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CONSUMER REPORT

13 SHOCKING SECRETS

THE \$18 BILLION TIMESHARE
INDUSTRY DOES NOT WANT
CONSUMERS TO KNOW ABOUT



FACT-BASED RESEARCH

Data from ARDA, CRDA,
RCI & Interval International



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EVERYTHING ABOUT
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TIMESHARE SALES ON THE RISE

Nobody wakes up one morning and decides to buy a timeshare, but a growing number of consumers spend an average of \$21,000 to contribute to this multi-billion-dollar industry.

Timeshare purchases occur every day somewhere in the world: North America, Europe, Central and South America, Mexico, Caribbean Islands and Asia.

“ARDA says that the image of timeshare owners as elderly seniors playing shuffleboard has changed too, with timeshare owners becoming younger and more ethnically diverse...”

Goldstein, 2016

Many clueless consumers are lured into taking a timeshare sales presentation by mail marketing campaigns, on the phone, or while on vacation. They buy them in the city, on beach fronts, in ski resorts, in theme parks and now on cruise ships.

Consumers buy primarily for two reasons: Firstly, it is due to the alluring gifts offered by the developers. Timeshare resorts have been offering discounted accommodations (called minivacs) in exchange for

travelers or vacationers to attend a timeshare presentation. This tactic converts into a high percentage of new owners.

Secondly, it is because of the sales and marketing staff. They are trained to gain the potential clients' trust, identify their dominant buying motives, and present an offer that makes financial sense. The industry's motto is “*sell on emotion, and close on logic,*” and it works.

In the United States alone, the timeshare industry continues to skyrocket despite the negative image it has earned over the years.

However, the demographics of the market have changed substantially in the last 20 years. Timeshares were generally purchased by the elderly or the nearly retired. Now, the demographics have changed drastically and are attracting younger families with higher incomes and more ethnic groups.

Amy Gregory, PhD, RRP and Tammie Kaufman, PhD published an article in *Developments Magazine* that presents a perception that Millennials have towards the timeshare industry. Although they reference original research that was published in the *Cornell Hotel & Restaurant Administration Quarterly* (February 2017), it presents an inaccurate reality of the timeshare industry by inexperienced students who are studying hospitality management at the University

of Central Florida. Even the negative views mentioned in the article merely focus on the financial aspects of the industry.

"...There are distinct dimensions of the timeshare product that resonate with the Millennial generation. The attributes that the generation indicates as being most valuable align with their stated positive images of the product." (Amy Gregory, 2014)

What the students and the authors need to be aware of are the realities of many "experienced" timeshares owners, and the legal battles that many timeshare companies involved in because of unethical behaviors and illegal activities.

Like any other industry, there are shocking secrets within the timeshare community that consumers are not supposed to know to protect the profits of the companies and the industry. There would be legal ramifications if consumers knew what really goes on.

Here are **13 shocking secrets of the timeshare industry** that consumers should know about before they buy, sell or dispose of their unwanted timeshares.

1 Many Timeshare Companies Do Not Own Properties

That's right. Many timeshare companies do not own the resorts where they sell their timeshares. They are owned by separate corporations and simply have an agreement with the timeshare companies to use some their rooms.

When the members try to use their timeshares through the resort network or the exchange company, many find it very difficult because the timeshare has a limited inventory at that property. Consequently, there are a plethora of online complaints toward the company because there is no availability where and when owners want to vacation.

In the case of SECRETS, ZOETRY, DREAMS, BREATHLESS, NOW and SUNSCAPE Resorts in Mexico, the Dominican Republic and Jamaica, they are a collection by [AmResorts](#). The company that sells the timeshare is Unlimited Vacation Club, a travel club, and they do not own any of the resorts. Consumers who purchase a UVC membership at these resorts are buying nothing more than an overpriced travel club membership that costs between \$10,000 to \$80,000.

According to the contracts, the legal entity for Unlimited Vacation Club is in Panama. Although it is a Florida based company, travel club members who want to mediate any legal action against the company must go to Panama.

Similarly, Prestige Travelers at Karisma Resorts and TravelSmart Travel Club in Mexico and in the Caribbean islands also do not own any of the resorts.

2 Guests Who Attend a Timeshare Presentation and Tell the Sales Staff That They are Not Going to Buy That Day Often End Up Buying

When guests are invited to a timeshare sales presentation either by phone or while on vacation they have no intention to purchase. When they show resistance with the sales representative up front, their chances of purchasing are even higher for two reasons.

