

# Seaside Marine Surveyors

## Boat Buyers Checklist

Assuming you have already decided the type of boat you are interested in purchasing, the following checklist will help you through the process.

1. Find a dealership that sells the range of boats you think you are interested in. Be sure to check the service history and reputation of the dealer or broker. Choose someone with a good track record. If in doubt, check with the Better Business Bureau. A quality dealer or broker will usually go the extra yard to ensure your satisfaction, and maintain its reputation.

2. Create a list of questions to ask the dealer or broker

- a. Where is the boat manufactured?
- b. What kind of accessories does it come equipped with?
- c. Do you have it in stock and/or how long is the wait?
- d. How are warranty repairs made?
- e. Do you offer in house financing?
- f. Do you have a service facility and or dockside repair?

*If it's a used boat*

- a. How many hours on the engine?
- b. Does it need any repairs?
- c. Has it ever been damaged?
- d. Are past service records available?
- e. Has it been regularly maintained?
- c. What accessories come with the boat?
- d. Is there a used boat warranty available?

3. What is a sales contract?

A written contract will spell out the terms of the sale and is the best way to guard your interests. Read both sides of the contract and ask questions about any unclear terms. Don't hesitate to cross out inappropriate terms and always add contingency clauses. Don't enter into a contract that requires you to make the final payment, or begin loan payments before the boat is delivered. Make sure everything you agree to or require, is in writing.

4. If you like what you see, make an offer with a *contingency clause*. These clauses can protect the buyer if the boat is found to be defective or the financing does not pan out. Make sure you get one or more of these clauses into the contract or walk away from the deal. A bargain is good to be true probably is. A good dealer will often volunteer to put some of these clauses into the contract for you.

- a. Purchase is subject to a satisfactory sea trial and marine survey inspection of boat and engines.
  - b. Purchase is subject to acceptable loan terms, including interest rate, duration of loan, and affordable monthly payment.
  - c. Purchase is subject to ability to obtain adequate insurance.
  - d. Purchase is subject to a clear title, free of liens and encumbrances.
- Use of these clauses can offer the purchaser a way out of the contract if a problem arises.

5. At this point, you should feel confident enough to put down a deposit (10% is customary).

6. Now is the time to hire a *Qualified Marine Surveyor* to inspect the vessel and conduct a sea trial. A survey gives a snapshot of the boats visible components and accessible structures at the time of inspection. Although it is not a guarantee against future problems, it will help identify

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existing defects, and how they can be repaired. An in depth survey will evaluate the boat according to U.S.C.G. requirements, as well as ABYC and NFPA standards. With your written survey report in hand, you can get repair estimates to correct the problems. You can use these estimates to renegotiate the sales price or back out of the deal altogether if the needed repairs are too expensive or complicated.

7. At the conclusion of the survey, you will be provided with a list of items that may need repair or replacement. This is the time to sit back down with the seller and try to renegotiate the repairs of the deficiencies back into the cost of the vessel. When you are satisfied with the final negotiated price and the vessel repair schedule, you can move to the next step.

8. Once you have released all the contingencies, you can release the final funds. The final sale agreement is prepared and signed. You are now ready to take possession of your new boat.

9. All documents you should receive at closing:

- a. Ship registration document.
- b. Vessel Title
- c. Warranties and equipment manuals.
- d. Service bills for equipment or repairs made to address contingency clauses.
- e. Invoice and receipt for the purchase.
- f. Sale Contract signed by all owners (if more than one).
- g. Closing statement that breaks down costs and funds paid in by you.
- h. Make sure your dealer has arranged an onboard orientation to go over the operation of the vessel and its systems with you at the final delivery stage.

10. Now is the time to arrange for a marine transport company. The boat can be hauled over the road to its new marina, or another option is to hire a USCG licensed captain to assist you in piloting the vessel to its new berth.

11. Don't forget to take a boater safety course to familiarize yourself with the rules of the road. They are given by many organizations such as the U.S. Power Squadron, and the Coast Guard Auxiliary.

12. HAPPY BOATING!!!