

Belmont Leisure Investment in Conjunction with The Motorhome Holiday Company

In Brief

Thank you for your interest in Belmont Leisure Investment.

We're offering you an exciting opportunity in a rapidly growing market, which offers generous returns at minimal risk with both short- and long-term investment opportunities. We'd like to invite you to join a group of like-minded individuals to crowdfund the growth of a British company that will enable a wider audience to enjoy a fantastic leisure activity AND promote tourism in the UK with the freedom to travel beyond.

A minimum investment of £20,000 offers a potential return of 6% pa with options of financial repayment and/or motorhome holidays as a return on your investment. We're not placing a limit on investments, though our initial target is just £2,000,000 over the next two years.

This opportunity has arisen due to the challenging economic climate of recent years. More and more individuals, couples and families are opting for 'staycations' rather than expensive foreign holidays, and motorhome holidays have become the favoured avenue in this rapidly growing trend, which is why The Motorhome Holiday Company was established. But, to put it bluntly, with a 92% occupancy of our existing stock throughout 2016 and an unexpected increase in use by TV production companies, both on location and at their studios, we need a steady expansion to satisfy orders and take advantage of the incredible opportunity that has been presented to us and others that we have in the pipeline.

Which is why we need you.

How, Why & What?

We've created two sister companies with a symbiotic relationship: **The Motorhome Holiday Company (TMHC)** and **Belmont Leisure Investment (BLI)**.

The Motorhome Holiday Company doesn't own any motorhome stock but hires to the public, entertainment industry and corporate clients. Motorhome hire has become an increasingly popular and affordable holiday option with individuals, couples and families exploring the UK, attending music and literary festivals in comfort and using sabbaticals to tour Europe. We also supply them as accommodation options for large weddings and parties. Motorhomes are cheaper than hotels, more comfortable than tents, offer more freedom than caravans and allow for spontaneity as opposed to months or years of advance planning often required for hotels and flights.

Our corporate clients and the entertainment industry are increasingly hiring motorhomes as 'green rooms', waiting areas, location accommodation and as hospitality suites at sporting events for client schmoozing.

In recent years, the economic climate has meant that fewer individuals have the disposable income to buy their own motorhomes and so our supply has been limited, which is why we established **Belmont Leisure Investment**. Through BLI, we have negotiated the ability to purchase new luxury motorhomes at trade prices directly from the manufacturers, which we then lease to The Motorhome Holiday Company.

We lease these new vehicles for about 18 months before selling them into the used motorhome market. We feel that 18 months is ideal because we've benefitted from the quality of both chassis and engine from new, but not allowed sufficient time for either to depreciate.

During the 18 month hire life of each motorhome, TMHC pays a fixed fee to BLI for the use of the vehicle. From this income, BLI pays our investors' 6% return whilst covering the costs of managing and running the vehicles and the fund.

Depreciation is a factor, of course, but motorhomes depreciate far slower than cars or caravans and we've found that within eighteen months, due to our deal with the manufacturers, we can generally sell them at close to the original purchase price and, in one recent transaction, at a profit! And that's in addition to the revenue accrued through 18 months of hire.

With a typical motorhome retailing at over £52,000, after eighteen months we can expect that to attract offers in the region of £42,000 on the used market. However, through our deal with Adria, we are able to purchase such a vehicle for just £40,000, giving us a potential profit of £2,000 on top of our hire revenues, which in turn allows us to pay our investors a potential income of 6% pa, depending on the type and amount of investment.

Let's look at some recent examples:

This motorhome purchased new in 2014 for £36,000 (RRP £43,000).
2 years later the same motorhome sold for £32,000.

This 6 berth motorhome purchased new in 2015 for £38,000 (RRP £46,000).
1 year later the same motorhome sold for £39,200.

By operating the purchase and investment through BLI and the hire business through TMHC we expose our investors to minimal risk and each company is independent of the other, despite their symbiotic relationship. Furthermore, should TMHC cease trading at any time in the future, BLI is free to find another operator or dispose of the motorhomes in order to return the capital to the investors.

Who Are We?

Matt Sims and Glen Maxwell-Heron.

Matt Sims spent almost two decades working in the music and events industry, initially at the noisy, greasy end for a vast array of stadium acts, and later advancing to the Chairman's seat of an acclaimed, international event management company. There he produced global conferences, award ceremonies, book launches and corporate parties with world leaders, royalty, dignitaries and stars of sports field, stage and screen.

He discovered a passion for motorhomes but was frustrated by the poor customer service across the board, knew he could do better and decided a career change was in order. In 2011 he co-founded an entirely new style of motorhome dealership, where customer service and aftersales care were the focus. By 2015, with a clutch of awards and accolades from industry leaders, Matt sold his shares and established The Motorhome Holiday Company to deliver the same service to hire customers.

