

# THE PINELLI ESTATE



YOUR SLICE OF PARADISE

FRACTIONAL OWNERSHIP AT  
IL REFUGIO, AGROPOLI, SALERNO, ITALY

YOUR QUESTIONS. ANSWERED



# THE PINELLI ESTATE



## YOUR SLICE OF PARADISE

We want you to share and relish everything we have created at IL REFUGIO. Literally.

Through Fractional Ownership, you can be one of an exclusive group of owners, each with a 10% share in the company which owns the IL REFUGIO property located in captivating Cilento, close to the Amalfi coast.

For £125,000 (GB pounds sterling), you will enjoy 5 weeks' annual residency in your own home. This way, you can appreciate all the upsides of ownership without the year-round downside costs of maintenance and service. The other 9 owners enjoy the same benefits. All repairs and maintenance are conducted by locally-based staff from our management company in one 2 week period every year. We also have local emergency maintenance available 7 days a week.

Best of all, you can personalise your property. Prior to your arrival, we will collect your personal possessions (family pictures, artwork and ornaments etc) from a secure local storage facility and place them exactly where they were when you were last at IL REFUGIO. On your departure, they will be removed and placed back into safe storage.

We are convinced that you will fall deeply, madly in love with IL REFUGIO.

To make your decision a little harder to resist, picture yourself and your family heading down from the hillside location of IL REFUGIO to the sparkling azure coastal waters. There, in Agropoli marina, lies the PINELLI - 17.2 meters of unadulterated luxury motor yacht.

Fully captained and crewed, you can enjoy complimentary use of this stunning Rizzardi 50 Top Line motor yacht, licensed for up to 12 guests plus the crew. You can cruise at your leisure for up to 50 nautical miles during daylight hours. All costs for the motor yacht, including your Captain, are included as part of your ownership. How many other holidays offer you such a wonderful additional slice of paradise?

*Why fractionally own? In a nutshell, here are five great reasons:*

### **FINANCIAL COMMON SENSE**

5 weeks at a unique property in a stunning location, without 90% of the costs

### **GENERATIONAL ASSET**

Easy to pass on to others in your family

### **ON-SITE MANAGEMENT**

Familiar year round presence for 365 day peace of mind and security

### **PERSONALISATION**

Decorate your home with your favourite personal items throughout your stay

### **PROVEN MODEL**

Highly popular in the US and increasingly attractive in Europe





## ANSWERS TO KEY QUESTIONS

### What is Fractional Ownership?

This is a simple way to 'own' an Italian property for a fraction of the cost. Fractional Ownership allows a number of likeminded buyers to collectively own a luxury property, which is professionally managed and maintained by locally based staff from our management company.

As a lifestyle investment, fractional ownership makes sense. The majority of individuals struggle to take more than 5 weeks' vacation each year. This can mean that a holiday homeowner can only use their vacation property for up to 40 separate nights - but endure the financial costs of the whole year.

Fractional owners don't have these financial burdens - they simply share the maintenance and running costs with fellow owners.

Our owners purchase a 10% share of a UK Limited Company, Namely, IL REFUGIO LIMITED which owns the IL REFUGIO property. The 10% share entitles an owner to 5 weeks' residency at IL REFUGIO each year. The share held by each owner is a generational asset which can be sold or passed on to family members.

IL REFUGIO LIMITED will have a maximum of 10 owners, of which you will be one. It is a UK based non-trading Limited Company. If, at any time, an owner wishes to sell, gift or transfer their share, it is a straightforward process which can also be executed simply, legally and globally. It does not involve the complexity or cost of transferring property under the Italian legal and tax system.

In simple terms, this means:

'The owners own the company - the company owns the property'

### Which weeks can I have and how are these allocated?

Firstly, it is important to clarify that there are 50 out of 52 weeks in each year to be equally shared between all 10 owners. Effectively, each owner enjoys a full 5 weeks' use of the property. The remaining

2 weeks are used for the maintenance company to carry out any essential works, decoration and annual refurbishment.

A rotating occupation calendar ensures that each owner has annual access to the popular high season months. It is simple to operate, wonderfully fair and provides flexibility for each owner.

Using this on-line system, owners can reserve 2 consecutive weeks over the peak period (start of April to the end of October) and then reserve their remaining 3 weeks during November to March, in any combination, on a uniform, rotating priority basis.

There will ONLY ever be a maximum of 10 owners in the allocation system for IL REFUGIO. Priority is simply established on an owner's initial purchase timing. Each year owners move up the priority list. So, for example if you are third to choose the peak period weeks in year one, you will be second the next year, and so on. To ensure a fair system, the shareholder who has first choice for the selection of high season weeks will have the final choice for non-peak weeks.

Weeks may be exchanged with co-owners, used by friends and family or rented to a third party, but to ensure proper and fair co-ordination the management company should always be notified of any such changes at least 2 weeks in advance of the said changes.

### So how does this work in reality?

Each year in November, the management company organises an 'on-line' AGM meeting of all owners where each one chooses their weeks for the following year.

