

Only Pay What You Use; The
Intelligent Investment;

More Variety & Choice; **Best Of**

Croydon Vineyard Estate Prospectus

Share The Cost, ENJOY FULL

BENEFIT; Your Share - Only

Yours; *Luxury At A Fraction;*

Diversify Your Portfolio; Fraction Is
More Than Whole; Only Pay What You

Use; The Intelligent

Investment; More Variety &

Choice; **Best Of Both**

Worlds; Optimize Investment;

Only Own What You Use; *Share*

The Cost, ENJOY FULL BENEFIT;

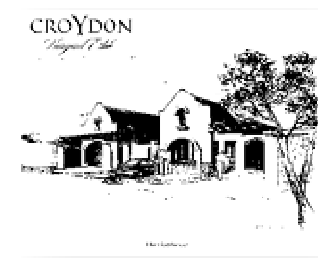
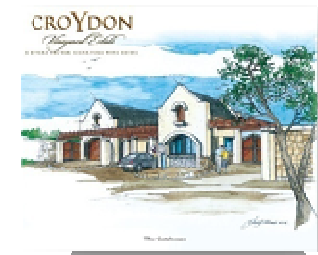
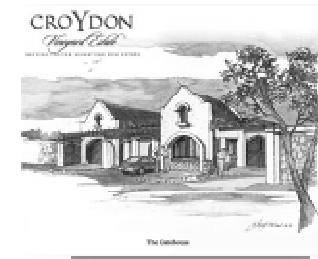
Your Share - Only Yours;





More for Less...

INDEX	PAGE
Introduction and Overview	3
The Concept of Fractional Ownership	4 – 8
Financial Overview	9 – 11
Services Offered	12
Layout: Site / Floor Plans	13
Gallery	14
Contacts	15





More for Less...

INTROCUCTION AND OVERVIEW



The heart of Croydon Vineyard Estate lies in the vineyards that surround every home.



Which is why homeowners at Croydon are also co-owners, with an equal share in the estate's state-of-the-art winery and the vineyards amongst which they live.

Croydon residents will enjoy the fruits of their investment with complete peace of mind. Because for the first five years any financial shortfall in the operations of the winery will be subsidised entirely by the developers.

From treading in the winepress during the annual harvest celebrations, to the punching of caps, to the keeping of vintage journals, you'll discover that wine culture isn't merely a point of differentiation at Croydon Vineyard Estate, but the essence of life.

All of the 205 prime stands available at Croydon Vineyard Estate are surrounded by vineyards and are available in a variety of shapes and sizes, allowing purchasers to customise their investment – and realise their dreams.

With 24-hour unobtrusive security, manned entrances, a fully-fledged gym suite, swimming pool, vineyard jogging trail and family picnic site beside the estate's dam, Croydon will offer a family lifestyle of absolute safety and uncompromised serenity.

The centre of Croydon community life, however, will be the state-of-the-art Winery, which will feature an intimate cellar dining room to serve as an avenue for estate wine tasting & culinary evenings, or as a facility for resident's private functions as they entertain up to 40 guests.

Source: www.croydon-estate.co.za



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THE CONCEPT OF FRACTIONAL OWNERSHIP

What is Fractional Ownership?

Fractional Ownership (Property Syndication) is a method of co-owning a single asset by more than one individual or entity – a group of investors. It is a legal entity through which a number of investors become shareholders (owners) of a leisure property (holiday home). The costs and usage of the property is shared amongst the shareholders in relation to the percentage shareholding. The shareholders are the owners of the property, and therefore control all aspects of the property through a private company. The company allows shareholders time periods to utilize the property by means of a shareholders' agreement. An 8% share would allow 4 weeks usage per annum (see "How does it work?" for more information).

This investment method offers the most favourable and optimal combination of leisure lifestyle, investment, and property ownership, by offering a share in an appreciating asset at a fraction of the cost – without the burden of management and maintenance.

Note...

You own 8% of the value of the total property – an appreciating asset.

Best Of Both Worlds





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THE CONCEPT OF FRACTIONAL OWNERSHIP

The Benefits Of Fractional Ownership

More and more people are realizing that the best solution for owning a second property is Fractional Ownership – the benefits are endless...

- Nobody makes use of a second property or holiday home all year round. Fractional Ownership offers you the perfect solution - only pay for what you use.
- It offers more affordable ownership in exclusive leisure destinations as costs are shared. Majority of people would otherwise not be able to afford a second leisure property.
- You can invest in more than one leisure property in different locations at the same cost as one single property. Conventional property investment would cost 13 times more.
- Leisure destinations, because of demand, increase in value much faster than average residential properties.
- Minimal capital outlay whilst enjoying maximum benefit in different locations.
- You don't have the sole burden and cost involved in maintaining and managing the property, as this is shared between all shareholders and taken care of by someone else.
- You can earn rental income for your own sole benefit if weeks not utilized are rented.
- You can exchange your time slot to suit your individual needs and requirements.
- Limited security concerns as result of maximum usage and higher occupancy, and secure estates / developments.
- You can sell your share in the property at the current property market value at any time.
- You invest in property with capital growth.
- Limited surety for your portion only – not the entire value of the property.
- Own your holiday destination as opposed to renting it.
- **You get more for less...**

Your Share – Only Yours





More for Less...

