

THE SAN FRANCISCO EXCHANGE COMPANY
REPORT OF KEY OPERATING STATISTICS
December 31, 2010

THE SAN FRANCISCO EXCHANGE COMPANY
CONTENTS

Page

Report of Independent Accountants 1

Report of Key Operating Statistics 2

Notes to Report of Key Operating Statistics 3-4

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors

The San Francisco Exchange Company

San Francisco, California

We have examined the accompanying report of key operating statistics of the San Francisco Exchange Company, as of and for the year ended December 31, 2010. The Company's management is responsible for the report of key operating statistics. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the report of key operating statistics and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the report referred to above presents, in all material respects, the key operating statistics of the San Francisco Exchange Company as of and for the year ended December 31, 2010, in conformity with the timeshare exchange regulations for the states of Florida and Hawaii.

August 25, 2011

San Bernardino, California

KENNEDY & KENNEDY

Certified Public Accountants

Members of the American Institute of Certified Public Accountants
and of the California Society of Certified Public Accountants

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THE SAN FRANCISCO EXCHANGE COMPANY

REPORT OF KEY OPERATING STATISTICS

December 31, 2010

The number of purchasers or owners currently enrolled and eligible
to participate in the exchange program 114,743

The number of accommodations and facilities or properties that have
current affiliation agreements with The San Francisco Exchange Co. None

The percentage of exchanges properly applied for that were confirmed 92%

The number of exchanges confirmed by the exchange program 9,158

**The number of timeshare periods for which The San Francisco Exchange
Co. has an outstanding obligation to provide an exchange in the future 3,037**

**The above listed percentage of confirmed exchanges is a summary
of the exchange requests entered with the exchange program between
January 1, 2010 and December 31, 2010. This does not represent a
purchaser's probability of being confirmed to any specific choice or
range of choices, since availability at individual locations may vary.**

See Accompanying Notes to Report of Key Operating Statistics.

THE SAN FRANCISCO EXCHANGE COMPANY

NOTES TO REPORT OF KEY OPERATING STATISTICS

December 31, 2010

NOTE 1 – DESCRIPTION OF COMPANY

The San Francisco Exchange Company (SFX) is a California corporation. SFX offers reciprocal exchange services for owners of resort timeshare or other vacation ownership interests throughout the world. SFX headquarters are located in San Francisco, California.

NOTE 2 – ENROLLMENT POLICY

Owners of any qualified timeshare interest receive complimentary Gold memberships in SFX, or they may choose Platinum membership which requires an annual fee.

NOTE 3 – PROPERLY APPLIED FOR EXCHANGE REQUEST

A properly applied for exchange request occurs when the requirements listed below have been satisfied. The exchange is not considered to be properly applied for as long as any of these criteria have not been met.

- An exchange request is received by SFX.
- The exchange request is from a member of SFX.
- The member must have a current membership in SFX and be in compliance with all terms and conditions governing SFX membership.
- The member must be current with all financial obligations (maintenance fees and assessments, special assessments, property taxes, note payments, etc.) to their home resort through the week being relinquished to SFX in conjunction with either an exchange request or the deposit of a week in SFX exchange system.
- The member must have a confirmed reservation for a specific interval at the home resort prior to requesting an exchange or depositing a week.
- A properly submitted request must have a choice of three alternative locations and travel dates.

THE SAN FRANCISCO EXCHANGE COMPANY

NOTES TO REPORT OF KEY OPERATING STATISTICS

December 31, 2010

NOTE 4 – ACCOMMODATIONS AND FACILITIES

Accommodations and facilities at the reporting date include exchange service organizations which SFX may use to complete an exchange for a member.

NOTE 5 – EXCHANGE FEES

SFX members are charged a fee for each exchange confirmed by the company. The fee for domestic or international exchanges is \$189 for Gold members, \$159 for Platinum members and \$149 for Platinum Rewards members.

NOTE 6 – OUTSTANDING EXCHANGE OBLIGATION

Platinum members may deposit a timeshare period without requesting an exchange at the time of deposit. Gold members are required to deposit a timeshare period at the time they request an exchange. All members have 24 months from the date of the timeshare period deposit to complete the exchange. After the 24 month period, the member's request expires, and no exchange can then be completed.

NOTE 7 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 25, 2011, the date when the Report of Key Operating Statistics was available for issuance.