



FIVE THINGS YOU NEED TO KNOW BEFORE BUYING A RACEHORSE



So you want to own a piece of the next Zenyatta, Secretariat, or Seattle Slew? That's entirely possible! It is also very difficult to do. Whether you're considering racing partnerships, sole ownership, or just getting a few friends together to claim a horse, the following key considerations will set your expectation level before you invest and help you enjoy the journey to living your dreams.

1. Invest in a Lifestyle, Own Part of a Team!

How many people actually have the ability to own an NFL, MLB, or NBA team? Thoroughbred racing is a professional sport where an individual can do just that, competing at the highest levels while enjoying an accessible, competitive, insider ride like no other.

People tend to enjoy sports more if they have emotional reasons for getting involved. Experiences that enhance Thoroughbred ownership include the opportunity to be a participant instead of a spectator, a genuine love for and admiration of the horse, the adrenalin highs of seeing your runner race, a chance to compete at the highest levels of the game, social opportunities with like-minded enthusiasts, and, if you're lucky, the thrill of a potential Kentucky Derby contender.



While financial return is a worthy objective, it shouldn't be your only goal in racing. There are certainly ways to increase your chances of achieving financial returns, but you'll also experience thrills and excitement that are second to none along the way. This sport is a challenging business that requires skill, perseverance, patience, and a tremendous amount of luck. It can be tough to make money but a good horse can come along just like "that" to make all the ups and downs worthwhile. What about those ups and downs? Well...

2. Racehorses are an Intense Investment



Thoroughbreds are a high-risk investment with potential for high rewards. Whether you decide to purchase part or all of an unraced yearling or 2 year old (or even if you buy an established horse with a proven record), the possibility exists that you could lose your investment due to circumstances beyond even the most experienced professional's control (a horse can become sick unexpectedly or may suffer a career-ending injury sometimes before it begins racing).

But the most successful owners in the game reached that level by understanding that setbacks cannot deter you from your quest due to the "nature of the beast," the financial and emotional peaks and valleys of horse racing. Standing in the winner's circle of a stakes race at Saratoga with a horse that took a little extra time to make it to the starting gate, the victory is even sweeter. That concept leads to the next point:

3. Thoroughbreds Aren't Machines

Industry professionals utilize decades of collective experience and institutional knowledge to improve your chances of success. They're responsible for the training, care, and management of your horses - and they want to get to the winner's circle as much as you do. Racing outcomes are significantly influenced by a primary factor that ultimately cannot be completely controlled, however: the athlete itself.



Racehorses are majestic animals with individual personalities who are born to run and will in, most instances, try their hardest to succeed and get the job done. However, due to their flight response to fear, their behavior at times can be unpredictable. Because they are animals, they cannot always tell their caregivers directly if they are not feeling well. Additionally, just like professional human athletes or teams, any horse - no matter how unstoppable they seem - can be defeated on any given day. This is why you should understand the following point...

4. Diversifying Your Investment is Key to Success



Spreading out your investment over several horses will increase your chances of fulfilling your goals and enjoyment. Whether during an initial purchase allotment, over several months, or over multiple years, you should not enter into this sport expecting to put all your eggs into one basket. It is tough to hit the jackpot for the first time with just one horse.

Of course, this can and does happen. For example, my cousin's first racehorse dramatically exceeded his initial expectations by proving talented enough to compete on the Kentucky Derby trail. But his experience is what we all dream about in a sport where success is considered winning at about 20%.

Before initially investing with a national partnership group, my husband and I developed a business plan which included shares in multiple horses over a five year period. We knew we'd have our share of winners and losers over time, and we wanted to minimize our time on the sidelines by spreading our investment out so we could participate in more racing events throughout the year. Undeterred with an initial disappointing outcome with our first horse, we watched the tide turn as the very next investment produced two high-potential 2 year-old winners, one who was graded stakes placed and a stakes winner. The emotional thrills experienced at the racetrack and satisfaction of achieving many significant goals set forth in our plan more than compensated for the setback early on in our journey, and our successful horses compensated for the ones that didn't have

as much ability and racing luck. This brings me to a very important question you need to ask before you invest in a racehorse...

5. What are Your Personal Ownership Goals?

Figure this out ahead of time, because goals determine the type of investment you'll make as a racehorse owner. I'm not just talking about dollar amount. Your dreams and personality will determine if you join a partnership group or hire your own trainer as much as your financial situation will.

Goals influence whether you compete at tracks across the country or in your backyard. Your motivations determine a decision to head to a local track to claim and race a horse with a bunch of close friends, or travel to the next 2 year-olds in training sale to buy a horse as the sole investor.



Racing is a very democratic sport. It is possible to reach the highest levels of the game without investing anything remotely close to the cost of your child's college education. The drama and thrill of winning an allowance race can be as equally fulfilling as winning a graded stakes. You can experience an amazing level of excitement and success depending on your personal ownership goals and how you go about achieving them.

By Dawn Lenert, Thoroughbred owner and Chief Marketing Officer, West Point Thoroughbreds, Inc.

Dawn Lenert is a lifelong Thoroughbred racing enthusiast who began her ownership experience at age 13 when she used her personal savings to buy 10 percent of a \$2,500 claiming horse. She spent her high school and college vacations working on the backstretches and in the sales offices of Chicago area racetracks. In 2008 she fulfilled one of her ownership dreams of winning a race at Saratoga.