THE CONCEPT OF FRACTIONAL OWNERSHIP

NO!

The only similarity is that more than one party is involved in the property... However the advantages of Fractional Ownership over timeshare are distinct and far more superior.

- Timeshare buys you time – Fractional Ownership buys you an appreciating asset.
- With timeshare you never own the property or become a shareholder.
- Property value increases and so does your shares within Fractional Ownership.
- Fractional Ownership unlike timeshare is aimed at a more up-market sector.
- Timeshare decreases in value whilst Fractional Ownership accumulates capital growth.
- Fractional Ownership shares can be sold at any time – no contractual period.
- With timeshare demand is higher than supply – availability is a serious concern.
- Timeshare includes brokerage commissions of up to 60%. Fractional Ownership attracts standard sales agents' commission of approx 7%, but like with any property transaction is paid by the seller.



Is Fractional Ownership Similar To Timeshare?

ENJOY FULL BENEFIT





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THE CONCEPT OF FRACTIONAL OWNERSHIP

The concept is perhaps best demonstrated by way of example. 13 Investors each purchase 7.7% of the shares in a company which owns a leisure property worth R1.950 million, for R150 000 each, and in return, each receives 7.7% share in the property, as well as 4 weeks a year (in different periods) at an exclusive holiday destination. FZP Fractional Ownership will select & secure the land, ensure development of the property, and market to potential shareholders.

Development Steps

- Location is selected based on high demand and capital growth
- Land/plot is surveyed and considered for optimal growth and potential
- A syndicate company is registered which acquires the land
- FZP Fractional Ownership enters into agreement with the syndicate company in respect of development, project management & marketing of shares.
- Shareholders commit & contribute with payments at various intervals to facilitate completion of the project.
- Upon completion of the project the property is handed over to the syndicate company and the shareholders agreement is signed.
- The management agreement is signed between the syndicate company and FZP Fractional Ownership. This includes marketing of the rental pool.

Your payments are held in a trust account which is managed by a firm of Attorneys /Auditors, which have the skills and experience in Fractional Ownership. Upon transfer into the syndicate company, each shareholder receives a fully tradable share certificate indicating the shareholding in the property/company.

How Does Fractional Ownership Work?

Your investment remains exclusive in that the number of shareholders is limited to 13, or less, per property - unlike timeshare.

Shareholders are conventionally allowed 4 weeks holiday period or usage per annum for every 7.7% (1/13th) share. These weeks are split up into various time slots (2 weeks peak and 2 weeks off-peak) and rotate on an annual basis. Investors can however take up more than one share. No shareholder can take up more than 25% share.

FZP Fractional Ownership will always retain a share in the property indicating our confidence and commitment.

Fractional ownership operates on a usage roster. A specific roster is developed for each property in advance for up to 10 years ahead. Weeks are rotated on an annual basis giving all shareholders equal opportunity. All shares therefore have equal value.

Exchanging and/or combining allocated weeks may be done via FZP Fractional Ownership at the discretion of the respective owners.

Should you prefer not to make use of your allocated weeks, you may make your time slot available into the rental pool for your own profit.

The management of the property (including rental), is taken care of by one party - FZP Property Management (Management Company).



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THE CONCEPT OF FRACTIONAL OWNERSHIP



Is Fractional Ownership For Me?

If you answer yes to any of the following questions, you are a candidate for Fractional Ownership.

- Are you interested in entering / investing in the property market?
- Do you want to own a second property / holiday home?
- Are you interested in diversity of your investment portfolio?
- Do you have cash available or equity in your existing bond?
- Would you prefer more choice and flexibility during your holiday?
- Are you interested in creating wealth through a leisure property?
- Do you want better returns on investment by lowering risk?
- Would you rather prefer someone else to manage your holiday home?
- Do you rather want to own your holiday home as opposed to rent it?
- Would you prefer a better lifestyle?

Only Own What You Use





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FINANCIAL OVERVIEW

The Offer

- 3 Bedroom (all en suite) Luxury House
- Fully Furnished & Equipped
- Open Plan Living Room
- Lounge, Dining & Entertainment
- Fireplace
- Outdoor Terrace with build-in braai (BBQ)
- Swimming Pool
- Washing Machine & Tumble Dryer
- Dishwasher
- Plasma Screen
- DSTV & DVD Player
- Double Lock-up Garage
- Landscaped Garden

Size

Stand 1000m²
House 300m²

Views across vineyards towards Helderberg Mountains

Price

R325 000

Includes: 8% Share & 4 Weeks Usage
Valid until 30 October 2007

Payment

A cash deposit of 10% upon signature of the agreement.