Firstly, while guests attend the sales presentation, their guards are up, and they will show no intention to make a purchase. The objective of the sales person is to lower their guards by being friendly and personable, and appear to be genuine. Once the guards are down, the sales rep is trained to identify the "real" objections that the guests have for not wanting to purchase that day.

Secondly, once the real objection is identified, the sales rep is highly trained to focus the presentation around that objection, find their "hot buttons or dominant buying motives," and come up with a sales strategy that will induce them to buy, that day. These sales strategies would normally involve coming up with a reason to justify lowering the price or giving them a free week of vacation or some other attractive gifts.

3 Timeshare Attorneys and Relief Companies are Generating Millions of Dollars Off Timeshare Owners Who Can Easily Do the Work Themselves for Free

Timeshare attorneys and timeshare relief companies are generating millions of dollars in profits by helping timeshare owners get out of their unwanted timeshares. They use a variety of methods which begins with contacting the resort to initiate the process.

What most timeshare owners do not realize is that they can do the work themselves without

“... the Timeshare Exit Team. Its CEO, Brandon Reed, claims that it has a 99 percent success rate among the approximately 6,000 consumers who have sought relief over the past four years.”

Marks, 2016

paying anyone. In some cases, they can simply walk away without any repercussions because, in many cases, they do not own anything.

However, these savvy cancellation companies have popped up overnight and are generating millions of dollars in profits.

One timeshare attorney boasts that he has helped over 6,000 timeshare owners to dispose of their timeshare with a 99% success rate and charges an average of \$3,900 per client. So, $6,000 \times \$3,900 = \23 million.

“Several timeshare companies have declared war on attorneys and businesses that advertise timeshare cancellation services.”

Paul Brinkman, 2017

Although successful, the timeshare owners could have saved themselves the \$3,900 and did it themselves by negotiating with the resort to transfer the property back with a warranty deed. This is the legal procedure that many timeshare attorneys use to transfer the timeshare back to the resort.

Timeshare attorneys and timeshare relief companies are so successful that the timeshare resorts have filed lawsuits against them because members are getting out of their timeshares through these companies.

One company, Mexico Timeshare Solutions, present themselves as a timeshare advocate and calls other cancellation companies scams. What their clients do not realize is that they are scamming clients into believing that they need their assistance to get rid of a Mexico timeshare when the clients can simply walk away without paying anything. Mexico timeshares are simply travel clubs, and companies cannot do anything to foreigners should they desire to simply walk away. This is how Mexico Timeshare Solutions guarantees their services.

4 Many Travel Club Members Cannot Use Their Own Membership Because the Resort has Been Sold Out – Some Many Times Over

Many travel club members purchased because they wanted to travel around the world and explore new places and cultures. They will attempt to make reservations within their own resort system or use one of two of the largest timeshare exchange companies in the world, Resorts Condominiums International (RCI) or Interval International (I.I.).

One of the reasons why so many members want to dispose of their timeshare is because they cannot exchange where they want to go. The primary reason why many can't exchange is because the travel club's inventory has been oversold. With the points system, the resorts can sell as many points as they like.

According to a law suit filed against ILX Resorts. they oversold their inventory at the Los Abrigados Resort and Spa in Sedona, Arizona and that is why the owners could never get in. This is a timeshare, not a travel club.

“The elderly were induced to purchase vacation memberships in a same day sale without being advised as to the lack of a secondary market by intentional design. Memberships were accompanied by, at times, dramatically escalating maintenance fees.”
Insider, 2017

“There are distinct dimensions of the timeshare product that resonate with the Millennial generation. The attributes that the generation indicates as being most valuable align with their stated positive images of the product.” Amy Gregory, PHD, RRP and Tammie Kaufman, PHD., 2014

Another lawsuit was recently filed against Diamond Resorts based in Las Vegas for securities fraud. The suit alleges that the resorts sell points that are not registered with the Securities and Exchange commission. Apparently, they are involved in a one billion-dollar lawsuit which accuses the company, and many of its affiliates of unfairly targeting the elderly.

Too often, resorts that sell a points system can easily oversell the inventory if the points are not directly attached to a deed.

Moreover, there are many resorts that simply have no inventory for their members because they prefer to use the rooms to market more guests to the timeshare presentations. This was the case with The Manhattan Club which resulted in a class action law suit by its members.

