SUPERYACHT TIMES

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Superyacht Holdings: Revolutionising yacht ownership with their innovative shared-usage program

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Superyacht Holdings is an innovative company that seeks to disrupt the traditional yacht ownership model. Founded in 2020 by brothers Matthew and Thomas Locastro, their owners will enjoy the superyacht lifestyle and its perks without the financial burden and logistical challenges associated with full ownership.

Superyacht Holdings envisions a transformative shift in the luxury ownership experience. Their first of its kind shared usage ownership program will be launching with the 85.01-metre 2021 new build AKYACHT, superyacht Victorious. The brothers say that Victorious will have a total of 60 ownership units available for purchase, with ten units already sold and a growing list of interested buyers being developed.

Each ownership unit, priced at three million Euros, grants its owner an equity interest in Victorious and an average of thirty-five nights of shared usage per year. Owners will be able to book one or multiple staterooms on any available date throughout the year along the preset Mediterranean summer and Caribbean winter itinerary. The experience can be compared to staying at a luxury boutique hotel at sea that is exclusively for a private co-ownership group. With over 1,947 square-metres of guest spaces, owners will have the opportunity to interact as much or as little as they desire with other guests onboard.

Matthew says that, “One of the hardest things to convey is what it is like staying aboard a superyacht of this magnitude. You and your guests are far outnumbered by the crew. Your every want is catered to with an attention to detail that can’t be fully described - only experienced. Meals are set against the gorgeous vistas of ever-changing landscapes. The chef delights you with daily tasting menus based on fresh caught fish and local ingredients. The service feels effortless. There is an almost infectious relaxation that starts to set in. To spend time onboard a superyacht is to experience the absolute pinnacle of luxury.” The brothers say that the itinerary will leverage opportunities that are uniquely available to superyachts - like stopping in the Aeolian Islands or having dinner at night near Stromboli, Italy while watching the lava flow from an active volcano. There will be a leisurely yachting pace from one destination to the next, all timed to coincide with major hotspots along the “UHNW circuit” such as the Cannes Film Festival, Monaco Grand Prix and St Barth’s New Year’s Eve.

Delving into the operational aspects of the program, the brothers explained that owners will utilise the company's straightforward points-based system to make bookings, with adjustments made for stateroom size and peak dates. For example, an owner could use their points to book three weeks in Victorious' master suite, five weeks in a Double Plus stateroom with an Olympic Queen and sofa, seven weeks in a Twin Stateroom or any combination thereof. The annual operating expense dues of 300,000 Euros per unit covers everything: all yacht operations and maintenance, crew, gratuities, amenities, premium food and beverage and a reserve fund to cover the lumpy cash flows of yacht ownership.

Vincenzo Poerio, CEO of Tankoa and former CEO of Benetti, commented that “Superyacht Holdings is offering a truly unique product that will welcome a new type of customer into the industry.” Superyacht Holdings distinguishes itself from the traditional charter experience by emphasising flexibility. Matthew explained, "This is a new kind of yachting experience. Owners can join for as few or as many nights as they'd like throughout an expansive 280-day annual itinerary. This concept diverges from the conventional one-week charter in the summer. An owner might spend a weekend onboard in Sardinia, attend business meetings in Europe, and then return to join the yacht again in Capri. It epitomises the ultimate in flexibility and luxury for a fast-paced modern lifestyle." Furthermore, owners also have the option to exchange points among themselves through a Points Clearing House. Thomas expanded on Matthew's point, highlighting that “Owners have the freedom to utilise the yacht for an afternoon outing, or an extended stay of up to seven weeks in a twin stateroom onboard, offering unparalleled flexibility that doesn’t exist outside of 100 percent ownership.”

The brothers have a background in finance, co-founding TXN Advisors, a Washington, DC based investment banking firm, dealing with transaction advisory and outsourced c-suite services. They gained extensive experience in the maritime sector, facilitating the negotiations and transactions for the sale of a shipyard, several yachts and an investment for the completion of a 50-metre yacht. The brothers also served as co-Chief Operating Officers for a luxury holding company that owned and operated five vessels as part of a yacht charter fleet.

