



# ***NEWS RELEASE***

**FOR IMMEDIATE RELEASE: June 6, 2013**

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## **California Department of Real Estate Participates in Multi-State, Multi-National Law Enforcement Initiative Against Deceptive Practices of Unscrupulous Timeshare Resellers**

Sacramento, CA - The California Department of Real Estate (DRE) is participating in a joint multi-state, multi-national law enforcement initiative, coordinated by the Federal Trade Commission (FTC), to combat deceptive practices of unscrupulous timeshare resellers.

Typically, deceptive timeshare resellers claim to have ready buyers or renters who will pay top dollar for consumers' timeshare properties and trick consumers into dishing out hefty up-front fees. The resellers falsely claim that they can sell or rent consumers' properties for a certain amount, although no buyers or renters are in place. Consumers ultimately end up losing hundreds or thousands of dollars in bogus closing costs and retaining unsold properties. Many of these scammers also promise refunds to consumers, but most consumers never get their money back.

Today's announcement coincides with the announcement of more than 83 civil and administrative actions by 28 states, 58 criminal prosecutions brought by U.S. Attorneys nationwide and local law enforcement, 9 civil actions by the FTC, and 24 actions by international law enforcement agencies in 8 countries. For a list of the actions, visit: <http://www.dre.ca.gov/files/pdf/pr/2013/ChartActions.pdf>.

Since 2012, the DRE has issued five Desist and Refrain Orders against unlicensed timeshare resellers that were involved in the collection of illegal advance fees.

To protect against these types of frauds, the DRE provides these tips:

1. **Check out the company before you agree to anything.** See if the California [Attorney General](#), the [California Department of Real Estate](#), the [California Department of Consumer Affairs](#), or the [Better Business Bureau](#) has complaints, then search online by entering the company name and the word "complaints" or "scam."
2. **Deal only with licensed real estate brokers or agents.** Check with the DRE, and the Real Estate Commission or appropriate regulatory agency in the state where your timeshare is located, to make sure the company has a current license. Because timeshare scammers have posed and continue to pose as legitimate licensees, it is necessary for you to get the name of the person calling, emailing or making the solicitation (*e.g.*, the real estate broker or salesperson they purport to be), look them up on the DRE website, locate a phone number for the licensee through the telephone company or a genuine phone directory, call the licensee at that number and verify that the person who contacted you actually works at the number called, and then speak with the identified licensee to confirm that he or she actually made the contact.
3. **Get all terms in writing before you agree to anything.** That includes services that will be performed, timing of the sale, fees and commissions, cancellation and refund policies. If a company says you have to act now or you might miss out on a buyer, it's not a company you want to do business with.



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4. **Do business only with someone who gets paid *after* the timeshare is sold.** And don't wire money or pay in cash. Once the scammers get that money wired, or the cash, chances are you will never see it again.
5. **Be alert to a repeat scam.** If you were scammed once by a timeshare reseller, another scammer might offer to help get your money back — for a fee. Legitimate companies don't ask you to pay before you've gotten your money back.
6. **Contact your timeshare resort or developer.** The resort or developer may be aware of a new or ongoing scam with regard to a particular timeshare property(ies), or the legitimacy or illegitimacy of the person(s) who -- or entity(ies) that -- has made the contact with the timeshare owners. In addition, there may be significant restrictions on sales, transfers and/or rentals of which the timeshare owners are not aware.

For more, read [Timeshares and Vacation Plans](http://ftc.gov/travel) at [ftc.gov/travel](http://ftc.gov/travel), or the alerts and information on the Department of Real Estate's website at: <http://www.dre.ca.gov/Consumers/ConsumerAlerts.html>. For more information on the Desist and Refrain Orders issued by the DRE and its programs visit [www.dre.ca.gov](http://www.dre.ca.gov).