

# Warning Signs You've Been Contacted by a Timeshare Scam Company

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## THE COMPANY REQUESTED UPFRONT MONEY.

This request can be called an escrow deposit, a title search fee, appraisal fee, attorney closing fee - all legitimate sounding fees, however, legitimate resales companies will present an offer to you first, and give you the time to research it and discuss with your family.

If there are any fees, it will be at the closing stage of the transaction.

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## THE COMPANY REQUESTED YOUR SOCIAL SECURITY NUMBER OVER THE PHONE.

In a legitimate resale transaction, your social security number may be required by attorneys on the closing documents, but not over the phone.

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## THE COMPANY IS USING A NAME OF A WELL-KNOWN TIMESHARE INDUSTRY ORGANIZATION LIKE ARDA, RCI OR SPM RESORTS, INC.

They may claim they are "DBA/doing business as" a legitimate timeshare company like RCI, SPM Resorts, other management companies, or ARDA. For example, scam companies will lie and give you the name of a legitimate business, but they are not affiliated with that business in any way. Legitimate companies will not ask for upfront funds, and most likely, would not call you at all with a resale offer. Make sure you get the business name, a contact name, and a phone number so you can do your research. Call the company's headquarters to confirm someone contacted you.

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## THE COMPANY IS PRESSURING YOU TO MAKE A DECISION QUICKLY OVER THE PHONE WITHOUT GIVING YOU TIME TO VERIFY FACTS OR DISCUSS WITH YOUR FAMILY.

Always take the time to verify that the company is legitimate and reputable. Never make a decision without doing your research and verifying the facts first. Legitimate companies will always give you a few days. Request all information in writing and read all documents carefully.

### LEGITIMATE COMPANIES WILL:

- ☒ Contact you if someone is interested in purchasing your timeshare, and then give you time, usually a few days, to do your research and talk to your family.
- ☒ Once the transaction terms are negotiated, fees and funds will be dealt with by attorneys.

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**THE COMPANY IS REQUESTING YOUR BANK ACCOUNT INFORMATION.**

For example, you may be asked for your bank account number so the company can transfer money into it. Remember: if they can put money in, they can take money out. Fees are only exchanged at the closing stage and the attorneys deal with the fund transactions. Do not give out your bank account information.

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**THE COMPANY IS OFFERING AN EXTREMELY HIGH PRICE FOR YOUR TIMESHARE.**

Most resales are under \$5,000. If the company is offering something that sounds too good to be true, it's most likely a scam.

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**THE COMPANY IS OFFERING TO TAKE YOUR DEED FOR A SET PRICE, LIKE \$2000 OR \$3000.**

One type of scam is to offer an owner a set price to "get rid" of their timeshare by paying a fee to the company. Often times, the victims will pay the money but the transfer will never take place, and they still owe the maintenance fees. Other companies may actually do the transfer, but transfer the interest to someone who won't pay. This kind of transfer hurts all owners at the resort causing them to pay additional funds to maintain the resort. Verify the company before accepting any type of offer to transfer your deed.

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**THE COMPANY IS USING SCARE TACTICS WITH INFORMATION ABOUT YOUR RESORT, LIKE ITS FINANCIAL SOLVENCY OR THE RESORT IS BEING MIS-MANAGED.**

There are many fraudulent companies that will scare owners with lies about their resort to make you afraid to own it, thereby falling for the scheme, which usually involves a payment of some sort to transfer your deed. Get the caller's information, then call your timeshare resort and verify the facts.

**Steps to take to ensure you are dealing with a legitimate resale company**

- ★ **Do not rely on the information provided by the company** that solicited you because often times they will claim they are with a legitimate company so when you do your research, you will find a company in good standing. Research the company's phone number and call the company, and verify that someone called you. In addition, request all information in writing and then read all documents carefully.
- ★ **Use ARDA-ROC's Timeshare Transfer Company Checklist** to verify the information the company has provided to ensure it's legitimate. [http://arda-roc.com/uploadedFiles/ARDA-ROC/Get Involved/Timeshare %20Transfer%20Company%20Checklist.pdf](http://arda-roc.com/uploadedFiles/ARDA-ROC/Get%20Involved/Timeshare%20Transfer%20Company%20Checklist.pdf)
- ★ **ARDA-ROC also recommends:** Contact your resort manager to find out if other owners have had experience with the timeshare company you are considering ■ Contact ARDA-ROC to learn more about the company and what other owners have reported about it ■ Research the transfer company online ■ Use the Better Business Bureau to verify their standing ■ Check with your state's Department of Real Estate or Real Estate Commission to ensure they are licensed, if they need to be in that state to do business ■ Check with the Attorney General's office in the state of the company's headquarters to check for complaints