

waterfront

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2014/2015



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The ultimate in waterfront living

Travelling the world without leaving home sounds like a virtual concept yet for 130 families – including two from New Zealand – it is very much a way of life as they own apartments on *The World*, the largest privately-owned residential yacht on earth.

Waterfront editor, Jody Robb, gets a rare insight into *The World* – a ship that only those ‘in the know’ truly know about...



This is waterfront real estate that transcends our traditional view of life near the water. The World continuously circumnavigates the globe with residents waking up in a new destination every few days. This year alone, it will have visited more than 100 ports in 30 countries including the Canary Islands, Papua New Guinea, South and North Korea, and New Zealand - including Stewart Island.

In 2015, the Seychelles, Maldives, Africa, Morocco, Iceland, Europe and Antarctica are on the agenda with an average stay of three days in port and in some cases, much longer.

Together, the 130 families from 19 different countries collectively own the 165 residences on the ship and have the luxury of combining adventure travel and home ownership with what would have to be one of the globe's most exclusive addresses.

Some residents live on the ship year-round, with the majority continuing to be active in their professional lives choosing to spend three to four months on-board. At any one time, the average occupancy is around 150 residents.

In 1997, Norwegian shipping magnate Knut U. Kloster Jr., co-founder of the Norwegian Caribbean Line, had a vision for a ship where people could travel the globe without leaving home – the first of its kind.

In 2002, The World was launched flying the flag of the Bahamas. In 2003, its residents purchased the ship and by 2006, the original inventory of residences was sold out with apartments coming back to the market as existing residents decide to move on.

The 12-deck, 196m long ship was designed by the Oslo-based team of Petter Yran and Bjørn Storbraaten. It has a gross tonnage of 43,524 and a top speed of 18.5 knots.

Billed as the perfect alternative to individual super yacht ownership, The World has 260 staff to cater for residents' every whim. There's a full-size tennis court – the only one at sea – which doubles as a cricket field; a fitness centre with a full-time trainer; a resident golf pro' who will accompany residents ashore to play at renowned courses; a spa and wellness centre; library, cinema, boutique and a range of other amenities.

Dining options abound, and the impressive 12,000 bottle wine cellar takes food and wine matching to a whole new level.

The World's representative for New Zealand, Joseph O'Sullivan who is based in Auckland, says the mystique that surrounds the ship and its offerings is part of its very real charm.

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Marketing is not overt, and word of mouth plays a huge role.

"Of course you can't sell a secret, however, I am confident that the right information is going out to the market – and to the right people," says O'Sullivan.

"When The World was in New Zealand in April this year, there were a number of very genuine high net worth prospects taking the opportunity to visit the ship to get a better feel for what it offers. There is a level of understanding now of the ship on these shores that wasn't there in the past.

"There are owners from around the globe including Australians, English, European, Canadian, American, Japanese, South African and Irish and one of the things that makes The World so successful is the proud and close multicultural community that has evolved on the ship.

"Because there is not a transient clientele, there is a sense of belonging and a neighbourhood vibe."

Most residences have balconies and range in size from 27m² studios to three-bedroom residences of up to 301m². Most in demand are the two-bedroom apartments with two floor plans available with each featuring two bathrooms, full kitchen, lounge, dining room and very large balconies. These offer around 102m² – 129m² of living space. There's also a palatial six-bedroom penthouse suite which boasts accommodation for up to 12 people.

The price structure of the apartments is, according to O'Sullivan, quite closely held and entirely market-driven.

Just as with land-based property, owners on The World have their own price expectations. As a general guideline, the price range is USD\$1million – USD\$13 million (NZD\$1.2million – NZD\$15.6million).

"There has been capital gain since the beginning and market prices have been particularly strong in the past 12 months. Residents do, however, see their purchase as an investment in their lifestyle rather than a financial decision," says O'Sullivan.

Over and above the purchase price, residents pay an annual contribution towards the running of the ship – roughly 10-15 percent of the purchase price – including a food and beverage levy.

