreen Timeshare Finance Corporation I	Delaware
Bluegreen Vacations Unlimited, Inc.	Florida
Bluegreen/Big Cedar Vacations, LLC	Delaware
BRFC 2013-A LLC	Delaware
BRFC 2015-A LLC	Delaware
BRFC 2016-A LLC	Delaware
BRFC 2017-A LLC	Delaware
BRFC 2018-A LLC	Delaware
BRFC 2020-A LLC	Delaware
BRFC III Deed Corporation	Delaware
BRFC-Q 2010, LLC	Delaware
BRM Bahamas Limited	Bahamas
BXG Construction, LLC	Delaware
Encore Rewards, Inc.	Delaware
Great Vacation Destinations, Inc.	Florida
Jordan Lake Preserve Corporation	North Carolina
Leisure Capital Corporation	Vermont
Managed Assets Corporation	Delaware
New England Advertising Corporation	Vermont
Pinnacle Vacations, Inc.	Delaware
Prizzma, LLC	Delaware
Resort Title Agency, Inc.	Florida
SC Holdco, LLC	Delaware
Select Connections, LLC	Delaware
TFRI 2013-1 LLC	Delaware

Rule 13a-14(a)/15d-14(a) Certification

I, Alan B. Levan, certify that:

1. I have reviewed this annual report on Form 10-K of Bluegreen Vacations Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 1, 2021

/s/ Alan B. Levan

Alan B. Levan
Chairman of the Board of Directors,
President and Chief Executive Officer

Rule 13a-14(a)/15d-14(a) Certification

I, Raymond S. Lopez, certify that:

1. I have reviewed this annual report on Form 10-K of Bluegreen Vacations Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 1, 2021

/s/ Raymond S. Lopez
Raymond S. Lopez
Executive Vice President, Chief Operating Officer,
Chief Financial Officer and Treasurer

**Certification Required by 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)**

I, Alan B. Levan, Chief Executive Officer of Bluegreen Vacations Corporation (the "Company"), certify, pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), that:

- (1) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2020 (the "Report"), filed with the U.S. Securities and Exchange Commission on the date hereof, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Alan B. Levan
Alan B. Levan
Chairman of the Board of Directors, President and Chief Executive
Officer

Date: March 1, 2021

The foregoing certification is solely being furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Form 10-K or as a separate disclosure document.

**Certification Required by 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)**

I, Raymond S. Lopez, Chief Financial Officer of Bluegreen Vacations Corporation (the "Company"), certify, pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), that:

- (1) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2020 (the "Report"), filed with the U.S. Securities and Exchange Commission on the date hereof, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Raymond S. Lopez
Raymond S. Lopez
Executive Vice President, Chief Operating Officer, Chief Financial
Officer and Treasurer

Date: March 1, 2021

The foregoing certification is solely being furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Form 10-K or as a separate disclosure document.
