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Ongoing Complaints About Royal Holiday Club

Royal Holiday Club, a Mexico-based timeshare/travel club operation founded in 1985, has been the subject of ongoing complaints of fraud and misrepresentation during the past several years. Despite these complaints, the company claims continued growth since its founding 20 years ago, doubling its membership since 2000 to almost 70,000. With more than half its members from the United States and Canada, most of the activity by disgruntled members appears to originate from these two countries.



The complaints primarily arise from alleged misrepresentations made by Royal Holiday Club sales people in selling club memberships. One of the common complaints concerns arrangements for a partner company, International Leisure Group (ILG) of Tucson, AZ, to purchase a prospect's timeshare in order to provide funds for purchase of the Royal Holiday Club membership. According to the complaints, ILG delivers only excuses and promises, but never purchases the

timeshares.

New members who believe they have been scammed find they have little success in having their concerns addressed by Royal Holiday Club or in cancelling their contracts. A recent report by KING5, a Seattle, WA television station, "found complaints against Royal Holiday Club all across the country, alleging bait-and-switch selling practices to outright fraud. They have been lodged with the Better Business Bureau, logged on consumer Web sites and filed with Attorney General's offices." According to the Better Business Bureau, Royal Holiday Club has an "F" rating, with more than 200 complaints received in a recent three-year period. The Website thesqueakywheel.com shows more than 60 complaints posted during 2007. Another Web-

site, royallyscammed.com, dedicated to helping people get their money back and exposing the company, includes a link to the KING5 report.

In a belated response to KING5, Royal Holiday Club said it gets complaints on only one percent of all its sales and is working to address the concerns of each member. It admitted that some sales people broke company policy in offering to resell other timeshares, but those employees have been fired. The company did not respond to inquiries from TSToday.

Profeco, a Mexican government agency, exists to aid consumers who believe they were scammed in Mexico.

Profeco can be reached at 01-800-468-8722, or (011)(52)(55) 6090-6633 and 5090-6700, ext 1317 or via email at extranjer@sprofeco.gob.mx. An excel-

Tax Sale Saga Ends

A Florida Appellate Court has finally brought an end to the Camelot Condominium lawsuit by upholding a lower court decision that had voided a tax sale of the property. For timeshare owners, the problem began in late 2006, when they showed up for their Winter vacations in Pass-a-Grille, Florida. They were turned away from the resort by guards who were acting on behalf of Luke Investments, which had just purchased the resort property at a county sale for unpaid real estate taxes.

At the time of the tax sale, the resort had been self-managed and, in accordance with Florida statutes, tax bills were sent to the Owners Association. Although there was reportedly enough money to pay the

taxes, they were not paid for reasons never made clear. The tax collector then sent a notice to the Owners Association that the property would be sold at a public tax sale. Luke Investments was the successful bidder at \$2 million, paid the amount of the bid to the tax collector and took possession of the resort.

The owners retained counsel to challenge the validity of the tax sale. The owners contended that they were never given direct notice of the tax sale, although their names and addresses were shown on the deeds recorded in the county registry of deeds. Counsel argued that the plain language of the statutes requires that notice of a tax sale be given to each of the owners of record, even though tax bills could be sent to the managing agent (here the Owners

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Tax Sale Saga Ends

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Association.)

Since there were no disputed facts, the trial level court ruled that, as a matter of law, the sale was void because the timeshare owners had not received notice of the sale. Possession of the resort was awarded to the owners, who then hired Liberte Management Group to manage and to get the resort back in shape.

The county tax collector had not disputed the owners' claim that the tax sale was void. Despite the tax collector's position, Luke Investments was not content to accept the trial judge's decision and filed the appeal that resulted in an affirmation of the decision that the owners should have received notice of the tax sale.

