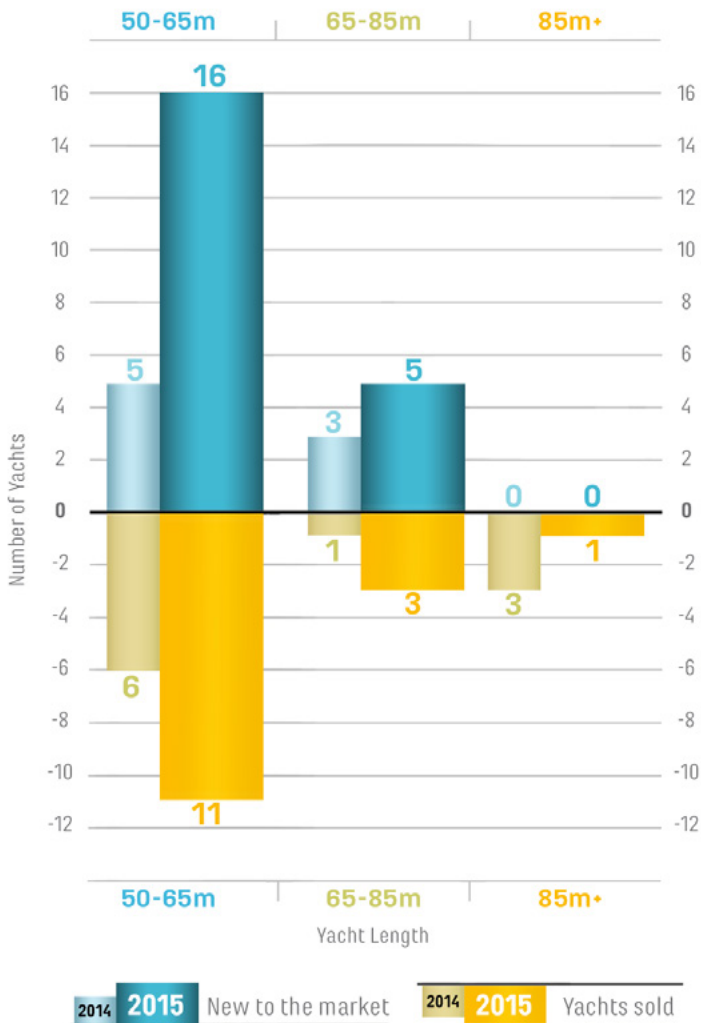


MARKET MOVEMENT - Q3

Q3 has seen momentum continue to build in the large yacht market with this quarter outperforming Q1 and Q2 in terms of new listings and yachts sold. The volume of activity in Q3 this year has also seen a steady rise over the same quarter in the previous 2 years with the number of yachts listed up from 11 in Q3 2013 to 21. Encouragingly, the number of yachts sold in Q3 this year is also up on 2014 and 2013, 15 versus 10 and 8 respectively.

There has been a real return to health in the middle sector of the large yacht market with a number of high quality yachts being listed for sale. The 82m ROMEA, 62m MERIDIAN and 60m ARKLEY have all been brought to market this quarter and have a good level of interest from buyers, making this somewhat of a sweet spot in the market at present. The Monaco Yacht Show was well attended this year and a number of brokers are reporting serious offers resulting from the show. Buyers were very much out in force and there was positive sentiment from both sides of the buyer/seller divide.



As the chart above shows Q3 this year has outperformed the same quarter last year with volumes up significantly, notably in the 50-65m sector. Similar to Q2 this year, most size sectors are almost reaching parity with the number of yachts being brought to market and sold. The size of the sales fleet however is growing slightly with the addition of 6 yachts this quarter.

NOTABLE NEW YACHTS TO MARKET



ROMEA

81.8m (268.4ft)
Abeking & Rasmussen, 2015

Launched in 2015, the impressive 81m ROMEA was built by renowned German shipyard Abeking & Rasmussen, with exterior and interior design by Terence Disdale.

EUR 145,000,000



MERIDIAN

62.5m (205ft)
Icon Yachts, 2013

Designed for an experienced owner, the 62.5m MERIDIAN has a striking Redman Whiteley Dixon exterior and a spacious Cristiano Gatto interior.

EUR 57,500,000



ARKLEY

60m (196.9ft)
Lürssen-Werft, 2009

The award-winning Lürssen, ARKLEY boasts a top North European pedigree and exterior design by Espen Øino, coupled with a Mark Berryman interior.

