



WARNING

5 Timeshare Exit Scams That Target Desperate Owners

(And the 1 Method That Actually Works)

A Consumer Protection Report by

ExitMyContract.com

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Exposing the fraudsters preying on timeshare owners - and showing you the only legitimate path forward.

Why Timeshare Owners Are the #1 Target for Exit Scams

If you own a timeshare and you are looking for a way out, you are not alone. Millions of Americans are trapped in contracts they regret - paying maintenance fees that increase every year, for vacation time they rarely use. That desperation makes timeshare owners the single most targeted group by financial scammers in the United States.

10,000+

FTC complaints per year from timeshare owners targeted by exit scams

Here is why scammers specifically come for timeshare owners:

- DESPERATION:** You have already tried to sell, tried to rent it out, and called the resort. Nothing worked. You are primed to believe the next solution.
- EMOTIONAL STATE:** The timeshare feels like a trap. In emotional pain, your logical defenses drop and you are more willing to pay to make the problem go away.
- ALREADY BURNED ONCE:** Most owners already feel deceived at the original sales presentation. That frustration makes them vulnerable to anyone who says the resort is the bad guy.
- SENIOR DEMOGRAPHICS:** A majority of timeshare owners are 45 to 65 and older. Scammers target seniors because they have more savings, are more trusting, and are less likely to report fraud out of embarrassment.
- HIGH OUTSTANDING BALANCES:** Many owners still owe money on their timeshare loan. Scammers exploit this to create urgency, warning that your credit is at risk and you must act now.

In the following pages, we expose five specific scam patterns our team has documented. Knowing these could save you thousands of dollars and months of additional suffering.

SCAM #1 OF 5

"The Upfront Fee Trap"

A company charges \$3,000 to \$10,000 before doing a single thing - then disappears with your money.

This is the most common timeshare exit scam in operation today. A company contacts you - or you find them online - promising to get you out of your contract permanently. They sound professional. They have a website. They may even have some positive reviews.

Then they tell you that to get started, you need to pay a processing fee, legal retainer, or document preparation fee upfront. The amount is typically between \$3,000 and \$10,000. They promise a 100% success rate and assure you results are guaranteed.

What happens next: you pay. Communication slows. Emails go unanswered for weeks. When you do reach someone, they say the process takes time. Eventually you realize nothing is happening. By the time you seek a refund, the company may have already rebranded under a new name.

The FTC has pursued enforcement actions against multiple versions of this operation. Yet new companies continue to emerge with the same structure because the profit margins are enormous and victims are often too embarrassed to report the fraud.

WARNING: If any company asks for more than \$500 before reviewing your specific contract, treat it as a scam

RED FLAGS TO WATCH FOR:

- x Requires large upfront payment before any review of your specific contract
- x Promises a 100% success rate or guaranteed results with no conditions
- x Cannot name the licensed attorney who will actually handle your case
- x Pressures you to pay immediately - this offer expires in 24 hours
- x Refuses to use escrow or any form of third-party payment protection
- x Has multiple business names or recently changed their company name

SCAM #2 OF 5

"The Fake Buyer Scam"

Someone calls claiming they have a buyer for your timeshare. The buyer does not exist.

The phone rings. A friendly voice tells you they connect timeshare sellers with qualified buyers - and they happen to have someone interested in your specific unit at your resort. The offer sounds real. Maybe even better than you expected.

There is just one thing you need to do first: pay the transfer fees, closing costs, or holding fee to secure the transaction. Amounts vary from a few hundred to several thousand dollars. They may send a fake purchase agreement to make everything look official.

After you pay, the buyer vanishes. The company becomes unreachable. The buyer never existed. Your unit is still in your name, still accumulating maintenance fees, and you are now thousands of dollars poorer.

This scam specifically targets owners who have listed their timeshare on resale sites. Scammers purchase these lead lists and call systematically. The moment you mentioned online that you wanted to sell, you became a named target.

Timeshare resale values are, in almost all cases, extremely low or effectively zero on the open market. Anyone claiming to have a qualified buyer willing to pay thousands for your unit is almost certainly operating a fraud.

