

Orlando Sentinel

ASK A LAWYER

Dumping Timeshare Could Mar Credit

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Question:

We paid cash for an Orlando timeshare 15 years ago, but we can no longer afford its annual maintenance fees. We're thinking about refusing to pay any more maintenance fees. We've been told the timeshare would revert to the parent company, and we could walk away with just a minor blemish on our credit.

Is this our best option?
I.D., Eagleville, PA



FRANK POHL
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Answer:

A Florida timeshare interest owner is personally liable for all assessments during the course of ownership. The timeshare managing entity, or TME, holds a lien over the timeshare that it can foreclose to secure payment of assessments.

The TME has two foreclosing options. The first is a traditional foreclosure lawsuit in which a personal claim against you – for assessments as well as for attorney's fees and costs – could be made. The second is a non-judicial foreclosure in which the TME's recovery is limited to only the proceeds of any sale.

The TME should prefer the efficiency of the second option, but both are possibilities. Because personal liability exists, your credit could be seriously affected by non-payment. You should contact the TME to discuss voluntarily selling or exchanging your interest in return for a release of personal liability, or seek help from a Florida attorney.