



Ancasta Shared Ownership

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Having supplied and serviced yachts, supporting our customers for over 35 years, Ancasta now offer an alternative way to enjoy yachting - through Shared Ownership. This program is a tailored solution for those who wish to own a boat, but who at this stage in their life cannot commit to the time and costs involved with outright ownership. Ancasta Shared Ownership is a straight forward, hassle-free way of owning the boat of your dreams, for a fraction of the price.

How it works

Assuming a 4-party syndicate, albeit a similar model can be used for 3-party or 2-party ownership: First rule, is that there are really no rules. Where the yacht will be berthed, who will provide the insurance, what the final specification and layout will comprise of, how long you will keep the yacht - these are all items to be considered and agreed among the syndicate members.

Why do this?

- Deposit and running costs are split between the parties.
- You are joint physical owners of the asset, rather than just members of a club. It is YOUR yacht.
- Your running costs and depreciation are in fair proportion to your usage of the yacht.
- When you are not using the yacht it is still being managed, serviced, used, and others are sharing in these fixed overheads.
- You are essentially paying the running costs of a yacht under half the size, whilst getting the benefits of the yacht of your dreams.
- You can all agree to move the yacht to different marinas or even different countries each year.
- You get to name your own yacht (as a group)!
- As owners rather than club members or charterers, each co-owner has a pride and financial interest in the condition and cleanliness of the yacht, thus ensuring standards are maintained.
- You are not bound to any pre-defined charter yacht specification, with an undesirable cabin layout and garish yacht branding on the hull.
- Your yacht is looked after by a managing agent, so you get turn-key enjoyment, with no worries, stresses or administration to get bogged down in. Your monthly payment covers everything, so there are no hidden surprises jumping out at you.
- You could even elect to have your personal belongings on your yacht when you arrive (your t-shirts in your cabin drawers, and towels in the bathrooms), and pay the managing agent to do so.
- Given there is a yacht manager and a Partnership Agreement, there is less of a need for committee meetings and there is always someone to organise all yacht-related tasks and administration. In the case of any disagreements between syndicate members, the managing agent can act as Chairperson and Arbiter, thus making part ownership hassle-free.
- A syndicate keeps usage low, ownership tight, and ensures greater accessibility.
- The period is finite, so you can be guaranteed a stop date, but you have options to:
 - Prolong the syndicate and ownership of the yacht.
 - Bring in replacement members to those who may wish to move on.
 - Stay together as a syndicate and renew on a like-for-like basis.

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Forming the syndicate

- As a sign of intent, each potential syndicate member signs a Heads of Terms and pays a holding deposit of 5% of their share of the total yacht value for a given preliminary specification (£1,250 per £100k of yacht price). This holding deposit remains in Ancasta's Client Account until a syndicate is formed and a purchase contract for a new yacht is signed.
- Ancasta opens a calendar with a 6-month timeline (being the "syndicate formation period"), during which time, Ancasta introduce subsequent members to the potential syndicate. At the end of this period, should no syndicate have been formed, nor a yacht order have been placed, the Heads of Terms will be rescinded, and any deposit paid will be refunded in full, unless an extension to the syndicate formation period has been agreed by all syndicate members thus far, with Ancasta. Ancasta reserve the right to act as a temporary syndicate member, so as to start the syndicate formation period, and subsequently sell on its share.
- Should any syndicate member decide to withdraw, either during the 6-month syndicate formation period or at the time of proceeding, their individual holding deposit will be forfeited.
- A finance application may be made at this stage, as a collective group. This offering is not restricted to finance being taken so long as there is a unanimous vote of the syndicate members. Ancasta will endeavour to introduce like-minded potential members, so that this topic will usually be agreed from the outset.
- Finance will be subject to each individual's approval through our partners at SGB Finance.
- Ancasta will supply the initial quote based off a typical specification, however this is open to discussion. Once formed the syndicate members are able to alter the specification to suit their needs being aware that this could either increase or decrease the total price of the yacht.
- Once all agreed, the syndicate finalises the desired specification and options, agrees among its members to proceed and the members collectively sign a contract, paying their proportionate balance of the full deposit.
- When the yacht build is complete, all parties pay their part of the remaining balance and any finance/lease payment is drawn down.