WARNING: Legitimate real estate sales do not require the SELLER to pay fees upfront. Money flows the other

RED FLAGS TO WATCH FOR:

- x Unsolicited call claiming a specific buyer is ready for your exact unit
- x Requires payment of any fees before the buyer signs or the deal closes
- x Cannot provide verifiable proof the buyer exists - name or proof of funds
- x Purchase agreement looks official but requires immediate wire transfer
- x Urgent deadline - the buyer needs an answer by end of business today

SCAM #3 OF 5

"The Deed-Back Scheme"

They promise to deed your timeshare back to the resort. No paperwork ever gets filed.

This scam sounds logical because legitimate deed-back programs do exist at some resorts - typically for owners current on fees who have owned for many years. Scammers have learned to mimic this language to appear credible.

The pitch: We have relationships with resort legal teams. We can negotiate a deed-back on your behalf. Pay our processing fee and we handle everything. The fee ranges from \$1,500 to \$5,000.

The reality: the company either files no paperwork whatsoever, or files documents that the resort never agreed to and promptly rejects. The timeshare remains in your name. Maintenance fees keep coming. The scam company is unreachable.

In documented cases, scammers have filed fraudulent deed transfers to shell entities. You believe you transferred ownership, but you actually signed over your interest to a worthless holding company that will abandon the timeshare and destroy your credit when fees go unpaid.

A legitimate deed-back requires DIRECT negotiation with the resort legal or owner services department. No third party can guarantee a resort will accept a deed-back - it is entirely at the resort discretion and most have strict eligibility criteria.

RED FLAGS TO WATCH FOR:

- x Claims to have existing relationships with resort legal teams - unverifiable
- x Cannot show documentation of past successful deed-backs at this resort
- x Requires payment before making any contact with the resort on your behalf
- x Rushes you through signing documents without independent attorney review
- x Cannot explain exactly what happens if the resort rejects the deed-back

SCAM #4 OF 5

"The Mexican Timeshare Recovery Scam"

Fake government officials hold recovery funds for you. Just pay the tax to release them.

This scam targets owners who purchased timeshares in Mexico - particularly in popular resort areas. It is extremely sophisticated and has been the subject of FBI and FTC warnings for over a decade.

You receive a call from someone identifying themselves as an official from a Mexican government agency or consumer protection bureau. They inform you that your resort has been fined or shut down, and that recovery funds have been set aside for defrauded owners - including you.

There is just a small tax or processing fee required to release your portion of the funds. The amount might be \$500 or \$5,000 depending on the size of your recovery. They may request multiple fees over time, each time claiming it is the final requirement before your check is released.

No such recovery fund exists. The government agency is fictional. The callers are sophisticated criminals who speak fluent English, use official-sounding agency names, and send convincing forged documentation.

The US State Department has issued multiple warnings related to this specific scam. Victims have lost from a few thousand dollars to over \$100,000 in documented individual cases.

WARNING: No legitimate government agency will ever call you to offer money and then ask for payment first.

RED FLAGS TO WATCH FOR:

- x Unsolicited call claiming to represent any Mexican government agency
- x Claims to have recovery funds or compensation specifically set aside for you
- x Requires any fee payment - regardless of amount - before releasing funds
- x Creates urgency: funds must be claimed by a deadline or are permanently forfeited
- x Requests payment via wire transfer, money order, or cryptocurrency

SCAM #5 OF 5

"The Attorney Letter Mill"

A threatening letter goes to the resort. That is the entire legal strategy.

This scam is particularly dangerous because it uses real attorneys - or at least real law firm letterhead - to create the appearance of legitimate legal representation. It has fooled thousands of timeshare owners who believed they were getting actual legal help.

The company charges \$2,000 to \$6,000 to have an attorney send a formal demand letter to the resort. The letter uses legal language, references consumer protection statutes, and sounds genuinely threatening on the page.

The resort legal team reads it, recognizes it as one of dozens of identical template letters they receive each week, and ignores it. No court filing happens. No negotiation follows. The letter mill has fulfilled their technical obligation by sending a letter, even though your situation is completely unchanged.

