

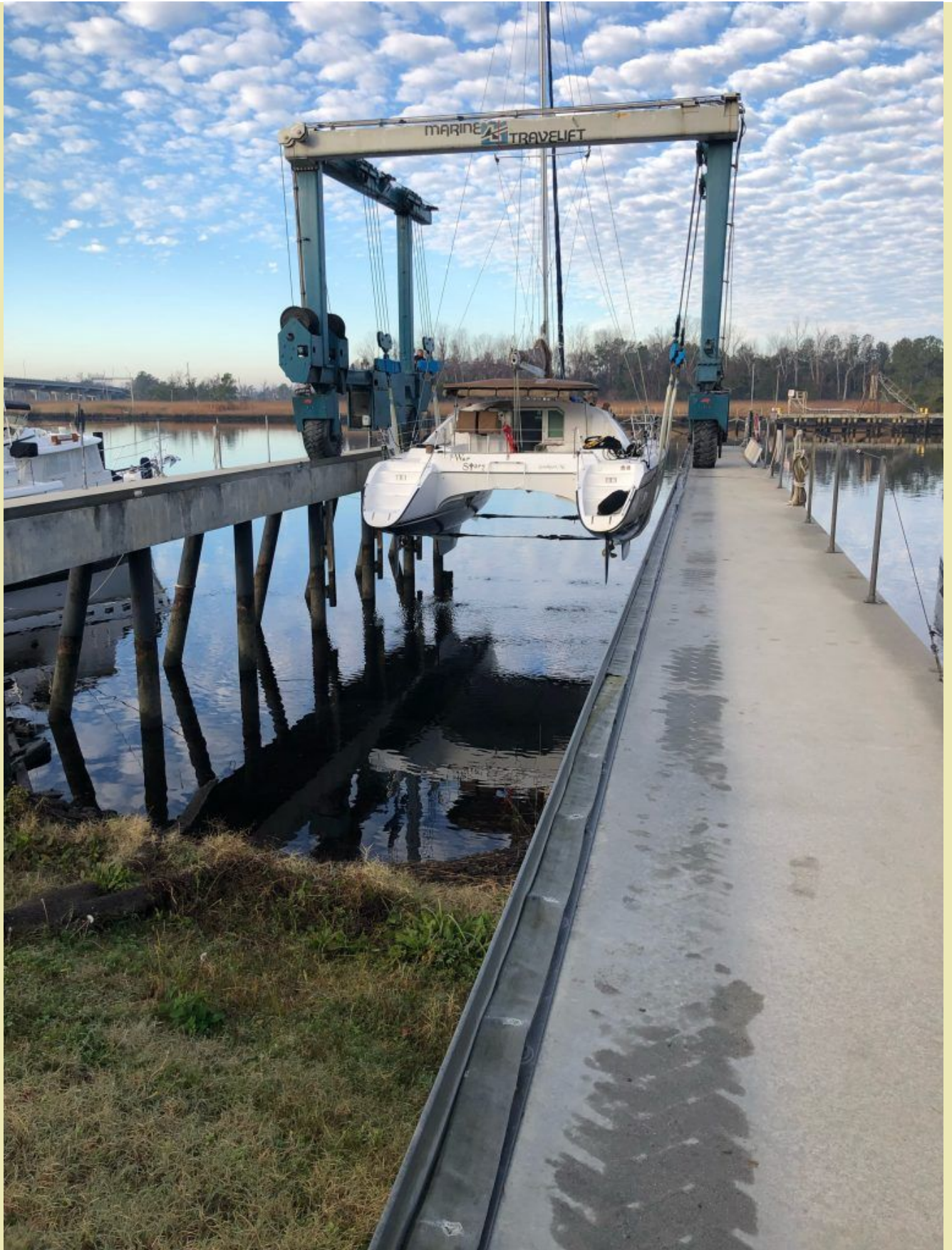
BUYER BEWARE-BUYING A BOAT

FEBRUARY 27, 2021



After buying two boats (and selling one), we've had many people question us on the buying process, where to start and what to look for. The thing is...we are no experts! We've made some mistakes along the way, and there are things we wish we would've done differently. So we decided to reach out to someone much more knowledgeable, and industry expert.

A Coast Guard and law enforcement veteran, Captain John Banister turned to full time marine surveying and consulting 12 years ago, with the same thoroughness and attention to detail he used in law enforcement. He not only completes pre-purchase surveys, he also specializes in marine engines, and conducts surveys for damage inspection or insurance purposes, among many other services. Fortunately for us, he was happy to share his expertise with us so others can make a better decision buying a boat.



