



FRACTIONAL *ownership*

We've all heard about the new buzz word going around lately, called Fractional Ownership and there are quite a number of different schemes that you can get involved in. You can acquire an expensive property, yacht, private jet, etc through this scheme, but what exactly is in it for you. Here is just a short description on what it is all about and if it is worth your while to invest in such a scheme.

Words by: THEO COETZER
Picture by: Matrix Yachts



Fractional Ownership is a structure whereby a group of individuals acquire an asset, normally of very high value and then they own a share in the asset. They then have the right to make use of this share in the asset when it suits them. The asset is managed by a skilled management company on behalf of the owners, providing them a cost effective, hassle free investment. This is in short what is meant when you are offered a share in a fractional ownership scheme, but exactly what you get differs from scheme to scheme.

Although most of the fractional ownership schemes currently available are in the property sector of the market, when looking at other schemes in the different sectors, the same criteria and questions can be used to see if it is worth your while investing. The fractional model offers consumers a leisure dream, or an excellent alternative to owning a holiday home, which is 100 percent hassle-free. Such investors who may not have the

required cash to purchase the asset outright, or who don't have the time to visit the destination or to make use of the asset more than once a year, such a scheme is the ideal answer.

The fractional product is highly compatible with other sales strategies, which should stimulate further visits, higher year-round occupancies and greater demand for the development or the asset, which should ultimately prove a powerful catalyst within the resale market again.

The appeal of the fractional ownership can be further enhanced through a global network with a broad selection of luxury leisure assets, which gives owners the option of exchanging their usage rights for time at other global destinations of similar distinction. Membership also incorporates the services of a personal concierge, 24-hours a day, 365 days a year. This

facility is tailored to the member's needs so that any request can be accommodated, regardless of size or difficulty. Through some schemes on offer, members have access to the use of private jets, lavish motorcars and extravagant yachts to cruise the world.

Clearly many positive motivations exist for fractional ownership for both the developer or seller and the investor and as a result, fractional development or ownership could potentially enjoy exponential growth.

Here are just some of the schemes currently on offer. We are in the process of getting-in more information on this topic, locally as well as international schemes and then we will have a follow-up article later in the year, to inform our readers about other ownership schemes on offer.

FRACTIONAL OWNERSHIP

Fractional Catamarans

Fractional Catamarans offers its co-owners a truly luxury hassle-free yachting experience for discerning people wanting to enjoy five star treatment aboard a mega catamaran in paradise.

The yacht on offer is s/v Zingara, a 76ft Silhouette catamaran built by Matrix Yachts of Cape Town and is based in the un-spoilt British Virgin Islands. It accommodates up to 10 guests and is crewed by 4 enthusiastic professionals, dedicated to making your stay a life long memory.

The Captain, with his expert local knowledge will tailor-make the itinerary for your time aboard. He will focus on what you, his guests, enjoy most. Be it chilling out in a secluded bay or flavoring the many colorful Caribbean night spots.

The dive instructor is on hand to teach those wanting to experience the fascination of viewing under water sea life close up, or to take the more adventurous divers to explore some of the over 300 ship wrecks in the area. The many other water toys aboard like the Hobie Cat, kayaks and water skis are freely readily available for the enjoyment of the children.

The unexpectedly high standard of the cuisine served on board, never fails to pleasantly surprise the guests taste buds and every meal becomes eagerly looked forward to with anticipation.

For more information visit www.fractionalcatamarans.com or contact info@fractionalcatamarans.com Tel: +27 21 556 7179.

Voyage Yacht Share

Voyage Yacht Share is your ticket for stress-free travel to exotic destinations of your choosing—on your timetable. Our goal is simple: To make your every day of yachting the most memorable ever. From complimentary massages, access to exclusive clubs, to a concierge service that just won't say no, we pride ourselves in delivering unmatched service. Luxury awaits.

Whether you join our 1-Year Membership program, or purchase a 5-Year Fractional Interest in one of our yachts, you can rest assured that every moment you spend with us will be hassle-free. We know your most precious asset is your spare time, and we take that seriously. All of our members receive 28 stress-free days a year on the water while our attentive crews deliver fist-class service that

far exceeds expectations.

Our yachts represent some of the finest makes in the world including the award winning VOYAGE sailing catamarans and the cutting edge high performance motor yachts from STEALTH Yachts. With locations in some of the most sought after spots in the world including Annapolis MD, Miami FL, Newport RI, Paradise Island BAHAMA, Tortola BVI, and Palma SPAIN, VOYAGE YACHT SHARE is uniquely positioned to deliver sensational year-round service to their members.

For more information, please contact Bob Kyle at bob@theyachtshare.com or 703-497-7469 (USA).