EUR 55,000,000

KEY YACHTS SOLD



STELLA MARIS

72.1m (236.6ft)
VSY, 2015

Last Asking Price

EUR 75,000,000



AMELS 180 (470)

54.9m (180.1ft)
Amels, 2016

Last Asking Price

EUR 40,000,000



BELLE AIMEE

52.3m (171.6ft)
Amels, 2010

Last Asking Price

EUR 33,900,000

MARKET FOCUS

LOA	50-65m
Total fleet size	406
Of which are for sale	97
Of which carry price reductions in Q3	37



65-85m	158
	30
	15



85m+	77
	6
	2



The steady return to a healthier level of transactions this quarter has helped to even out the market and the differential, certainly on pedigree yachts, between the asking price and the eventual sales price is starting to narrow slightly. In the current competitive marketplace, sellers are generally still listing their yachts above what the market will typically bear, so seeking the advice of professional, experienced brokers is more vital than ever for owners when they are considering where to position their yachts.

There have been some interesting price reductions this quarter with the 67m Amels AQUARIUS being reduced by EUR 7,000,000 to EUR 53,000,000. The 60m Amels EVENT has been reduced by EUR 3,000,000 to EUR 62,000,000 and the 55m Benetti CAKEWALK has been reduced by EUR 3,050,000 to EUR 21,950,000.

At around the 50-60m mark there is some good value to be had in a number of well-maintained yachts in the 5-6 year old age range. For the not so age sensitive buyer, the price versus the size of yacht comparison really starts to look very attractive with these vessels.

From our viewpoint, the new build sector is steadily continuing to recover, the north European shipyards in particular have healthy order books at present. Certain yards in Italy are also continuing to have strong customer demand and whilst it is not a blanket recovery across this sector of the market, the outlook remains positive. The more upbeat news from the new build market is now starting to filter down to the rest of the superyacht industry.

It is encouraging to see that it is both existing owners upsizing and first time buyers who are choosing to invest considerable amounts of time and money in the process of creating their perfect yacht. With the current strong level of interest and the number of offers we are working with, we predict a busy final quarter to the year.



AQUARIUS

67.1m (220ft)
Amels, 2007

Reduced by EUR 7,000,000

EUR 53,000,000



EVENT

60m (196.9ft)
Amels, 2013

Reduced by EUR 3,000,000

EUR 62,000,000

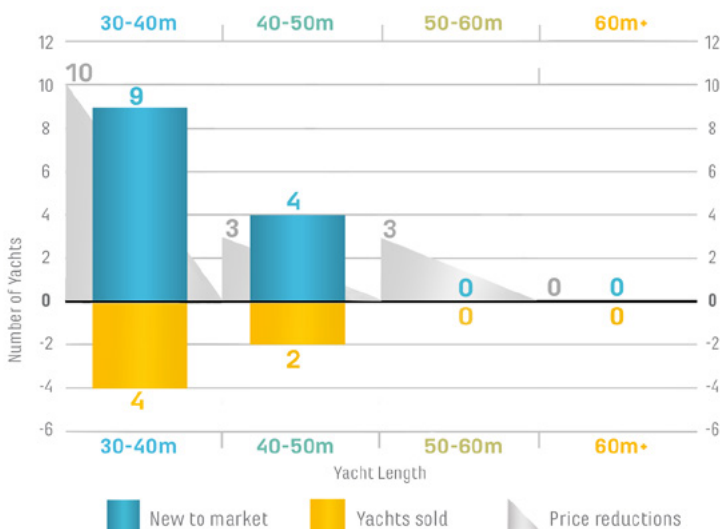


CAKEWALK

55m (180.4ft)
Benetti, 2003

Reduced by EUR 3,050,000

EUR 21,950,000



The sailing yacht market continues to show steady improvement with one more yacht sold than compared to this quarter last year. Opportunities in the 30-40m sector have slowly come to the surface but only where quality and price have become attractively matched. At the larger end of the sailing yacht market there are a number of very good opportunities, however in some cases strong pricing is still deterring buyers. The general feeling is a return of confidence to the market with sailing yachts continuing to go under contract. With supply still outweighing demand, the short term view is that it remains a buyers' market for the time being.

SAILING YACHTS - Q3



LADY B

44.7m (146.7ft)
Vitters, 2010

EUR 17,900,000



SILENCIO

49.8m (163.4ft)
Perini Navi, 2001

Reduced by EUR 4,550,000

EUR 12,950,000



RAINBOW

40m (131.1ft)
Holland Jachtbouw

Last Asking Price

EUR 10,450,000