His previous success and reputation, coupled with a unique relationship with premier manufacturer Adria, has allowed TMHC to establish a loyal clientele within the public domain and, more recently the entertainment industry. He recently opened new premises close to Bristol Airport to capitalize on the growing demand of European travellers who wish to explore the UK but don't want to bring their left-hand drive vehicles with them.

Glen Maxwell-Heron started his career in engineering and project management, and has spent two decades thriving in the business-to-business sector, most recently as a professional trainer. He has first-hand experience of motorhome hire - having rented out two of his own for four years - and a keen eye for detail and numbers.

It was Glen's offer to Matt of help with an investment strategy for the growth of MHC that led to the establishment of BLI Ltd. He spotted the opportunity for a successful business whilst allowing both of them to pursue their own motorhome hobby and help others embark upon their own adventures.

What's In It for You?

In recent years, interest rates have plummeted, money in the bank no longer works for you, the stock market is a volatile place, and bricks and mortar require maintenance. Serious investors need serious avenues to explore and quantifiable returns on their investments.

Through BLI, we're inviting approaches from investors with a minimum of £20,000 to invest. We haven't placed a ceiling on investments, but our current expansion plan is for fifty motorhomes and requires just £2,000,000.

We will endeavour to pay the interest directly into your bank account every six months by bank transfer, net of basic rate income tax. Alternatively, you may choose to receive your dividend as a motorhome holiday, up to the amount entitled or as a combination of payment and holiday. That's entirely up to you.

After 18 months, we'll either repay your entire investment or reinvest it for a further 18 month period, according to your wishes.

In addition, we're now offering all our new investors and their immediate families generous discounts on motorhome holidays throughout the year, subject to availability.

Number Crunching

We're offering two options for investment.

1. **Unsecured by Limited Status** - Your loan amount is received by us and invested into our asset base of motorhomes. Minimum investment is £20,000 with no maximum amount. Your investment forms part of our investment pot with a clear and robust paper trail showing your investment in the Limited company. Your investment could be at risk in the event of Belmont Leisure Investment entering administration.

2. **Secured by Chattel Mortgage** - Your loan amount is received by us and secured by a legally binding, secured loan agreement with a debenture against a particular motorhome through Chattel Mortgage. This is logged with Companies House. A Chattel Mortgage takes precedence over any other creditor, including HMRC, in the event of Belmont Leisure Investment entering administration. The minimum investment is typically £40,000, with no maximum amount, though the actual minimum amount will vary depending on the motorhome model that is decided upon for purchase.

Due to the capital nature of the investment, the investment term is fixed in units of 18 months. Whilst we have been aggressive with our financial modelling, the repayment of your capital in full is dependent on us achieving our projected sale values.

The key to the success of this scheme is the on-going strength of used motorhome values. We have used a pessimistic projection regarding pre-owned motorhome values in our financial models to ensure the minimal risk to investors. However, this is an unregulated investment opportunity with no guarantee of return of your entire investment.

What's In It For Us?

We're looking for £2,000,000 of investment in BLI over 2 years. This will enable us to expand TMHC's hire fleet of motorhomes to fifty vehicles. Our plan is for a range of models to suit all potential private and corporate clients, from our entry level Luxury class (starting at £40,000) to our Prestige Plus class (starting at £90,000).

In 2016, our first year of trading, TMHC realized an occupancy of 92% with just twelve motorhomes. In that time we also secured unexpected orders from a major TV production company, and have other TV and film contracts pending. However, we require many more vehicles to meet the potential demand of production filming in the area over the next few years and the increased demand from our core business: private customers heading away on their adventures.

Our challenge is not securing business but meeting the demand of our customers with motorhomes of the quality with which we wish to be synonymous.

In short, our clients need luxury vehicles, we need capital to purchase such motorhomes and you need an investment option.

It would seem to be a match made in Britain.

Are There Any Risks?

Of course. We'd be lying if we implied otherwise, and our partnership depends on trust and honesty that works both ways. This part is usually in small print, but we're not going to hide anything from you, because we feel the risks are minimal and reasonable. So...

We think our biggest risk is the supply of new motorhomes. There is a fixed production capacity each year but a buoyant demand, which means that there can be a lead time of up to 6 months from order to delivery. However, our partnership with manufacturer Adria, for whom we run their national *Try Before You Buy* scheme, gives us priority access to their existing stock.

Then, on the face of it, we have some big-hitting competitors. However, they operate at a different price point and their available motorhome specifications tend to be lower. So, whilst their target customer is perhaps on a tighter budget, we're targeting customers seeking a premium product. With this approach, we feel we're creating a market and so have no peers or competitors.

Ultimately, we believe this scheme is low risk as the rental income from The MHC is guaranteed and we believe the demand for quality, used motorhome stock will remain strong. With our experience in the motorhome trade, we believe this is an excellent opportunity for investors to enjoy a cash return, a discounted motorhome holiday or a mix of both from a proven scheme.

What Happens Next?

That depends entirely on you, but we'd suggest that you contact us using the details below.

Thank you and we'll look forward to partnering with you.

Matt & Glen.

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