

PANDEMIC PROFITEERING REVELATIONS ROCK TIMESHARE OPERATORS

British timeshare owners furious as resorts increase profits during the pandemic by charging full fees, despite complexes standing empty.

Pandemic travel

While the holiday and travel business in general behaved responsibly towards consumers who booked but (due to the pandemic) were unable to use flights and hotel stays, the timeshare industry has attracted widespread criticism for charging full fees while resorts are closed to guests.

British timeshare owners constitute the majority of owners at Spanish resorts and 2022 is shaping up to be the third year in a row that many of them will be paying between £500 and £2000 in fees, without getting a holiday in return.

Timeshare fees

Contrary to popular belief, annual timeshare fees do not contractually include a holiday. The fees are actually for upkeep and maintenance of the resort. Whether the member is able to use their apartment or not, they always have a legal obligation to pay maintenance.

Members are pointing out that with nobody staying in a resort, the costs to maintain it should be significantly less than when it is occupied.

"There is no justification for charging full fees," explains Andrew Cooper, CEO of European Consumer Claims (ECC). "An empty resort uses minimal electricity and water; it has no wear and tear on the facilities. They only need a skeleton staff without guests to attend. There are endless costs that decrease with an empty resort compared to one operating at full capacity. You don't need to be an economist to understand that."

Club La Costa outrage

Club La Costa is one of the most successful and wealthiest timeshare companies in history. In 2020, during the height of the pandemic, their profits soared. RMF Europe Ltd a key management company in the CLC group's labyrinthine

structure and it increased its profits by a staggering 38.2% from 2019.

Industry observers attribute this massive windfall to two main factors:

1. CLC continuing to demand full maintenance fees, despite minimal expenditure, and staff wages being paid by UK and Spanish governments.

2. CLC's short sighted policy of deferring their legal obligation to pay compensation to their victims.

As well as the profits garnered by the self serving policies above, the company even applied for (and received) a whopping €5 million, low interest, government backed loan (with a guaranteed 1 year payment holiday) intended to help businesses struggling with COVID related loss of income.

This €5 million further swelled CLC's coffers, while many companies in genuine need were fighting for their fiscal lives

Fat profits while others struggle

"This story is far from unique," confirms Cooper. "While most travel related businesses have taken a financial hit during the pandemic, timeshare companies

profits have risen. Their income has remained constant as fees remain unchanged, but the services they are required to provide has dropped.

"Even resort staff have been furloughed and paid by the government meaning the money from membership fees which used to pay their wages, is now kept as profit by the resorts."

Cooper points out the stark contrast with the actions of the mainstream travel industry: *"Hotels and airlines value the goodwill of their customers. They can't afford to alienate people who might spend money with them in the future. These types of businesses are making sure they are seen to behave fairly to consumers."*

"Timeshare resorts don't have the same obligation to keep their customers happy. Members are contracted to pay fees every year, whether they want to or not. The resorts have the choice of whether to be fair, or to maximise profits. They choose profits."

Exodus

Timeshare owners are rebelling en masse. *"They are looking for ways to escape, either by cancelling their contract, or by claiming compensation and exiting the membership that way," says Andrew Cooper. "They*

know that they can now book the same complexes via online booking portals such as booking.com for around the same cost as their annual fees or even less.

"Timeshare owners are fed up with the dated idea that they should be committed to paying for something they don't use. They want the same freedom as regular holidaymakers to come and go as they please, and only pay for what they need."

"These owners are getting their freedom back and, in many cases, also their money back, thanks to timeshare claims firms like ECC."

For a free, no obligation chat about claiming compensation for mis-sold timeshare, or relinquishing your contract, contact our team Monday to Friday during business hours.

Call
0800 112 0476
7 days a week

or text
ADVICE to 88802
to find out if you are eligible
to claim or relinquish
your ownership

Timeshare Holidays Left In Ruins?



- Timeshare owners have enjoyed tens of millions in successful claims
- ECC through our associate legal teams have achieved over 700 court victories
- Average claim amounts are in excess of £20,000
- Thousands of owners have been successfully released from their timeshare contracts

"time to share your story"
with the timeshare advice centre

Scan QR code



To discuss your options
contact our team

on **0800 112 0476**

TEXT: **ADVICE to 88802**

www.ecc-eu.com

