



DenverDA

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Consumer Advisory

Don't Fall Victim to a Timeshare Resale Scam

Beware, timeshare owners! Complaints of timeshare resale scams are on the rise. Victims, particularly those eager to sell their interests in timeshare properties are being contacted by alleged buyers who are making sizeable offers that may or may not require an up-front fee. Often, the buyer claims to have a "buyer waiting". In the interest of making the deal as *simple and painless* as possible, the buyer initiates all "necessary" documents, and emails them to the seller to sign and send back.

One unique feature of this scam is that it involves a third party escrow account from which "foreign taxes" and other questionable fees collected from the victim are deposited. The so-called fees that accumulate are substantial, usually in the range of \$3,000 or more. Sellers are told they will be reimbursed for these fees at the time of closing, only to find that the buyer and escrow account company have vanished before they have finalized the deal. Timeshare resale complaints ranked as the eighth most common scam reported to the Denver/Boulder Better Business Bureau in 2011.

Protect Yourself:

- Never agree to anything over the phone or email if you didn't initiate the contact.
- Use only licensed real estate agents. Agents must be licensed in the country or state where the timeshare is located. For out-of-country locations, contact the American Resort Development Association (ARDA) at 202-371-6700.
- Always request a contract in writing, including refund policies. In Colorado, consumers have five calendar days after purchase to cancel a timeshare contract.
- For more information on timeshare resells, or if you wish to file a complaint, go to the FTC website at www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt185.shtm.

Denver DA's Fraud Line: 720-913-9179

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January, 2012