

Partners connect wealthy members with high-end vacation homes

BY MIKE SUNNICKS

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Greg Yost and Jay Fellows hope they have found a match-making recipe for success in connecting uber-wealthy property owners with posh vacation homes, estates and ski retreats.

The business partners own Peoria-based Vacation Retreats, which provides a new take on traditional vacation home clubs, time-shares and exchanges: The membership-based service allows people to use one another's often underutilized vacation and second homes.

VR's members pay a \$2,500 initiation fee, then \$5,000 annually to be part of the exclusive club. Each member has a net worth of at least \$2 million, and some are well above that, Yost said.

Fellows and Yost have signed up 20 members so far with an inventory of residences in high-end locales worldwide. These homes are a far cry from a beach house in Rocky Point, or even Del Mar. They must be exclusive and unique. Think of vacation abodes on steroids — because of their size, their location or both.

VR's inventory of homes includes a castle in Normandy, France; a Tuscan winery; a 5-acre retreat in Sonoma, Calif.; and a 11-bedroom estate in Maui; a central Paris apartment; and a 10,000-square-foot home on the side of Camelback Mountain. VR members own them all.

Yost and Fellows said booking a week's stay at one of their properties could cost thousands of dollars.

Some time-share and vacation club companies have had consumers complain about aggressive sales tactics, misleading marketing and overpromises. The Better Business Bureau of Central, Northern and Western Arizona reports 70 complaints about time-shares in 2010 and 17 so far this year. BBB spokeswoman Felicia Thompson said she could not find any complaints about Vacation Retreats.

Yost said his company differs from vacation clubs, which sometimes enlist members to pay \$100,000 to join the group, which then would buy up vacation homes. Club members



PROVIDED BY VACATION RETREATS

Greg Yost, left, and Jay Fellows co-founded Vacation Retreats last year. They hope to find success matching luxury vacation homes with wealthy group members.

would have access to those homes and get a slice of equity or resales. But those clubs have been hurt by the dismal real estate market. Some have suffered losses, while others have gone out of business.

"Their money is at risk. They were banking on real estate continuing to grow," Yost said.

VR does not own any of the homes in its inventory; all are owned by its members. That allowed Fellows and Yost to start the company in the latter half of last year with low startup costs.

"We're 100 percent debt-free," Yost said.

Fellows said they do spend time and money touring potential homes and talking with prospective members. The company wants to be selective in terms of member afflu-

VACATION RETREATS

DESCRIPTION: Ultra-high-end vacation home membership group

PRINCIPALS: Greg Yost, Jay Fellows

FOUNDED: 2010

HQ: Peoria

MEMBERS: 20

COST: \$2,500 admission, \$5,000 annually

HOME LOCATIONS

INCLUDE: Maui;

Mexico; Arizona;

Napa Valley, Calif.;

Aspen, Colo.;

Tuscany, Italy; Paris

WEB: www.vretreats

.com

ence and temperament, as well as the quality of their properties.

With 20 members already on board, Vacation Retreats has 60 more in the pipeline, Yost said. The partners are stepping up their marketing and member recruitment efforts this year. They said they hope to build membership to 300 or 400.

"We're not going for thousands of members," said Yost.

In addition to the startup and annual fees, members must pay \$100 to \$700 for cleanup after each stay. They also can order extra services and amenities from VR.

The company hopes to add properties in the Caribbean, South Carolina, Chicago, New York, San Francisco, Las Vegas, and Pebble Beach and Palm Springs, Calif.

Boston resident Ray Haarstick has been signed up with Vacation Retreats since last year and has stayed in members' homes in Scottsdale, Maui and California. He said he likes the concept.

There is plenty of demand for vacation and second homes here in the Valley, too, as wealthy Canadians, investors and others buy distressed or bargain-priced properties with cash across price points.

"People are buying vacation homes, and people in their 30s are taking advantage of the great housing deals and purchasing their retirement homes early," said real estate agent Dianne Brennan of Keller Williams Integrity First Realty in Scottsdale. "Anything with a pool and palm trees is pretty much considered a paradise to a Canadian."

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