BECOMING A RACEHORSE OWNER!

When you own a racehorse, you become part of an exclusive club that includes A-list celebrities, royal families, sports legends, business tycoons as well as regular and everyday people. The truth is you don't need to be a multi-millionaire or royal heir to fully participate in the thrills of owning a racehorse!

WARNING!

Owing racehorses can be addictive but <u>only</u> if you like excitement, thrills, have zest for life and enjoy good times with fun people! Before you start, it's important to prepare yourself for this exciting new world that you are about to enter.



Royal Victory Thoroughbreds Racing Silks

Today, it's possible for anybody with a few discretionary dollars to become an owner through partnerships and racing syndications.

"The truth is you don't need to be a multimillionaire or royal heir to fully participate in the thrills of owning a racehorse!"

RACING PARTNERSHIPS

Racing partnerships and group ownership has grown into a common practice across racetracks in North America since the first racing syndicate was formed more than 40 years ago. These syndicates or partnerships have enabled thousands of individuals that otherwise could not participate to delight in the thrill and benefits of owning a racehorse.

A racing partnership is a legal business entity in which each member shares in the ownership of a thoroughbred racehorse. These entities are typically governed by a legal Operating Agreement, often registered as an LLC, co-ownership or subchapter corporation.

Joining a partnership is a fantastic way to become an owner and becomes a fertile new learning ground for racing enthusiasts. It's also an easy and cost-effective way to diversify and

extend your participation across multiple horses.

DIFFERENT PARTNERSHIPS MEAN DIFFERENT TERMS

Each partnership will differ in regards to the number of partners, buy-in costs, ongoing operating costs, billing terms, payment distributions, racing venues, class of horse, age at purchase, management fees, markups, communications and relationship with the managing owner, racing stable and barn. Comparing these differences can be dizzying; thus, it's critical to understand your personal objectives and set your own budget. For example, the cost of entry can range from \$500 to

more than \$100,000 based on the type of partnership. The ownership percentage per share can range from less than 1% to 50%.

A reputable partnership will share realistic expectations and you also need to ensure that you fully understand all the terms and conditions of the Operating Agreement. Don't hesitate to ask questions. Speak directly with the Managing Owner and determine if this individual is someone you are comfortable to be around and someone you can trust

> "When you own a thoroughbred, the spectator model shifts dramatically as you pivot from being one of millions to among the few participating"

ROYAL VICTORY THOROUGHBREDS

At **Royal Victory Thoroughbreds**, our goal is to bring you an *Awesome Ownership Experience*. When you attend the races locally or watch the Kentucky Derby on television, you are one of millions of spectators watching others compete. Whenever you attend any major sports venue, such as football or baseball, you are a paying spectator. You will purchase a ticket and pay for parking and concessions in return for the opportunity to be part of the crowd that root and cheer for your team.

In return for your loyalty, when your team is successful, you must pay even more as they compete for a championship. Conversely, when you own a thoroughbred, the spectator model flips dramatically as you shift from being one of a million fans to among the few participants. Unlike the spectator model, the more successful the horse, the more you get paid! In this world, you become entrenched within this exciting profession at an elevated and intimate level. **Welcome to the Sport of Kings!**

AN AMAZING EXPERIENCE

You will quickly recognize your elevated status when you discuss race-day tactics with your trainer, meet your horse and jockey up close, watch these athletes train and gain insider knowledge about racing strategy and key decisions about your horse.

Before your horse even enters the starting gate, you will gain exclusive access within the restricted paddock area and then watch him race from your birds-eye owners box and VIP service.

RACING PARTNERS!

Each Partner Shares in the Ownership of a Thoroughbred Racehorse

Partnerships are a great place to learn the business and gain experience towards individual ownership



Royal Victory Thoroughbreds Racing Silks



Contact Us Royal Victory Thoroughbreds (206) 465-5660 victor@vsquaredracing.onmicrosoft.com

www.royalvictb.com

Just prior to post-time, you will feel anxious, nervous and excited and when the gates fly open, you will scream with unprecedented enthusiasm that will crescendo into uncontrolled enjoyment as he turns for home and thunders down the stretch! When he wins, you will float on air from your box seat and eagerly greet him in the Winner's Circle and spontaneously expose your biggest and most unrestrained smile.

This is nothing short of pure and unbridled happiness! It's an experience you will remember forever and you will catch yourself smiling every time you relive the glory of that day!

BEYOND THE RACES

Race day is very exciting but ownership also extends beyond the gates of the racetrack. As an owner, you will learn about the business and dynamic nature of horseracing and appreciate the lifecycle of a racehorse. You will have unique opportunities to visit breeding farms and observe a newborn foal and her broodmare, and meet retired thoroughbreds enjoying their life after racing.

When you attend a yearling auction or 2-year old in training sale, you will experience a different type of adrenaline. These sales are the best classroom for lessons about both pedigree and



Racing at Emerald Downs in Auburn

conformation and will help you learn more about the subtleties in a young horse that make the difference between a thousand dollar and million dollar bid!

JOIN THE FUN!

Owning a thoroughbred racehorse will open up an entirely new world of excitement and bring you a special and rewarding experience that is fun to share with your family, spouse, children, siblings, parents and friends! The more you become involved, the bigger your reward. Of course, please heed the warning at the top of this article as you just may become hooked like so many others like us that simply love horses!