



AMERICAN RESORT DEVELOPMENT ASSOCIATION CONSUMER ADVISORY ON FRAUDULENT COLLECTIONS

ADVISORY VI

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The American Resort Development Association has recently been made aware of a fraudulent marketing practice targeting consumers over maintenance fee billings. All owners should use caution if they are solicited by a company claiming to work on behalf of an association collecting overdue maintenance fees due to billing errors or an unexpected special assessment. Contact your resort immediately to be certain the bill and the company collecting it are legitimate.

This situation recently occurred when a Virginia Beach resort owner received a letter that appeared to be from his resort. The resort's logo was illegally obtained from its website, and the company who sent the letter had no affiliation with the resort. The letter stated the owner had a \$900 delinquency due to an error in maintenance fee billings. Unfortunately, the owner paid the fee to the fraudulent company before he reported it to resort management. The resort staff has immediately taken steps to alert owners and has contacted other resorts advising them to warn their owners as well. The incident has also been reported to local law enforcement for further investigation.

ARDA urges consumers to proceed with caution when dealing with requests from companies claiming billing discrepancies or other unusual billing claims. If this occurs, owners should contact their home owners' association (HOA) or resort's billing department to report this activity and determine if it is authorized. In addition, if the resort has hired a legitimate collection agency to solicit payment of delinquent maintenance fees, resort management should strongly consider a communication to their owners to reinforce who are authorized to communicate with the owners about maintenance fee issues.

For more information about timeshare ownership and tips to follow to ensure a safe buying or selling experience, visit <http://www.ardaroc.org>.