The idea to establish Superyacht Holdings emerged from two sources of inspiration. The first is from the brothers having lived the superyacht lifestyle first-hand, spending more than 100 nights as guests onboard yachts ranging from 70-85 plus metres in length. Their experiences included everything from cruising the Red Sea, Mediterranean, Caribbean and Bahamas by themselves and in small groups, to large parties onboard in St Barths, Nassau, Monaco and Cannes.

The second and most pivotal source of inspiration was The Locastro brothers' astute observations about The World Residences at Sea, a co-owned shared-usage cruise ship. At times, 25 percent of The World's owners have been billionaires with a third of the customers owning yachts of their own. Buy-ins ranged up to 25 million dollars with operating expense dues of up to a million and a half dollars per year. The World clientele's willingness to make such substantial financial commitments for a cruise ship proved to the brothers that there is distinct demand for co-owned shared-usage vessels.

Thomas explained that "Encountering individuals with units on The World prompted us to question why such a concept couldn't be translated to the superyacht sector." The brothers then went to work on building a product that would be more affordable than The World and that would deliver an even higher level of personalised luxury on an actual superyacht.

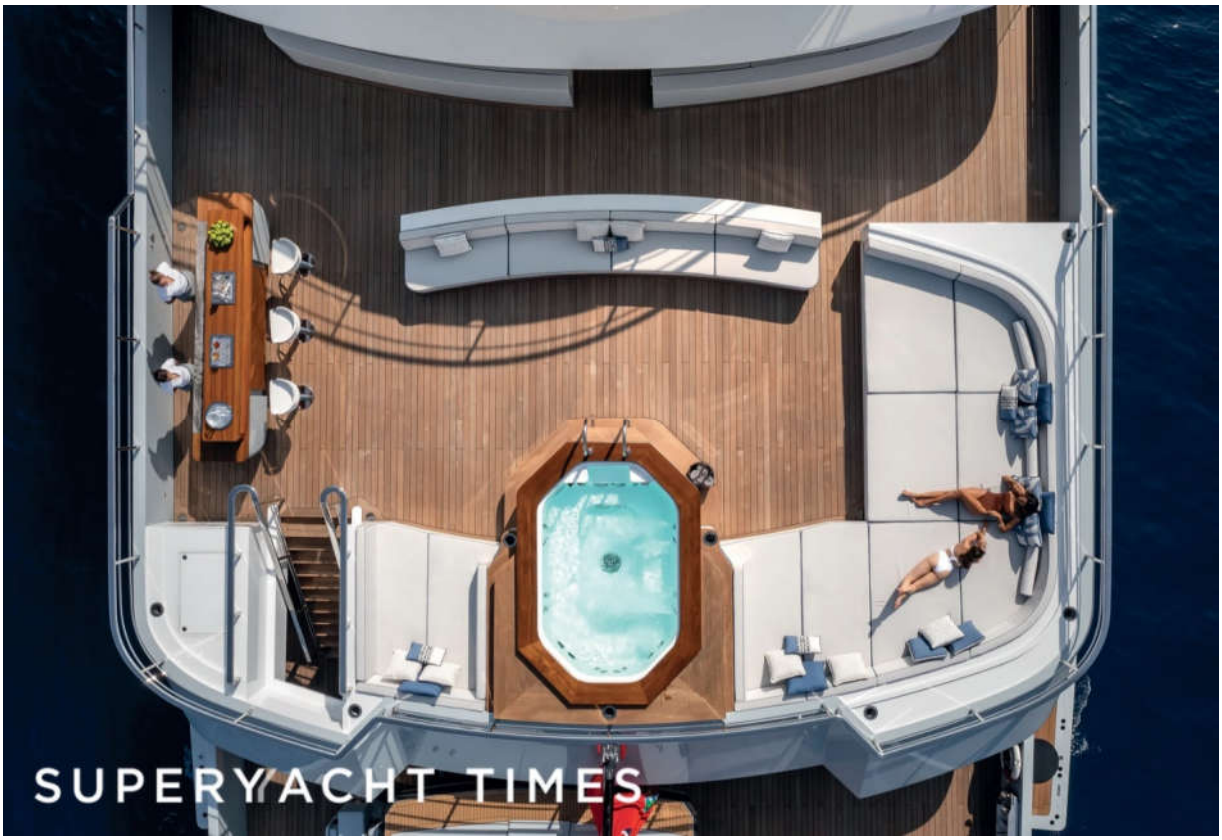
Matthew notes that, “We recruited the team that built The World. This included appointing The World’s first successful President & CEO, James St. John, as Superyacht Holdings' President.” St John brings massive operational experience to the team and is recognised for rescuing The World from bankruptcy by selling out the residences and maintaining stable operations for six years. He spent an impressive 600 days living onboard The World and has travelled to all seven continents visiting more than 100 countries. St John says that “After being approached by and working with some of the most notable maritime projects in this space, this is the first company I have decided to put my name on since leaving The World. It is the only company of its kind that makes both financial and operational sense.”

