

Avoid Timeshare Resale Scams



The Office of the
Minnesota Attorney General
helping people afford their lives and live with dignity, safety, and respect

By one estimate, over eight million Americans own a timeshare. When timeshare owners attempt to sell their timeshare, they often find it more difficult to sell than it was to purchase. Scammers—masquerading as legitimate companies—seek to take advantage of this.

Timeshare Resale Scams

Timeshare resale scam artists call sellers of timeshares, posing as a reseller or real estate agent. The scam artist claims to have a buyer for the timeshare or guarantees he can sell the timeshare for a good price.

Scam artists go to great lengths to appear credible. They use the names, addresses, and phone numbers of reputable businesses, create elaborate websites and official-looking documents, and employ fake escrow agents and title companies—who are just other scammers. Some scammers may have information about you and your timeshare before calling.

After persuading you that they can sell your timeshare, the scammer asks you to send money up front—usually by wire transfer—to pay closing costs, taxes, or other fees. If you pay, the scammer typically requests additional money for unforeseen expenses until you realize the scam. The bottom line: there was no sale and you have lost hundreds or thousands of dollars.

How to Avoid this Scam

- Never send money by wire transfer or reloadable money cards to any party involved in the sale of a timeshare.
- Be skeptical of anyone who promises to sell your timeshare quickly or for a great price.
- Ignore high-pressure sales, and hang up on them.

- Don't be fooled by fancy websites or reputable corporate names or addresses. A reseller that appears to be a local company could be a scammer halfway across the world. Do your homework to make sure you know exactly who you are dealing with.
- Find out from the appropriate government agency if the reseller or agent is licensed. States generally require people engaged in the sale of real estate to be licensed as a real estate agent. If the person who contacts you is not licensed, this should be a major red flag. In Minnesota, the Department of Commerce licenses real estate agents. To look up a real estate agent's license, you may contact the Department as follows:

Department of Commerce

85 7th Place East, Suite 280

St. Paul, MN 55101

(651) 539-1500

Toll-free: (800) 657-3602

<https://mn.gov/commerce/consumers/tips-tools/license-lookup.jsp>

It is important to use the contact information provided by the state to verify you are communicating with the licensed agent and not a scammer impersonating the agent.

- Don't take official-looking documents at face value. A contract or money-back guarantee from a scammer is not worth the paper it is printed on.
- Contact your resort. It may be aware of scams targeting other timeshare owners or have its own program for you to sell your timeshare.
- Get information about the fees and timing of payments in writing. Legitimate fees are usually deducted from the sale price or paid after the sale is done, not up-front.

You can report timeshare resale scams to the Federal Bureau of Investigation and Federal Trade Commission as follows:

Federal Bureau of Investigation

Minneapolis Office
1501 Freeway Boulevard
Brooklyn Center, MN 55430
(763) 569-8000
www.fbi.gov

Federal Trade Commission

Consumer Response Center
600 Pennsylvania Avenue NW
Washington, DC 20580
(877) 382-4357
TTY: (866) 653-4261
www.reportfraud.ftc.gov

For more information, or to file a complaint, contact the Office of Minnesota Attorney General Keith Ellison as follows:

Office of Minnesota Attorney General Keith Ellison

445 Minnesota Street, Suite 1400
St. Paul, MN 55101
(651) 296-3353 (Twin Cities Calling Area)
(800) 657-3787 (Outside the Twin Cities)
(800) 627-3529 (Minnesota Relay)
www.ag.state.mn.us