

Timeshare

What is a timeshare

When you buy a timeshare, you buy the **right to use holiday accommodation** for a **set amount of time each year**. The accommodation is usually a **villa in a resort**, but you can also get timeshares in, for example, caravans, cottages, flats and boats. How you pay for a timeshare will vary, but usually you pay a one-off lump sum and then annual maintenance charges.

A timeshare agreement which lasts at least a year is covered by law giving you protection. This includes a cooling-off period.

This fact sheet tells you your rights if you buy a timeshare from a company, but **not** if you buy it from a private individual. If you buy from a private individual, you are not covered by timeshare law.

Before signing a timeshare agreement

When you buy a timeshare, you sign a **binding agreement** with a timeshare company. It can be difficult to cancel the agreement, so it is important to get as much information as possible before you sign, including details of:

- **the full costs**, including charges for things like legal fees, gas, electricity and water, annual management and maintenance charges. Ask what is included in these charges, how they are calculated and the basis on which they can be increased in the future; *and*
- **the duration of the agreement**; *and*
- **what the resort is like**. If it is still being built, check that planning permission has been granted. Also check the extent of the development and the amount of work still to be completed; *and*
- **the type of ownership** you will have and whether you will own the title to the property and an interest in the land which, for example, you could sell or leave in a will (this is unusual); *and*
- **the terms and conditions** of the agreement; *and*
- **who is responsible** for the **day-to-day running** of the resort and **maintenance** of the property; *and*
- whether there is an **owners' committee** or **association** and what **powers** it has, for example, whether it can dismiss the management company.

Things to consider

- do you want this type of holiday every year?
- is it value for money? Don't forget that the cost of transport to the resort is not included

- shop around
- ask for a brochure
- insist on full details in writing. **Do not rely on verbal promises alone.** Do not be tempted by free gifts offered as an incentive.

labelling="Section-Header">Cancelling a timeshare agreement

Once you have signed a timeshare agreement, the law gives you a **14 day cooling off period**, during which you can **cancel the agreement** for any reason and have **your money back** without having to pay a **cancellation fee**. You should not be asked for any money during the cooling off period. You are entitled to a cooling off period only if the timeshare **lasts at least one year** and is for a **property, caravan or boat** in the **European Economic Area (EEA)**.

Before 23 February 2011, there was only a cooling-off period if a timeshare agreement was for at least three years.

Timeshare sellers in the UK and EEA **must** tell you about the cooling off period and give you a cancellation form when you sign the agreement. If they don't, the cooling off period will be extended **to one year and 14 days** and **if you are not given a cancellation form the timeshare seller cannot enforce the agreement against you.**

After the cooling off period, you can **cancel** the agreement if the **terms of the agreement allow** for this. If you want to **sell your timeshare**, a timeshare resale company or the timeshare company may be able to arrange this for you, although they will charge you commission.

What you can do if there are problems with the timeshare

Make a complaint

Contact the company as soon as possible. Write to the manager and keep a copy of your letter. Explain your problem firmly but calmly, and ask for what you want, **to cancel the agreement or compensation.** Don't ask for something you're not entitled to.

If you are not satisfied with the response and the timeshare is in Europe, find out if the company is a member of the **Resort development Organisation (RDO)**. RDO operates a complaints procedure and conciliation service to help resolve disputes. If you use this service, any decision will be **legally binding** and is likely to prevent you taking court action. Visit their website at: www.rdo.org.

If you decide not to use conciliation, write to the owner/manager of the company repeating your complaint and the steps you have taken so far. Say you are giving them fourteen days to resolve the problem, otherwise you will consider taking legal action. Send the letter by **recorded delivery** with a copy to the head office of the company, if there is one. **Keep copies** of all your letters and a note of any phone conversations you have in connection with the problem.

If the company makes you an offer, you can either accept or continue to **negotiate**. Be realistic in what you will accept. You may not get an improved offer by going to court.

Complain to the Citizens Advice consumer helpline

A criminal offence may have been committed if you buy timeshare in an **EEA** country and:

- key information about the agreement is not provided, or
- the seller takes money from you during the cooling off period, or
- the seller makes false or misleading claims about the timeshare. This could include a claim that a timeshare is an investment, or
- the seller pressurises you into signing an agreement,
- the seller offers you a prize which is worth less than promised or which can only be collected if you make a payment.

If one of these applies to your situation, contact the Citizens Advice consumer helpline on 0845 404 0506.

Get advice from the Timeshare Association

The Timeshare Association is run by timeshare owners and also provides help for consumers. Get advice from the Timeshare Association's consumer helpline 0845 230 2430 or email info@timeshareassociation.org. Visit their website at www.tatoc.co.uk.

Complain to the Advertising Standards Authority (ASA)

All advertisements which appear in the UK have to observe the British Codes of Advertising, Sales Promotion and Direct Marketing, which say that advertisements must be legal, decent, honest and truthful. If an advertisement describes a timeshare in a misleading way, you could complain to the ASA. Their website address is www.asa.org.uk.

Go to court

If the timeshare company doesn't respond to your complaint, refuses to do anything, or makes a final offer you are unwilling to accept, your only other choice is to go to court.

Remember court is your last resort. Before starting court action you need to consider whether you have sufficient **evidence**, and **in which country** you would need to bring the case. You also need to find out if the company is **solvent**. It is not worth suing someone who has no money.

If you have lost money on a timeshare, don't waste more money on a case you cannot win.

Other information on Adviceguide that might be helpful

- Credit
- Problems with timeshares
- Starting court action

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This fact sheet was last updated on 9 September 2013, and is reviewed regularly. If it is some time since you obtained this fact sheet, please contact your local Citizens Advice Bureau to check if it is still correct. Or visit our website - www.adviceguide.org.uk - where you can download an up-to-date copy.