O'Sullivan says apartment owners simply see this fee – which is essentially what New

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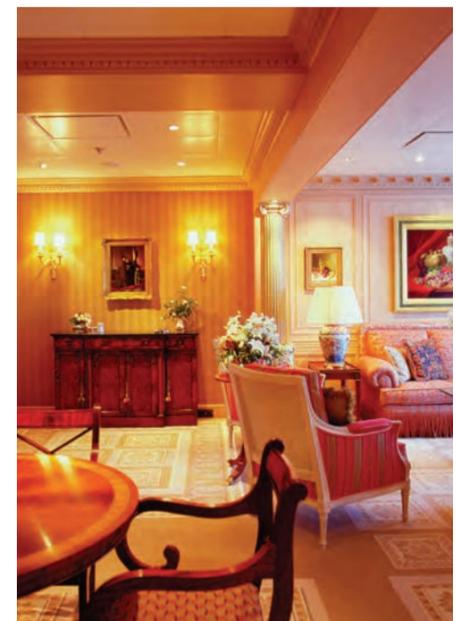
Zealanders would term a body corporate fee - as part of their lifestyle investment.

"As you can imagine, a ship the size of The World has a fairly substantial operational budget to cover the likes of fuel, port charges, crew wages, stevedoring, housekeeping, insurance policies and time in dry dock.

"A number of our residents are former owners of sizeable mega yachts themselves and they fully appreciate the costs and responsibilities of running a vessel. They see that having an apartment on the ship gives them the best of all worlds – quite literally – without the hassle of maintenance and relocation and all the other stresses associated with boat ownership."

The community of owners who live aboard The World is an eclectic one. O'Sullivan is quick to point out that it is not a retirement village on water – far from it.

"Demographics on The World change and while the average age is currently 64, around 35 percent of residents are under 50.



How we travel and how we live changes over time - and The World does, too.

The World's New Zealand representative, **Joseph O'Sullivan**.

"Whilst all the owners are of wealthy means and are relatively adventurous, they all utilise their residences in different ways. Some come and go using the ship as a holiday home equivalent, others live on-board year round. Some run major businesses from their apartments, others have family and friends joining them on various legs around the world.

"If you were to take a New Zealand holiday settlement such as Pauanui in the Coromandel, for example, and were to door knock every bach, you would find a mixed demographic and a range of usage styles. The World is no different."

Residences on The World are sold through an overarching management company which is

in turn owned by the owners. The management company regularly seeks information from owners as to changes they would like to see aboard and the ship evolves as a result.

"The ship is so much more than the owners' home - it is their lifestyle, sometimes their place of work, and their passport to leisure," says O'Sullivan.

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The ship itself is continually evolving to adapt to the desires of the owners.

"The ship is beautifully maintained and is scheduled to go into dry dock for more refurbishment in 2016. Physically, the ship looks even better than it did when it launched in 2002."

The apartments are able to be personalised and renovated like any other privately-owned home as long as the modifications meet the ship's safety requirements.

"Residents are able to place their own architectural and design stamp on their apartments as long as it does not structurally affect the ship," explains O'Sullivan.

"In fact, it is possibly easier to refurbish or

renovate an apartment on The World than it is on land. It tends to be an efficient process as there are optimal timeframes to fit into and trades people can't disappear to another job.

"There are some stunning apartments and if it wasn't for the ocean vistas, you would not know you were on a ship. These are high-end homes that would rival residences anywhere in the world."

The travel itinerary is planned more than two years in advance by the itinerary planning committee which comprises residents, the captains, and representatives from the Florida-based management company. Three potential itineraries are plotted from the last port and the community votes for the most preferred. O'Sullivan says the journeys are eclectic, often cutting edge, and reflective of the wide tastes of the resident community.

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Sometimes the itinerary is guided by the local knowledge of residents. For example in 2012 when The World came down under, it spent two days in Mercury Bay on the eastern coast of the Coromandel at the suggestion of a New Zealand owner. For the residents, it was a special experience of a place not on the international travel circuit.

"New Zealand is always a popular part of the itineraries and the visit this year was no exception with an itinerary very different to the mainstream tourist paths.

"Residents got to spend quality time in this wonderful country of ours including an expertly guided expedition around Stewart Island and Fiordland and even a hands-on exploration of Akaroa Harbour with close up encounters with sea lions and Hector's dolphins."

O'Sullivan says we cannot underestimate the value of having The World's influential, well-travelled community visiting these shores for an almost month-long sojourn.

"They love it here and talk about it widely. That's great potential New Zealand tourism collateral."