Leisure Extreme

Dave Harris and Stavro Michel of Leisure Extreme have the ultimate package to offer. With years of research and experience by Stonebridge into the two areas, being Fractional Ownership and Syndications, we are already positioned in the market with actual sales within the property division.

Our powerful marketing campaign has set the phones ringing with huge interest in our Mustang Sports Cruiser range. R353 000 buys you a 13th share in a Mustang 3500 or spend only R7 000 per month on a quarter share of a Mustang 2800 Sports cruiser. How easy is that and we even manage and maintain the vessel for you. At a small monthly levy, you are now able to use the Mustang Sports Cruiser range at your own leisure and ready to impress.

After lengthy negotiations we are about to finalize, within the next few weeks, an affiliation with one of the largest Boat Share companies in Australia and New Zealand currently marketing the Mustang Range. Luxury consumers are spending more on life-changing experiences and freeing themselves from the hassles of permanent ownership and possessions. The "fixed" is replaced by an obsession with the "here and now". The more stuff you permanently own, the more you have to worry about repairs, going out of style, theft and so on. Luxury consumers are always climbing the ladder and status-conscious consumers resort to luxury fractional ownership, because it's the only way for them to be able to flaunt (both established and new) status symbols.

In an independent research, based on approx 27 000 boat owners on the Gold Coast of Australia, it was established that most boat owners only use their boats 14 days of the year. This proves that we have the perfect product to offer you.

Makes you think, doesn't it?

For more info, contact Stavro on (021) 851 0651 or visit www.leisureextreme.co.za

Princess

"The smart way to own a yacht at a fraction of the cost. For one tenth of the price, you can have the thrill and benefit of owning your own Princess Yacht" CMH Marine and Leisure in association with Dave Abromovitz, Peter Bacon and Howard Godfrey have established a Fractional Ownership Management company called Princess Yachts SA (PTY)Ltd. This is what they offer.

The Role of Princess Yachts SA (PTY)Ltd (Manco)

- Managing the investment
- Maintenance of the yacht
- Concierge desk - Bookings, queries, trip planning, etc
- Providing skippers, catering and crew
- Insurance
- Mooring
- Arranging additional services, e.g. beverages, food, fuel, etc. (at individual shareholders expense)

Ownership of the Yacht

- The yacht is owned by a Fractional Ownership Company viz "Princess One (Pty) Ltd".
- Each investor is a shareholder of Princess One (Pty) Ltd.
- Each share comprises of 10% of the yacht cost.
- An individual can own more than one share.
- Manco manages all the affairs of Princess One (Pty) Ltd and is also contracted to provide management services for the yacht.
- Each shareholder pays a monthly management fee for the upkeep and management of the yacht.

Ownership Terms

- Princess One (Pty) Ltd would own the boat for a 5-year period. However, the yacht can be sold prior to the end of this period by agreement of all shareholders. Alternatively, the period

of ownership can be extended beyond 5 years by simple majority decision.

- Manco will market and sell the yacht on behalf of Princess One (Pty) Ltd, at the time the shareholders resolve to dispose thereof.
- The net proceeds are distributed back to the shareholders.
- Should a shareholder wish to dispose of his share in Princess One (Pty) Ltd at any stage, Manco will facilitate this transaction, subject to the rights of pre-emption set out in the shareholders' agreement.

Usage Entitlement

- 10% of the high season months (1st of November to 30th of April).
- 10% low season months (May, June, September and October).
- The period 1st of July to 31st of August will be set aside for use by all shareholders and maintenance.
- Between 15th of December and 15th of January (normally very high usage time) each of the shareholders will be entitled to a minimum of 3 days of use, but this period can be extended (more than probably) by arrangements with other shareholders unable to utilize the yacht during this period.
- Scheduling is done through a concierge desk, skipper or the Princess Yachts SA Fractional Ownership website.

Preparation & Maintenance

- The yacht will be prepared for your period of use in accordance with your requirements.
- Your yacht will be maintained by Princess accredited suppliers and companies.

Flexibility

- The yacht can be used at different locations around the South African coastline.

- Visit places that are inaccessible to other main stream tourists.
- The option to stay onboard when visiting Cape Town.

Safety

- Your yacht will all at times be fully certified according to the South African Maritime Safety Authority and shall be in the hands of a fully qualified skipper.

How to obtain a share

- A set of agreements will be presented to you for signature.
- The receipt of your deposit will secure your share.

Agreements

The Fractional Ownership Agreements comprise of the following:

- Sale of Shares Agreement
- Shareholders Agreement
- Use Agreement
- Rules Agreement
- Management Agreement

Monthly management fee covers

- All costs excluding Fuel, Food & Beverages.
- Manco has arranged a secure and accessible mooring at the Cape Grace Marina in Cape Town. The cost is included in the levy.

