

## Do you own a timeshare?

## Are you looking to safely and responsibly exit your timeshare?

### What is a timeshare?

A timeshare is an arrangement where several joint owners buy in and have a right to use a property as a vacation home under a time-sharing agreement. Timeshares can be for a deeded fractional interest in real estate or membership in a vacation club.

### Why do people want to sell (or exit) their timeshare?

Buyers often do not realize when purchasing a timeshare, that in addition to the cost of the timeshare, they are committing themselves to annual maintenance fees, oftentimes that exceed the cost of renting a hotel room for a week. If an owner refuses to pay the maintenance fees, they can face foreclosure of their timeshare interest and potentially an adverse impact on their credit.

### Responsible exit options

Life circumstances sometimes require that you sell or exit your timeshare ownership, which can be confusing. Before you make any final decisions or pay a third party to help you navigate the process, be sure to educate yourself to avoid scams and costly mistakes.

Two national organizations, ARDA (American Resort Development Association) and ARELLO (Association of Real Estate License Law Officials), have joined forces to support and promote responsible timeshare exit practices. They have made the following resources available for anyone wanting to sell their timeshare or leave a timeshare agreement.

### Steps to take:

1. Gather relevant information – be sure to have all of the following at your fingertips to start the process:
  - a. Name, address and phone number of your timeshare resort.
  - b. The deed and/or contract or membership agreement which clearly identifies the timeshare you own.
  - c. The financing agreement (if you are still paying for the property). Remember you will have to pay this off before you can transfer your timeshare to a new owner.
  - d. Any title insurance information.
  - e. Any other information to clearly identify your membership.

- f. The exchange company affiliated with your timeshare resort (i.e. Resorts Condominiums International (RCI) or Interval International (II))
  - g. The amount and due date of your maintenance fee and whether it has been paid for the current year.
  - h. If billed separately, the amount of real estate taxes owed on your timeshare, the due date and whether they have been paid for the current year.
  - i. The date your timeshare will next become available for use by a new owner or when a new owner can first make a reservation.
  - j. Is your timeshare a fixed week or floating week unit and/or does it require an advanced reservation?
  - k. Gather copies of the documents governing the resort owner's association, if any, the resort's rules and regulations, reservation rules and any other information that would be helpful to a new owner, such as area attractions.
  - l. Know whether or not your timeshare is legally classified as real estate (a deeded interest in a specific unit) or personal property (membership in a vacation club) as this will make a difference in how it is conveyed to a new owner.
  - m. Check with your owners' association or resort manager to determine if there is any documentation they need from you and the prospective buyer in order to complete any sale.
2. Reach out to your timeshare resort company first. If they can help they will often be the safest, easiest and most cost-effective solution. If you do not get a response the first time, try again before moving on to another party. If you do not know who operates your timeshare resort, you can call the resource line at ARDA at (855) 939-1515 to obtain that information.
  3. If you need to move on to a third-party, consider using one listed in the [Advertising and Resale Providers Directory](#) on ARDA's website.

**Don't become a victim of a timeshare resale scam. Be careful and watch out for the following red flags:**

- If you are asked to pay an upfront fee, or wire money for a "service", "tax", or any other "requirement" for a sale to be completed, do not do it – that is a scam. \*This does not include nominal advertising fees that a legitimate reseller may ask an owner to pay up-front.
- If someone contacts you and says they have an "interested buyer" for your timeshare, that is the first red flag. Proceed with caution!
- If you receive an unsolicited call from someone claiming to be a representative of ARDA or ARDA-ROC, that is another red flag. ARDA and ARDA-ROC DO NOT contact owners unless an owner first reaches out for help.
- Be wary of companies who contact you with unsolicited promises of modifying, cancelling or transferring your timeshare for an upfront fee. These are almost always fraudulent.
- If an offer sounds too good to be true, it likely is. Scam companies will typically entice owners by saying their buyer is offering a purchase amount equal or close to your asking price. The scammer will take demand money upfront without delivering a successful sale of your timeshare.

**What should I do if I think I have been defrauded?**

If you feel you have been defrauded or you are a victim of a scam, contact your state's Consumer Protection Agency, State Attorney General, and/or your local law enforcement office. To find out the name and contact information of your state's Attorney General, you can visit [consumerresources.org/file-a-complaint](http://consumerresources.org/file-a-complaint).

For more resources, visit [responsibleexit.com](http://responsibleexit.com).