Management protocols

- Concurrently, an agreement is made between all syndicate members as to the management protocols for the yacht (The Partnership Agreement), they then agree on the appointment of a managing agent, and authorisation consent is given to them. Ancasta will propose a managing agent, but the syndicate is not bound to appoint this person or company. The benefit of a managing agent is so that there is a chairman of the syndicate, and someone with a casting vote on split decisions.
- The terms of the Partnership Agreement are to the discretion of the syndicate members. Ancasta will provide a proposed Partnership Agreement, any modifications to the proposed terms will need to be agreed between the members themselves by majority vote. This agreement will also cover access and usage for each member, and how key decisions will be made. The agreement will also include a proposed budget to be ratified by the syndicate. Additional services to be performed by the managing agent, budget and cashflow can be agreed within the modifications to this Agreement, and the costs firmed up in advance. Yacht booking and access will be run by the managing agent.
- During the subsequent period before handover of the yacht, all syndicate members must either prove or take courses to prove a standard of competency to handle a vessel of this size; VHF licence, etc

Managing agent

- The managing agent will be responsible to all parties for all matters on the yacht and will act as centre point for warranty issues, insurance claims and repair requirements.
- The managing agent will also act as first arbiter in the case of any inter-member disputes.
- The managing agent will send a monthly statement of account for the received funds from direct debits and any outgoing costs. Any shortfall will need to be covered by the syndicate members, although this is not expected to be the case, assuming the budgeting to have been accurate at the outset, and the contingency being sufficient.
- The yacht usage calendar will be overseen by the managing agent. The syndicate members will discuss the calendar leading into each season, giving the opportunity to alter and make any special requests. Ancasta suggest, assuming a 4-party syndicate, that each member will have 1 week per month on the yacht. Any weeks when the yacht is not in use will be available on short notice to any member with approval from the managing agent.



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Maintenance

- A monthly Direct Debit to cover the budgeted running costs of the yacht is set up by each syndicate member, to start on handover day. Each member will be required to pay two additional monthly instalments into the maintenance fund in advance, to cover initial start-up costs within the budget. This figure is towards berthing, insurance, storage, servicing, maintenance, gardiennage, etc. These payments accrue in a "Maintenance Fund", set up specifically for the syndicate. As such, in the eventuality of a member defaulting on a repayment, there is a buffer for the remaining members. A default on payments will automatically block access to the yacht until all debts are cleared. In the case of three continuous defaults, the remaining members have the right to execute a pre-signed Bill of Sale, authorising their transfer for £1, of the defaulting member's share in the yacht.
- Insurance will be put in place to cover the agreed usage area. The premiums will be paid from the Maintenance Fund.
- The Yacht will be berthed at a mutually acceptable location and may be stored elsewhere when not in active usage, so as to reduce overall costs. Annual berthing fees will come out of the Maintenance Fund.
- Local lock-up storage will be made available and each Syndicate Member will have access to personal storage within for their own personal clothing and equipment, costs covered by the Maintenance Fund.
- Included in the monthly repayments is a contingency for any unforeseen incidentals. This will roll over each year and any remainder will be reimbursed at the end of the Partnership Agreement.
- Yacht is commissioned and handed over to all parties and the managing agent.

End of term

- The syndicate members agree at the outset to sell the yacht after a proposed partnership agreement period, thus providing a "worst case scenario" out-clause for the syndicate.
- Ancasta is prepared to offer at the outset, a guaranteed buy-back so that the syndicate have a finite date and sale price that they can budget on, or indeed a price to take the yacht in part-exchange against a replacement yacht. The guaranteed buyback figure will be based off the residual value of the boat at the end of the agreed term. This can be set at the start of the Partnership Agreement should the partners wish to have this option.
- The residual value will be based on today's valuation by a quorum of Ancasta brokers, for a boat of similar size and age. Should this value be below the remaining finance figure then the guaranteed buyback will increase to that figure. However, should this value be in excess of the remaining finance figure, then the Ancasta valuation will be used.
- At the end of the Partnership Agreement:
 - Should the syndicate members wish to terminate the partnership; they may decide to attempt pre-sale of the boat, in which case all proceeds net of brokerage fees would be returned to the syndicate members otherwise the guaranteed buyback figure will be honoured.
 - Should all syndicate members wish to continue with the partnership, then it is up to them to agree terms and continue accordingly.
 - Should some syndicate members wish to remain and others wish to terminate the agreement, it is up to the remaining members to either buy the leaving members out or indeed find replacements to buy the shares of the departing member/s.
 - Should all the syndicate members wish to replace the boat with a new boat the part-exchange allowance shall be no less than the original residual value figure.
- Any remaining balance in the maintenance fund is reimbursed to the syndicate members upon final sale of the yacht or break-up of the syndicate.



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