For more information regarding this scheme, please contact

Cape Town

Tel: 021 511 0220

email:stefanj@cmh.co.za

Tel: 021 419 0722

email:princess@yachtbrokers.co.za

Johannesburg

Tel: 011 462 4390

Or visit www.waterworld.co.za and

www.yachtbrokers.co.za

FRACTIONAL OWNERSHIP

Wiltel Marine

WILTEL Marine has developed a fractional ownership package which offers superior benefits to the owner.

- They have selected to offer the best selling Aicon 56 Fly as part of their fractional ownership package. This boat offers superior finishes and has been voted 'Yacht of Year' when it was introduced at the Cannes boat show.
- The Aicon 56 Fly will be moored at the Cape Grace Marine which is within walking distance of all the main tourist attractions at the V&A marina.
- All cleaning and maintenance will be performed by Wiltel Marine's own staff.
- The fractional ownership is also based on actual ownership of the boat by the shareholders. The boat is an asset in the company in which the fractional owner holds the shares. The benefit of this is that when the boat is sold in 5 years time, the shareholders could get a substantial return on their investment. With the strengthening of the Euro, the sale could result in a surprisingly good return on your initial investment.
- The Wiltel Marine offer includes a charter pool. Should you decide not to use the time allocated, then you may

place it in a charter or swap pool resulting in additional income.

- The Aicon 56 Fly has its own crew cabin. This ensures the user privacy and the benefit of having a private skipper on board during extended trips. Wiltel also has a pool of qualified skippers available for such trips.
- A monthly levy covering mooring fees, insurance, cleaning etc. is payable. The cost of running the boat is therefore fairly split amongst the users. The usage fee is only applicable once you start the boat. If you do not use the boat, your costs are then reduced to ensure an even cost distribution between the partners.
- Should the weather not allow for cruising then the boat still offers 6 star luxury accommodation, in a premier boating destination, Cape Town.
- An exclusive offer from Wiltel Marine is that part of the offer includes charter of an Aicon 56 in the Italian Riviera. A number of other exciting destinations are also available. This is valid for the first year and includes the cost of chartering the boat. For more information visit www.aironblue.com. This offer is limited to the first 5 shareholders.

- Safety at sea is not negotiable. Wiltel Marine therefore offers scheduled services on the boat which includes annual certification, engine and other services.
- Shares are available in blocks of 10% each. A shareholder may purchase as many blocks as he or she wishes to do so.

Wiltel Marine is the only company that offers full support on the boat, during and after the fractional ownership period, provided by staff employed by them. You therefore have one customer relations manager who will take care of all your needs, while at the same time ensuring that the boat is fully stocked, serviced and ready to go. Fractional ownership is an exciting opportunity to invest in a lifestyle by only paying for the portion of use you would have probably used in the event of full ownership. With the added limited offer of a charter for a week on a similar award winning boat in the Italian Riviera, this surely must be one of the best opportunities to live the high life at a "fraction of the cost". ♦

For further information, contact:
Erik: 072 6881444 or Geoff: 562 5145

Trident Investments

Trident Investments is providing an upmarket, luxury yachting investment in South Africa. Their primary objectives are to provide exclusive individuals with unsurpassed, luxury yachting experiences and an outstanding investment opportunity. They offer interested parties the opportunity to own a share in the latest addition to the Ferretti fleet in South Africa, its flagship model 881 RPH. This 88 ft yacht is the epitome of sheer bliss, power and luxury. Your investment will include, amongst a host of other benefits, a full concierge service through the strategic alliance with

Quintessentially as well as with Ferretti, the premier International motor yacht brand. Foremost Yachts, the African agents for Ferretti, is also committed to the outlook of Trident Investments and shares in their vision of; "We make our customers dreams come true" as well as their mission of; "To provide our shareholders with unsurpassed luxury yachting experiences whilst enjoying an outstanding investment opportunity" One only needs to compare Trident's vision and mission with those of Ferretti to see the alignment. Ferretti's commitment to excellence and dream realization works synergistically with

Trident's vision and mission. Fractional ownership offers a wide array of benefits to investors and Trident Investments is riding the crest of this wave heading for South Africa. The benefits of their fractional ownership investment is in three key areas namely, unsurpassed service, true luxury lifestyle and a real tangible investment opportunity.

For more information contact Attila on 083 595 2932 attilla@trident-investments.co.za or Lloyd 082 904 0579 or lloyd@trident-investments.co.za or visit www.trident-investments.co.za