In many cases, a simple email from the timeshare owner to the resort would suffice, and there is nothing the resort can do.

The points system and the right to use system are created for the advantage of the developers, not the consumers. They can sell as much as they like with little, if any, accountability.

5 Many Jamaica Travel Clubs are Operating Illegally and Discriminate Against Local Sales Staff

Although Jamaica has many travel clubs in the RCI and I.I. resort directories, Jamaica traditionally has not had timeshare legislation to control the industry. In fact, most travel clubs in Jamaica are operating illegally by not registering as a local business.

Daily sales are quickly disbursed to foreign bank accounts, circumventing the local banking system and the government. The Jamaican government might think that the resorts are selling the timeshares because they are registered with the local governments to operate as a legitimate business, but the travel clubs are not registered.

Jamaica has recently passed timeshare legislation to 'increase the presence of timeshare' according to a news article. However, the legislation does not include travel clubs that have already made their footprint in the country and might be operating illegally behind the skirts of high end resort brands, i.e., SECRETS, KARISMA and ROYALTON, which are separate entities.

They operate under the radar by working with small mom and pop businesses set up in the Free Zone of Montego Bay. However, the daily travel club sales are unreported to the local authorities. The Jamaican government may be losing millions annually in unreported tax revenue.

Moreover, they hire illegal foreigners to run the schemes and are mostly paid in banks in Mexico or in the Dominican Republic to avoid paying local taxes. Some may claim some income with the local mom and pop businesses, but what is presented does not represent the tens of thousands most foreign managers are generating monthly.

Most often, the travel clubs are not paying the local Jamaican sales staff with the same commission structure as the illegal foreign workers. While many foreign workers are generating tens of thousands per month, many of the local sales staff are barely making a living. This is undetected as the foreign workers are paid handsomely "under the table."

6 When Timeshare Owners Trade in Their Old Timeshares for One at the Resort, They Give Them Zero Trade In

When an existing timeshare owner attends a timeshare presentation, they have the option of trading in their old timeshare for a new one.

The resort will offer a reduced price if the owner traded in their old paid-in-full timeshare. In some cases, they will offer tens of thousands for their old timeshare.

This is an old sales tactic used in the industry to make a sale. The closer will originally present a much higher price for the timeshare to make room for this "trade in."

In the end, the timeshare owner simply traded in one timeshare for another and paid the same price as those who didn't trade in a timeshare. **TIMESHARE COMPANIES NEVER GIVE TIMESHARE OWNERS ANYTHING FOR THEIR OLD TIMESHARE.**

7 Many Timeshare Sales Managers Expect or Require Their Sales People to Lie, or They Get Fired

Many timeshare companies have a reputation for being dishonest, which is why there are so many lawsuits against them and so many disgruntled owners.

What consumers do not realize is that lying is expected in many resorts and required in other resorts. There are many lies within the industry that if the sales person does not present, he will not get the support of the management during the sales process.

The sales process is a team effort and requires the support of management to use a variety of sales strategies called such as "playhouse" to get the sale. Most often, if the sales person doesn't lie and his sales figures are not where the company wants them to be, the sales person will either be blackballed or fired.

Resorts will NEVER give anything for a used timeshare. They will give the old timeshare to a broker who will list it on the resale market or sell it back to its original resort.

All resorts have daily, monthly and annual goals that they must hit – at any costs.

Blacks, Latinos, Jews, Indians from India, men and seniors will usually be offered fewer gifts and the marketing team will also get less pay.

Racial, Religious, Gender and Sexual Preference Profiling is a Common Marketing Tool

Timeshare resorts spend a lot of money on marketing costs to lure unwilling consumers to attend a timeshare presentation. The gifts must be attractive enough to convince even the most skeptical consumers to take a 90-minute sales presentation.

The gifts range anywhere from free vacations, free excursions to theme parks, i.e., Disney, show tickets in Las Vegas to cash. If the resort has a sales staff of 100, which is not uncommon in some places like Disney that has over 250, the marketing expenses add up.

Although the resorts get a nice discount from vendors, they must spend a lot of money to lure consumers into the sales presentations. Therefore, their marketing strategies must become a science – and a science it is.

Resorts will use many strategies to target demographic segments to get the most for their marketing budget. Within the U.S., they will target certain zip codes which could represent income bracket, educational level, race and religion.

