

# How to Spot a Timeshare Scam



Fraud, unfortunately, is something that we put up with more and more every day. I for one am sick of the robocalls telling me to refinance my student loans, that don't exist. Telling me there is nothing wrong with my credit cards, but to call right away to speak to a manager who can help me stop paying any interest, which I don't have. Just look in your junk folder in your email. If you are like me, you receive at least 10 a day from someone trying to pull the wool over our eyes. And if you are one of the 10 million timeshare owners in the US, you have probably received at least one scam call about your timeshare ownership.

Most of these scams start out the same way. Out of the blue, you receive a call from someone who knows enough about your timeshare to seem legitimate. They have a buyer who is offering more than you paid for it. There is no upfront fee, just a commission paid to them at closing.



Seems legitimate, except for they called you out of the blue. This is your first red flag.

Beware of unsolicited phone calls, you should be the one to initiate contact.

You continue on because the offer is so good, next you receive the documents from the scammer. The letterhead displays a legitimate-sounding business name at the top of

the documents. Something like Bayview Property Management, Absolutely Amazing Vacations, DecolarMX, Benchmark Escrow, Escrow Once, Etc. (These are all actual scam outfits) Their website looks legitimate, complete with difficult to understand real estate jargon and professional pictures of Susan in Accounting and Chad in Customer Service. Your next stop is the Better Business Bureau to check their profile for red flags.

Their profile is a decade old without much activity, so you search for the business on the [Secretary of State website](#) to make sure they are legitimate. You are put at ease because they are registered with the state business authority.

Here is the problem... Scammers are going so far as to use once legitimate company names to make themselves seem authentic. They look for old companies that went out of business, then forge a registration document, so it looks like they've been around for years. It is very difficult to spot.

Once you have sent the paperwork back, they will say they received everything but now the resort, state or, most commonly, the Mexican Tax Authority, is requiring that a fee is paid via wire to a bank account in Mexico or the Caribbean. This is a huge red flag. In the beginning, you were told that nothing had to be paid upfront. If the buyer is really willing to pay for your timeshare then why can't the funds be taken out of escrow that the buyer has funded? If it was a legitimate transaction, that is exactly what would happen.

When you question this practice, the scammer will say something like "We haven't been required to do this before, so we will cover half the fee if you wire in the other half." Again, red flags, why would an escrow company be willing to cover a legitimate fee that is normally paid out of the buyer's funds?

## **If they got you and you wired money for something such as:**

- 1. Inheritance tax**
- 2. Non-Resident Sales Tax**
- 3. Capital Gains Tax**
- 4. Department of Agriculture Tax**
- 5. Mexican Government Transfer Tax**
- 6. Title Search Fee**

They'll hit you up again and again until you stop wiring them money. Once you refuse and request your money back you will never get ahold of them again. All that money was wired to a foreign bank account and transferred out the day it was delivered.

If you have been taken by one of these scammers it is vital that you report them to the authorities. We'd also appreciate it if you let us know the specifics of the scam, so we can get the word out on our website, Facebook, and Twitter. We have created a database of all the scammers out there in order to make sure that if someone searches for an illegitimate company our scam alert shows up in the search results. You help us can help put a stop to them and we'll always keep your personal details private.

**Follow the quick checklist below to see if you are being conned by a timeshare scammer:**

1. Have you been called out of the blue?
2. Does the company have an outdated Better Business Bureau account?
3. Is the sales price you are being offered close to or more than the original price of your timeshare?
4. Were you promised no upfront fees but then later asked to send in a fee? Be wary of upfront fees. Legitimate fees are typically paid after the sale is concluded or are deducted from the sale price.
5. Are you sending money to an offshore bank account?
6. Check with your resort. Find out whether the resort where your timeshare is located imposes any restrictions, fees or other limitations associated with sales. Ask if the resort has its own resale program or has ever worked with the reseller who has contacted you.
7. Demand everything in writing. Consider having an attorney review the documents before you sign anything. This is also beneficial information for state and local agencies to have if the offer is fraudulent.

If the answer to any of these questions is yes, beware you may be in touch with a con man. For more help or information about timeshare scams please give us a call on the scam hotline at 1-877-316-9181 or visit <https://timesharescamhotline.com>.

**If you know you have been the victim of a timeshare scam, take the following steps immediately:**

1. **Contact** the [State Attorney General](#) and [local consumer protection agencies](#) in the state where the reseller is located, as well as the [Better Business Bureau](#), to determine if there are any existing complaints.
2. **Notify your resort.** Provide them with information regarding who contacted you and their offer. They may have received similar complaints and can notify other owners to be on alert.
3. **File a complaint** with <https://www.usa.gov/consumer-complaints>, be sure to gather supporting documents, such as sales receipts, contracts, and escrow documents from the purchase. Also, print out email messages or logs of any contact you've had with the seller about the purchase
4. **File a complaint** with Federal Trade Commission <https://www.ftc.gov/about-ftc/bureaus-offices/bureau-consumer-protection> . “As the nation’s consumer protection agency, the FTC takes complaints about businesses that don’t make good on their promises or cheat people out of money. We share these complaints with our law enforcement partners and use them to investigate fraud and eliminate unfair business practices. Each year, the FTC also releases a report that provides information about the number and type of complaints we receive.”
5. **Report** Internet Timeshare Scams to FBI’s Internet Crime Division at <https://www.ic3.gov/default.aspx>.
6. **Contact** us at [Timeshare Scam Hotline](#) so we can add your case to our database and help protect other consumers.