In a footnote, the court noted that its ruling could mean serious inconvenience to tax collectors, who might have to send out thousands of notices to have a public tax sale of a resort in arrears on its real estate taxes. However, there is no indication that the Florida legislature has taken any steps to amend the statute, which now provides that notice of a tax sale

A New Orleans Christmas

By J. Robert Wayland, Albuquerque, NM

We had found New Orleans to be a wonderful place in the month of December. The last time we visited was before Katrina; other obligations had kept us from returning until now. To try a new approach, we chose to stay at the Wyndham Avenue Plaza on St. Charles in the Garden District.

The St. Charles streetcar had just returned to service, so it would be easy to get to the Quarter. The cost is trivial, \$1.25 (exact fare) or \$0.40 for seniors with Medicare ID. There is also a three day unlimited ride pass for \$12. The fun of riding the old streetcars is often enhanced if you sit up close to the driver and listen to the lively exchanges of regulars.

Our unit was a one bedroom on the fourth floor. Timeshare units in New Orleans tend to be converted hotels and apartments. Of course, everything seems old fashioned and ours was not an

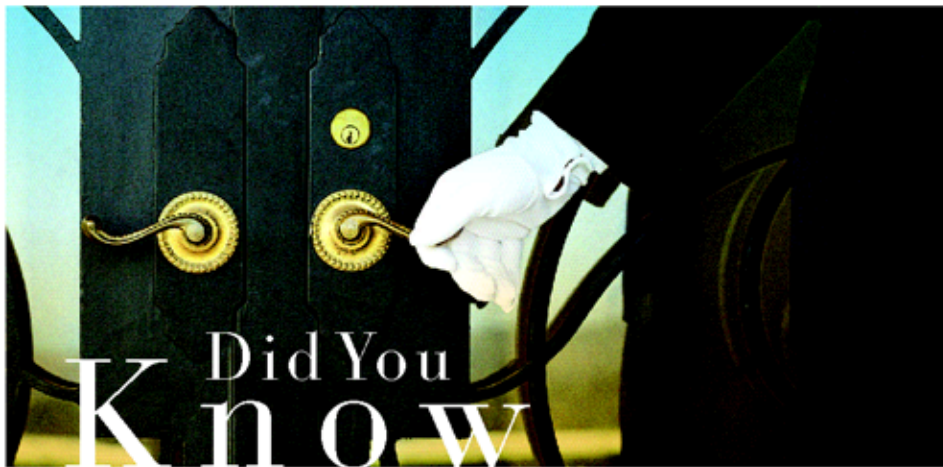
exception. There was almost no closet space (none in the bedroom although there was plenty of room for a chifferobe). It has an old bathtub that was very slippery without any non-skid mats or strips. There were no rails or bars to help you out of a bath.

One of the main reasons we love New Orleans, especially at Christmas, is the food. The first night, we walked three blocks East on St. Charles to the Gulfstream restaurant (Zagat rated) for a delicious meal. The décor was elegant with a live jazz band. Another Zagat rated restaurant is in the resort. The décor is rather plain but the food very good. A number of the Brennan restaurants in the Quarters give out special treats at lunch (usually a nice ribbon with restaurant's name on it and a bell attached). A choir at Commanders Palace had us singing Jingle Bells and ringing the bells.

There are a number of cooking demonstrations by the chefs of the major restaurants. We were lucky enough to attend one by the chef from Commanders Palace. If you choose to attend one be sure to get there early as the limited number of seats are quickly filled. Our favorite place is K-Paul's; we ate there on our last night to celebrate my wife's birthday.

Cultural activities extend beyond the always-welcome jazz. The old Mint had a special exhibit on gold. The displays were beyond anything we expected. Another worthwhile exhibit was at the New Orleans Museum of Art in City Park. A local artist had painted a series that showed the aftermath of Katrina. It really brought home the tragedy. Christmas concerts are at the St. Louis Cathedral on Jackson Square We attended a Folk concert there (free) by John Fohl, Theresa Anderson and David Doucet: their eighth return for these annual events. Information on Christmas activities in New Orleans is at the web site <http://fgfi.org>.

The most reassuring thing we found was the sense of a city that is surviving, rebuilding with a community spirit and working together to make visitors feel welcome.



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