In Mexico and the Caribbean Islands, the timeshare resorts give their marketing representatives specific instructions as to what they are looking for. These instructions will determine the value of gifts they can offer to the guests, and the amount of cash the marketing representative will earn for bringing in certain profiles or guests who would most likely buy.

For many resorts, the most valuable couples are whites. The resort's marketing management will pay the most for a white couple over other races. Blacks, Latinos, Jews, Indians from India, men and seniors will usually be offered fewer valued gifts and the marketing team will earn lesser pay when they bring in these couples.

Why? Because the primary purchasers in Mexico and the Caribbean Islands are the white from the U.S and Canada.

Surprisingly, in Mexico and the Caribbean Islands the locals are disqualified unless they appear to be wealthy.

9 Most New Timeshare Owners Sign Legal Documents Without Ever Reading What They Have Signed For

After what was supposed to be a 90-minute sales presentation becomes a 4 to 6-hour arduous ordeal, consumers will give in and decide to make a purchase. Once they fill out the initial paperwork, they are emotionally drained and just want to leave.

However, it might take an additional 30 minutes or more for the final paperwork to arrive, especially when there are a lot of sales in the room. When the paperwork finally arrives, most new owners sign the paperwork without thoroughly reading it.

A resort chain in the Dominican Republic states in their 36-page agreement that if the owner shares any negative remarks or comments online about their experiences with the resort, the resort will cancel their membership. This is something that the new owners unknowingly agree to when signing the paperwork.

Many will also overlook the right of rescission period; the time allowed for the purchaser to legally cancel the sale and get a full refund. Sales persons are trained to prevent rescissions during this period.

10 When New Timeshare Owners Receive Free Accommodations and Gifts as an Incentive For Purchasing That Same Day, They Were Already Included in the Purchase Price and the Closing Costs

When the guests decide to purchase the timeshare, the resorts will list the closing costs in addition to the purchase price. It will not be listed as part of the purchase price, but added to the down payment.

For example, if the purchase price is \$18,000, the down payment is 35% or \$6,300. The closing costs will be an additional cost and could be as high as \$2,000. Hence, your down payment could be \$8,300.

The resort will use the closing costs to pay for the documents, the new owner's kit or packet, the exchange company enrollment, and any gifts that are offered as part of the deal. The remainder is often split amongst the sales staff involved in the sale.

For example, if the resort offers the new owners a free stay at the resort or other valuable gifts, they were already included in the purchase price or the closing costs. They are never free as they are presented.

11 Consumers Can Purchase a Timeshare for a Fraction of What It Costs at the Resort

Consumers who are serious about purchasing a timeshare should never purchase at a resort because they can buy the same timeshare for the same property at a fraction of the cost.

Resorts are charging exorbitant prices for a timeshare when consumers can quickly go online at the many timeshare resale sites and get it for much less.

While some resorts charge between \$10,000–\$20,000 for a timeshare, consumers can go online and purchase them for 10% of those prices.

Purchasing online also gives the consumer time to do the research and learn everything about the timeshare before making a purchase. There is nothing worse than making an expensive purchase at a high-pressure sales presentation and later regretting it. By purchasing online, one has the time to conduct their due diligence and pay considerably less.

When a consumer purchases a timeshare online, they will receive the same benefits unless otherwise documented in the paperwork. Read everything before you buy.

12 Consumers Who Purchase a Travel Club Membership at an All-Inclusive Resort Pay More Than the General Public

Most Mexican and many Caribbean travel club properties are mandatory all-inclusive resorts that include meals, beverages and some non-motorized activities.

This is an attractive feature for many consumers in some areas who would rather avoid searching for local establishments to eat and drink. With the all-inclusive option, they can eat and drink as much as they like without additional charges.

Many travel clubs operate within these resorts, although many don't own the resort.

When prospects attend a sales presentation, they are told that they will get a discount when they

Timeshare owners too can get out of any timeshare without paying big bucks to companies who are generating millions annually.

stay at any of the company's affiliate resorts. Some are even told that the timeshare will guarantee discounted airfares during their membership. This is a lie.

For example, if the guest bought a membership from the Unlimited Vacation Club that operates out of the Secrets Resorts, they can stay at any of the Secrets Resorts and get a discount on the mandatory all-inclusive options without paying a maintenance fee.