Matthew says that, “Since the founding of Superyacht Holdings, we have developed and refined our product, leveraging our team’s insights from having visited well over 300 ports, our extensive time on superyachts and a combined 17 years of senior executive experience running The World.” Given the numerous false starts of residential cruise ship projects that have been selling off of renderings, Superyacht Holdings made the decision to wait until they had a fully operational superyacht for the program before announcing publicly at the Monaco Yacht Show this year.

When asked how the deal occurred with the AKYACHT shipyard, Thomas shared, “Victorious emerged as the tenth yacht we extensively considered and engaged in substantive discussions with the owners. During our first visit, Victorious’ general arrangement and features immediately resonated with us as an ideal platform for our unique shared usage program. The yacht is a masterpiece of interior design by H2 that our owners will proudly get to call their own. One of the most impressive parts of the yacht is its beach club, which is consistently ranked as being one of the top 10 of any yacht in the world. It is 199.742 square-metres and features a large swim platform, indoor heated pool and two mid-ship foldout balconies in addition to its numerous amenities.” Victorious won Robb Report’s “Best of the Best” in 2022 and features 12 staterooms, four stabilisers, two Jacuzzis, seven informal dining areas, five formal dining areas, six bars, a movie theatre, piano lounge, fireplace lounge and helipad.

For AKYACHT, Superyacht Holdings offers a compelling proposition for their long-term cooperation. Matthew explains that “Large yacht construction, particularly on speculation, entails heightened risk due to elevated costs narrowing the potential customer demographic. Superyacht Holdings presents a paradigm shift by inverting this dynamic so that larger superyachts actually become more affordable.” Vural Ak, who owns AKYACHT and Victorious, says “Superyacht Holdings will disrupt the industry by selling the world’s largest superyachts to a much wider segment of the market."

Bob Denison, CEO of Denison Yachting which sold more Superyachts globally than any other brokerage house in 2022, affirmed that "in the very large yacht segment, yachts upwards of 280ft in length, the market typically will see two or three brokerage transactions per year, less than one percent of global superyacht sales. Superyacht Holdings is creating increased demand and much needed liquidity for the largest superyachts in the world." Moreover, the pricing structure of utilising Victorious through the Superyacht Holdings program significantly reduces costs compared to the current charter rates. Presently, chartering Victorious would incur expenses of approximately 1.2 million Euros or more after tax, tip and APA. Thomas affirmed that "In our program, by purchasing a three million Euro equity stake, an owner's effective cost comes down to just 60,000 Euros per week, representing a staggering reduction at nearly 1/20th of the cost for shared usage."



Thomas explains, "Each owner has an equity interest in Victorious and may sell their unit of ownership at any time." With multiple owners already buying more than one unit, the program anticipates around 40 unique owners for the 60 ownership units forming what Superyacht Holdings calls the most exclusive private club in the world.

Superyacht Holdings plans to launch with Victorious. All existing and future charter bookings will be honoured when the yacht transitions from charter to program launch after the yacht is acquired by the co-ownership group. A waitlist of buyers will be developed for Victorious until Superyacht Holdings offers a second yacht for sale through the program. Thomas remarking on the vision for the company says, “As Superyacht Holdings expands, owners will be able to use their points to book time onboard an entire fleet of the world’s largest superyachts. Considering our ownership model is the same cost as buying and maintaining an 18-metre yacht, we are going to completely disrupt the industry.”