

An opportunity to join a Horse owning syndicate
with one of the world's most successful racehorse
trainers



Paul Cole ∞ at ∞ Whatcombe

(Trained Generous to win the Epsom Derby in 1991)

<http://www.paulcole.co.uk/gallery.html>

My story starts in the second week of April when I was introduced to Oliver Cole (Paul's son) whilst at a restaurant in Hungerford. Oliver said he was into horses and I introduced my daughter who is also a keen horse enthusiast. The outcome was an invitation to Oliver's home where Felicity could ride and Oliver and his father could discuss a passion of mine, boats!

We arrived the following Saturday morning at a property about half way between Wantage and Great Shefford in Oxfordshire, not far from the great horse racing centre of Lambourn. Seeing the magnificent Whatcombe Estate for the first time is, to say the least, daunting; 450 acres set in the rolling Oxfordshire countryside. We drove to the main house where we were greeted by Paul's wife Vanessa who could not have been more welcoming. Paul was inside with another of his owners and met us as though we were lifelong friends. Not being a racing man myself, little did I know that I was meeting one of the sport's top names, or that I was about to become

involved in a completely new pastime and even investment; that of a member of a horse racing syndicate.

As I write this news bulletin, I am mindful that KMI and I are generally considered as cautious investment advisers. I would, for example, never recommend an investment with little chance of success and would always have an exit strategy and certainly not consider an asset that could die and leave you without value! Yet here I am speaking of a venture of which I have little or no experience, where all the above is true. My saving grace however, is that in this particular instance, KMI will take no share of the investment or add any charges /commissions. The syndicate will be arranged as a total service to any KMI client. **Finally, true to our principal of giving BEST advice to our clients**, the advice our clients receive will come from one of the most experienced men in Flat Racing today!

So what do you get?

Firstly, should you wish, Oliver Cole will show you around the extensive Whatcombe estate where all the horses are trained, you could even pick the horse into which you will invest as you see it train!

Secondly, you have the option of watching your chosen horse race; location is generally in the UK but sometimes France and elsewhere. You will be updated by the trainers at Whatcombe on a regular basis.

Your chosen thoroughbred horse would typically be a two year old which has been purchased and “brought on” at Whatcombe, having already shown some “potential”.

You would probably have a 20% or 25% share although this can vary according to investor’s requirements.

Whilst I have been brutally honest above (as usual) in my appraisal of the risks involved, there are those lucky owners that do make big money when their horses win. This can come in the form of minor races as two year olds, where good results attract offers, or if extremely lucky where the horse goes on to win a big race. Here, stud fees and prize money, not to mention a possible sale could make the owner feel he may have just won the national lottery; the odds and prizes after all are rather similar!

What it Costs

Thoroughbred horse prices, especially with a high profile pedigree, can be almost anything. However, generally speaking, a 20% syndicate share can be purchased for around £10k (US\$16k, €12K). This would cover a nice horse and all costs of bringing it on following the purchase. It could also cover some ongoing costs too. However typically this ongoing cost is around £400 per month (20% share) for the next 12 months at which time it would be usually evident if the horse was going to be “worthwhile”.

Needless to say, the timescale above is very flexible and constant discussions would be had with the trainer. Again, hopefully the above would be offset by some winnings (placings etc), VAT (Value added tax) is also payable at purchase but this is reclaimed. In certain circumstances an

extra call may be made on the owner should the horse be in need of additional health care; hopefully rare as the above costs include basic veterinary treatments.

If an **all in upfront investment** was preferred, then this too is possible even for the £10k price. Here, horses of a slightly less regarded pedigree would be purchased (see web site where Thoroughbred horses are available from as little as £10,500 + keep /training from purchase, total circa £25k. You then have to add the ongoing keep and training to get a total cost to the syndicate).

What to do next

Should any of our clients be reckless enough to wish to be part of a syndicate then they can contact us at KMI in the first instance, we can then put you in touch with Oliver Cole and he will guide you from there. I personally can only think we all must be mad to do so, howevermy syndicated horse is Sovereign Power (Royal Applause)!

The next bulletin will be of the more traditional type, but meanwhile

Happy racing!

Best regards

Lee

Lee R.J. Green *Cert.PFS*



New Web site www.kmiconsultants.com

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