



Vacation fraud: Predatory timeshare/vacation club sales, exit businesses and related scams

Better Business Bureau® (BBB) study finds lax consumer protection laws and enforcement lead to unethical and deceptive practices.

2020-2022 complaints and reports

20,118 complaints about timeshare purchases, exits and vacation clubs

1,160 vacation-related Scam TrackerSM reports

\$3,575,826 lost as result of scams

Source: Better Business Bureau



The industry

Timeshare sales
in 2021:

\$8.1 billion

Average timeshare
cost:

\$24,140

Source: American Resort Development Association (ARDA)

Watch out for:



Robocalls about vacation offers - almost always illegal



Too good to be true offers. Slow down and read fine print



Unsolicited offers to sell your timeshares



Claims that timeshare exit companies can modify existing timeshare contracts

Recommendations:

- Create a nationwide 14-day “cooling off” period for timeshare sales
- Mandate truthful timeshare sales and exit company pitches
- Require companies disclose facts and figures, similar to Truth in Lending Act



Red flags for a predatory company or scam:

Timeshare companies & vacation club

- Use high-pressure sales tactics, like hours-long pitch meetings
- Hide maintenance fees that grow over time
- Claim ownership is an investment

Timeshare exits companies

- Promise to resell timeshares quickly
- Push consumers to pay up-front fees
- Bend truth about timeshare value
- Cost thousands even if no sale is made
- Fuel owner's fear about heirs inheriting timeshare obligation

Scammers

- Claim timeshare owners owe unpaid fees
- Lie and say that credit will be ruined
- Tell consumers they can send a fraction of what they “owe” to cover their debt
- Disappear once money is paid

For the complete study, visit
[BBB.org/scamstudies](https://www.bbb.org/scamstudies)

Report scams on