Balance of the land price (or 40%) within 30 days by means of guarantee or cash payment.

6 equal monthly payments to facilitate the development of the property / secure the balance of the purchase price.

Optimize Investment





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FINANCIAL OVERVIEW

Monthly Expenses (Levies)

Estimate:

Estate/Sectional Title Levy	1000
Rates & Taxes	750
Water & Electricity	700
Insurance (Content & Structural)	900
Housekeeping / Domestic Service	1000
Pool, Jacuzzi & garden Services	500
Repair & Maintenance Provision	750
Refurbishment Provision	500
DSTV (Satellite)	450
Accounting & Audit	700
Management Fee	1500
Total per month	8750
Total per shareholder (1/ 13)	673

All the shareholders have full access to the budget and actual spending of the company.

Share The Cost





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FINANCIAL OVERVIEW

Return On Investment (ROI) Analysis

Capital Growth						
Details	Current Value		Future			
	Total	1/13 Share	Year 2	Year 3	Year 4	Year 5
Property	3500000	269231	309615	356058	409466	470886
Annual Growth %	15	15	15	15	15	15
Furniture	300000	23077	23077	23077	23077	23077
Total	3800015	292308	332692	379135	432543	493963
Initial Investment		295000	295000	295000	295000	295000
Growth Value		-2692	37692	84135	137543	198963

Holiday Value						
Rental Days	14	14	14	14	14	14
Daily Rate (ZAR)	1500	1500	1613	1733	1863	2003
Inflation/Increase %	7.5	7.5	7.5	7.5	7.5	7.5
Total Holiday Value	ZAR	21000	22575	24268	26088	28045

Note: Based on 50% of your allocated weeks for own personal use

Rental Income						
Rental Days	7	7	7	7	7	7
Daily Rate (ZAR)	1500	1500	1613	1733	1863	2003
Inflation/Increase %	7.5	7.5	7.5	7.5	7.5	7.5
Gross Rental Income	ZAR	10500	11288	12134	13044	14022
Less Agent Commission %	10	10	10	10	10	10
Nett Rental Income	ZAR	9450	10159	10921	11740	12620

Note: Based on 50% occupancy of the remaining 2 weeks.

Gross ROI						
		Current	Year 2	Year 3	Year 4	Year 5
Capital Growth	ZAR	-2692	37692	84135	137543	198963
Holiday Value	ZAR	21000	22575	24268	26088	28045
Rental Income	ZAR	9450	10159	10921	11740	12620
Total	ZAR	27758	70426	119323	175371	239628

Expenses						
Annual Levies	ZAR	8077	8562	9075	9620	10197
Inflation %	6	6	6	6	6	6

Note: Includes Management Fee

Nett ROI						
		Current	Year 2	Year 3	Year 4	Year 5
Total	ZAR	19681	61864	110248	165751	229431
Percentage %		7	21	37	56	78



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SERVICES OFFERED

- Selection of prime investment opportunities in locations which will ensure optimal return on investment and leisure lifestyles.
- Marketing of the Fractional Ownership scheme.
- Development of each property including Project Management from acquisition of land to furnishing & decorating.
- Handling day-to-day management, administration & utilization (including rentals) of each property on behalf of shareholders.
- Storage of your personal items i.e. books, pictures & photos, dvd's, cd's etc.
- Facilitate resale of shares
- Acts as facilitator to ensure that shareholders do not enter into disputes or suffer negative experiences related to their investment.

The Complete Property Investment & Management Solution – so much more!

Fraction Is More Than Whole





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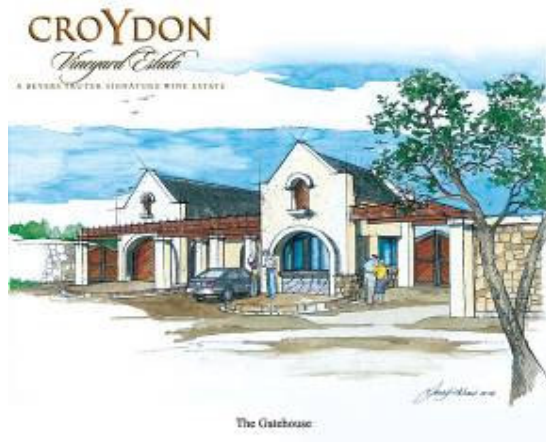
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Luxury At A Fraction



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More for Less...



Contacts

For more information please contact

Arnold Muscat

Tel/Fax +27 11 803 1115

E-mail : info@southafricatourisonline.com

Website www.southafricatourisonline.com

