

<http://www.timesharestogo.com/how-timeshares-work.htm>

they meet....THE SALESMAN. And this is not just any salesman or saleswoman, this is THE salesman. He knows he's got just 90 minutes with you and he's gonna make it count. He does this three or four times a day, five days a week, 50 weeks a year. You don't.

Now, let's be fair. There are very many good and professional sales people working at resorts. They can be very hard working folks who are decent and trying to earn a good living. We don't fault them for that and we salute them as a necessary part of the timeshare industry. We know many of them ourselves personally.

But here's the down and dirty of it. The average timeshare resort has a marketing overhead of 50 to 60%. In layman's terms that means this: All those free gifts are going to be paid for by someone. You. All that staff you see, all those salespeople, all the office personnel have to be paid by someone. That's right, you again. So you purchase a timeshare for...let's say \$15,000. (You know you got a deal 'cause the price was much higher. But when you couldn't afford it, they were nice enough to find you a "foreclosure". ahem). 50% marketing overhead means that \$7,500 of that \$15,000 went to pay nothing but the cost of getting all those people together to sell you that timeshare. So what's the true value of the property? (math quiz here). That's right! \$7,500! So! What happens when you go to resell that property later on? Can you sell the cost of the marketing you paid for? NO! So what can you expect to get for your timeshare? Assuming no appreciation (don't assume it, it's rare...unless you truly bought a steal), \$7,500.