What the owners don't realize is that they are paying the same if not more for the all-inclusive than the general public is paying. When you add up the purchase price for the timeshare, and the nightly costs for the mandatory all-inclusive, they are paying much more than they can get on any travel site.

Many owners have gone online and discovered deals at the same resorts for a much cheaper price than what their timeshare offers.

13 All Timeshare Owners Can Easily Get Out of Their Timeshares, If They Know the Process

Timeshare attorneys and timeshare relief companies are successful in getting frustrated timeshare owners out of their unwanted timeshares. Most will guarantee that they can get you out regardless of whether it is paid off or not.

There are many timeshares selling for only \$1.00, and the seller will pay all closing costs and transfer fees just to get rid of it.

Sadly, these companies use effective marketing strategies that include scare tactics to convince consumers to hand over their credit cards to pay for something they can easily do themselves as is the case with Mexican Timeshare Solutions.

KNOW BEFORE YOU GO ON A TIMESHARE PRESENTATION

Before attending a timeshare presentation anywhere, know before you go. Research the resort, the reviews and the resale costs to learn all you can about the resort that has invited you.

If you want to complete your sales presentation in 90 minutes or less with your gifts, present them a copy of the resale and the negative reviews. They will usually get you out so that they can talk to a more willing prospect.

If you want to learn how to legally cancel your timeshare, visit these sites:

If your timeshare is paid in full, visit this site: www.timesharecancellationmastery.com.

If you still owe on your timeshare and you want to cancel, visit this site:

www.gettimesharedebtrelief.com

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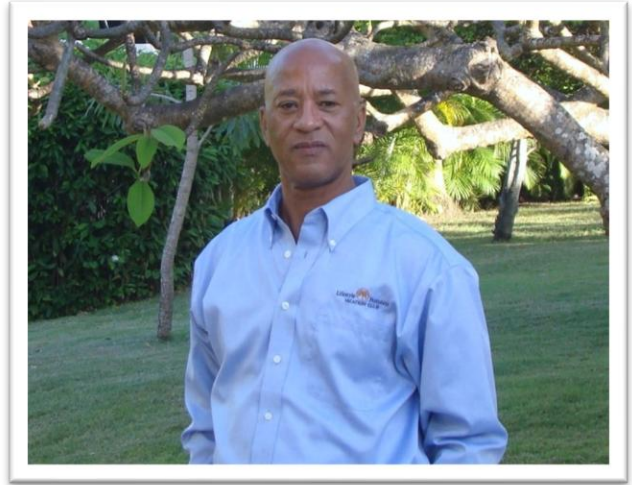
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About the Author

Wayne C. Robinson has worked in the timeshare industry for more than 15 years in the U. S., Canada, Mexico and the Caribbean Islands, including Holiday Inn Club Vacations, Wyndham, Royal Resorts, The Manhattan Club, Pueblo Bonito Sunset and many more. He is thoroughly familiar with the contracts and the local timeshare laws on all types of timeshares.

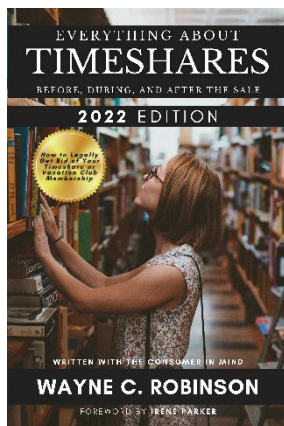
He currently holds a timeshare license in Nevada and has held licenses in Pennsylvania and New Mexico. He has sold millions of dollars of timeshares and has hundreds of owners. Additionally, Wayne has worked for developers reviewing contracts and in sales and marketing.



The culmination of his career was being promoted to Director of Sales and Marketing for [Prestige Travelers](#) at the Azul Sensatori Resort in Jamaica.

He knows almost everything there is to know about the timeshare industry and wants to share industry secrets to those who desire the truth.

About the Book



[EVERYTHING ABOUT TIMESHARES](#): Before, During and After the Sale educates consumers on the “insider secrets” of the timeshare industry that are not supposed to be shared.

The book will educate consumers and timeshare owners to make informed decisions, based on truths and the author’s personal experiences, whether to buy, sell, rent or dispose of their unwanted timeshares.

The book details by chapter the entire sales and marketing process, secrets strategies used to persuade consumers to purchase the same day, how to get the most

out of a timeshare regardless of past experiences, and how to walk away from many timeshares without any legal or credit consequences and not paying anyone.