*The Property Management and Annual Service Charge*

During the first year of fractional ownership [and until all 10 'shares' are sold], the management company will be THE PINELLI ESTATE LIMITED. However, at the first AGM (after all shares are sold) and subsequent AGMs of IL REFUGIO LIMITED the 10 owners have the absolute right to appoint a new management

company should they so wish.

As mentioned above, a period of two weeks each year is specifically set aside for maintenance purposes. This period will usually be in the second half of January. However, these weeks can also be exchanged for another time [from 1 January to 28 February] if it assists with the allocation of owners' preferred weeks. The maintenance period must, however, be set aside as a 2 week block for simple logistical purposes.

### *Running Costs - the Management Charge explained*

An annual service charge is payable to ensure that IL REFUGIO is always maintained to its luxurious standard both inside and outside. The owner of each share pays 10% of this cost. This cost is calculated on the total running costs of IL REFUGIO and The PINELLI and is divided between the 10 fractional shares equally. Naturally, full transparency of costs will be available.

One of the great benefits of fractional ownership is the reduced financial burden - you only pay for the 5 weeks you are entitled to use the property and not all 52 weeks. This also allows you and your family/friends to arrive ready to start your holiday as you mean to go on – in other words, relaxed stress-free.

### What is covered by the Management Charge?

- All housekeeping including bedlinen and fresh towels
- Essential foodstuffs on arrival
- Maintenance and refurbishment
- Company legal/accounting
- Building and contents insurance
- A fund for replacements and future decoration
- Utilities - gas, water, electricity and internet (but not landline or mobile)
- Pool cleaning and maintenance
- Property taxes
- Motor yacht mooring, maintenance, fuel, Captain, crew, and insurance
- Administration

All expenses are charged on an actual cost basis and are available for review by owners. Any differences from expenditure will be either charged or refunded after the accounts are finalised and reconciled each year. The annual service charge per fractional share is budgeted each year and divided equally between the 10 'shares'.

### What's the difference between Fractional Ownership and Timeshare?

The main difference between Fractional Ownership and a timeshare is in the way actual equity is distributed. In this Fractional Ownership arrangement, as the actual purchaser, you own a share of equity [10%] in the company that owns the property asset. If the property goes up in value, the fractional owner's share also becomes more valuable.

With a timeshare, ownership is not distributed. The owner purchases only weeks of enjoyment in a property, and these weeks do not rise and fall in value with the value of the property. The title is still owned by the principal owner.

### Any other major benefits?

Fractional Ownership allows an individual to take part of a valuable asset without putting up the cash to purchase the whole asset outright. This is very similar to owning stock in a corporation. In fact, Fractional Ownership can apply to assets other than real estate.

In the case of real estate, Fractional Ownership allows multiple buyers to own part of a company and property title. If the property declines in value, the owner can sell the asset and potentially write off the capital loss. Similarly, if the value increases, the owner can sell the share and receive capital gains.





## A QUICKFIRE TOP 10 QUESTIONS

**1. Is IL REFUGIO offered as a freehold property?**

Yes. the property is owned by a UK-registered company. Owners own the company, the company owns the property.

**2. Are the 5 weeks offered variable?**

Yes. The weeks are allocated each year on a rotating priority basis, to ensure each owner always receives 2 weeks in the peak season and 3 weeks in the off peak season.

**3. Is the building completed yet?**

Yes. IL REFUGIO was completed in October of 2017.

**4. How much will it cost me?**

The price for a 10% share in IL REFUGIO Limited, the company which owns IL REFUGIO and The PINELLI, is currently £125,000. There is also an annual management charge.

**5. Exactly what does ownership include?**

A 10% share in Il Refugio Limited, entitling the member each year to 5 weeks' exclusive occupation of IL REFUGIO, the captained use of The PINELLI [Rizzardi luxury motor yacht] during that time and free use (but not ownership) of approximately 18 acres of olive groves and vineyards.

**6. What fees do you charge?**

There are no fees when purchasing your 10% share, apart from your own legal expenses and disbursements. There is an annual maintenance fee which is equally split between all of the members to cover the running costs of IL REFUGIO.

**7. How can we visit the property before buying our share?**

We strongly recommend an inspection visit and a trip to discover the secrets of Cilento as soon as possible. Naples International airport is approximately one and a half hours drive from IL REFUGIO.

**8. Can I change my mind: if so, by when?**

In the highly unlikely event you do want, yes, of course. There is a mandatory 14 day 'cooling off' period after we have received your deposit should your circumstances change.

**9. Can I sell my Fractional Ownership share at any time in the future?**

You are free to sell your share at any time, at a price that you agree with the purchasing party. Re-sale of a share in IL REFUGIO must always be offered to existing shareholders first. We will assist owners in the sale of their share if they desire.

**10. Are there any ownership rules?**

Yes. The holding of the owner's share is subject to the terms of a subscription agreement, the articles of association of IL REFUGIO LIMITED (the company's 'constitution') and a set of house rules and regulations. These documents will be made available as part of the acquisition process. We regret that pets cannot be accommodated and it is illegal to smoke inside any of the properties.



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LIKE TO CHAT ABOUT IL REFUGIO?

Simply contact us

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