Some operations are even more deceptive: they use people with law firm email addresses rather than real attorneys. When you try to verify the attorney, the bar number is fake or belongs to a real attorney who has no knowledge they are being used this way.

Real legal representation means court filings, negotiation records, documented communications, and a strategy tied to your specific contract - not a template letter the resort has already seen dozens of times from the same operation.

WARNING: Ask one question: What happens if the resort ignores your letter? If the answer is vague or evasive

RED FLAGS TO WATCH FOR:

- x Legal strategy cannot be explained beyond sending a demand letter to the resort
- x Cannot provide the attorney bar number for independent state bar verification
- x No mention of court filings or escalation path if the resort ignores the letter
- x Charges full fee upfront before any legal review of your specific contract
- x Attorney is not licensed in the state where your timeshare is located
- x Cannot provide verifiable documented outcomes from past similar cases

THE SOLUTION: What Actually Works

The 1 Method That Actually Works: Legitimate Contract Review

After years of documenting exit scams, the pattern is clear: the only approach that produces real, permanent results is a legitimate legal contract review conducted by a licensed attorney who specializes in timeshare law.

Here is what separates a real exit from every scam on this list:

Step 1 - Attorney Review First:

A licensed attorney reviews YOUR specific contract - not a generic template. They look for misrepresentation in the original sales process, state consumer protection law violations, rescission period violations, and contract defects that can void the agreement entirely.

Step 2 - No Upfront Fees:

Legitimate services do not require large upfront payments before any work is done. Any company demanding \$3,000 or more before reviewing your contract is running a variation of Scam #1.

Step 3 - Escrow Protection:

When payment IS required, it is held in a third-party escrow account. The attorney receives funds only upon completing agreed milestones - not before any work begins.

Step 4 - Written Guarantee:

A legitimate provider puts their performance commitment in writing. If they cannot achieve the agreed outcome, you receive a full refund. This is enforceable because it is backed by a real law firm with a license to protect.

Step 5 - No Contact Required From You:

You should never have to call the resort yourself or be coached to make claims. A legitimate attorney handles all communication with the resort directly on your behalf.

How to Verify Any Exit Company

Use This Checklist Before Paying Anyone

Check the BBB Rating

Look up the company at BBB.org. Seek an A or B rating with minimal unresolved complaints. Zero history may mean they recently rebranded after complaints piled up against a prior name.

Search the State Attorney General Database

Most state AG offices maintain searchable complaint databases. A company with AG warnings in multiple states is a serious red flag requiring immediate caution.

Ask for the Attorney Name and Bar Number

Get the specific attorney name and bar number. Verify on your state bar public lookup tool. No verifiable attorney means no real legal protection for you.

Demand Escrow

Ask directly: Is my payment held in escrow until work is completed? If they say no or require upfront payment for processing, walk away without further discussion.

Never Pay by Wire Transfer or Gift Card

Wire transfers are untraceable and unrecoverable. Legitimate companies accept credit cards or escrow arrangements. Anyone demanding wire transfer is almost certainly operating a scam.

Get the Guarantee in Writing

Ask for the performance guarantee in writing before signing. A legitimate guarantee specifies what happens if they fail. Vague language like we will do our best has no legal weight.

Do Not Respond to Unsolicited Contact

If a company contacted YOU first by phone, postcard, or email, this is almost always a scam operation. Hang up and do not return the call under any circumstances.

Take 48 Hours to Decide

Any company pressuring you to sign or pay today is using a high-pressure tactic. Legitimate companies understand you need time to verify. Offers expiring in hours are a deliberate scam signal.

YOUR NEXT STEP

Get a Free Contract Review at ExitMyContract.com

No Upfront Fees. No Pressure. No Obligation.

Here is what happens when you visit ExitMyContract.com:

- ✓ A licensed attorney reviews your specific contract - at no cost to you
- ✓ You receive a written assessment of your exact legal options
- ✓ Zero pressure to move forward - the decision is always yours
- ✓ If we take your case, payment is held in escrow until results are delivered
- ✓ Written money-back guarantee included with every engagement

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