



# SHARES – FRAUD TYPOLOGY

By U.S. MISSION TO MEXICO

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**Real Estate and Time Shares:** U.S. citizens should exercise caution when considering time-share investments or purchasing real estate and be aware of the aggressive tactics used by some sales representatives. Before initiating a real estate purchase or time-share investment, U.S. citizens should consult with a Mexican attorney to learn about important regulations and laws that govern real estate property.

Although there are different types of timeshare fraud, the schemes often involve the following: (1) third-party scammers, who claim to have ready buyers, make unsolicited purchase offers to timeshare owners; (2) if offers are accepted, scammers make requests of timeshare owners for payments of advance fees and taxes, supposedly to facilitate or expedite the sale with assurances of reimbursement upon closing; and (3) once multiple payments have been made to the scammers, timeshare owners eventually realize that the offers were fictitious, that there are no buyers, and that their money is gone.

## TIMESHARE FRAUD RESOURCES

In 2020, the Federal Bureau of Investigation (FBI) and the Securities and Exchange Commission issued a joint warning to consumers concerning fraudsters targeting owners of timeshares in Mexico. Individuals who have been victimized by this type of scam are encouraged to file a complaint with the FBI's Internet Crime Complaint Center by visiting <https://www.ic3.gov>.

At times, perpetrators of timeshare fraud misuse government agency names in attempts to appear legitimate. For example, perpetrators may call victims and claim to represent OFAC, demanding a payment in exchange for the release of funds that the perpetrator claims OFAC has "blocked." Today, OFAC is also issuing an alert regarding such scams, warning that individuals may falsely claim to represent OFAC in furtherance of their fraud.

**More information:** [Country Information Sheet for Mexico](#)