Buying a boat is a nerve wracking process

Cold Hearts Only

A marine surveyor is an extremely important figure in the buying process. Similar to a home inspection, often by the time of the survey the buyers are pretty emotionally invested in the boat..I know that we were! So of course, John's first piece of advice? Don't fall in love with the boat (whoops). Or as a true former cop would say, "Don't get tunnel vision!" There are way more boats out there on the market than there are buyers, so the chances of being able to find the right boat are good! Disconnect from the emotional side as much as possible, and focus on doing your research, the structural integrity of the boat, and the market value.

Google It

Once you find a boat that suits your needs, your research can begin with a simple google search of the vessel name. Browse through previous listings of the boat, noting previous names and ports. By searching US Coast Guard documentation (all links at the bottom of the page), National Oceanic and Atmospheric Administration (NOAA), and US Coast Guard PSIX, you can discover tonnage, Hull number, registration numbers and more. Specifically, you are looking to discover if the boat has ever been a hurricane boat, or has been sunk.

If you plan to use a loan to purchase a boat it is very likely you'll be required to carry boat insurance. Even if you make a cash purchase, you may still want to carry insurance. Keep this in mind when doing your research; the last thing you want to do is have to make an insurance claim and then be denied because of the previous history of the boat, even before you owned it. We all know insurance companies look for any reason to deny a claim, and a previously sunk boat or hurricane damaged boat can make a great reason.

Detective Work

After doing your research, and reminding yourself not to fall in love, it's time to go look at the prospective boat. Like a good cop, John says to put on your detective hat, and pay attention to your instincts! If the broker or owner is rushing you through, avoiding certain areas, or talking in terms you don't understand, those are signs.

Put on your detective hat, and listen to your instincts

Be nosy, ask all the questions, and don't let them talk over your head. If they're really an expert on boats, they can break down the "boat-speak" and use common sense terminology. This is not the time to prove to them that you know boats, it's the time for them to prove to you why this boat is the right choice for you. Ask the broker or buyer for maintenance records; John says if they can't produce them assume it hasn't been done. I know that any time we complete a project or maintenance onboard, we love to document it in our maintenance log; we are proud of our work and want to keep thorough and accurate records!

Run, Don't Walk!

When asked what should cause you to walk away from a boat even prior to the survey, John had no hesitation providing reasons. If you walk aboard and smell the strong scent of mold or bleach, that's a clear sign that there is or was mold and an attempt at cleanup, and that can be a health issue. Mold is also great at hiding, and you can't be sure how deep the mold issue goes.

John also suggests opening all the aft compartments on your walk through, and noting if there any scum lines. These are signs of it being partially sank, and are a reason to run, not walk!

Open and close hatches and doors, and note if they won't completely close, especially if it is one particular section or side of the boat. This is a sign that the boat may have been dropped, or the structure of the boat shifted. Have the broker or seller start up the engine(s), and look for black

smoke or the smell of diesel. Check the hours of the engine; over 2500 hours you are creeping towards an expensive engine rebuild. Find out from the broker where the boat has been; this goes back to insurance claims, John suggests shying away from boats that have recently been in the Caribbean during hurricanes, or charter vessels.

Restore Her Glory?

There are tons of youtube videos of people out there restoring old boats, spending a lot of time and money to bring them back to their old glory. I love it, I hate seeing a good boat die from neglect. However, I always wonder the cost effectiveness of it, and if it's a losing prospect. John's simple but important advice is to do your research on that boat, and discover why it is a project boat before you decide to jump in head first. Also, keep in the mind the market value of that boat, and don't spend more than the value to repair it and make it sea worthy.

Show Me The Money

Just like houses, there is a database to find the true market value of a boat, that is only accessible by accredited brokers and surveyors. A good surveyor can help you determine the boat value. Keep in mind that brokers typically list their boats 15-20% over market value, so when they receive counter offers they're still going to get a good deal. Our first purchase we weren't prepared for this! We did our research and informed the seller we'd buy at the full listing price. The seller actually was surprised, and asked us if we didn't have a counter offer! He listed the boat over what he wanted with the expectation of haggling. We didn't have a lot of interest in haggling (and were a bit naive in the buying process) but we worked out what we all felt was a fair price in the end.



Breathe easy, the right boat is out there

John cautions not to let new features on a boat significantly sway the price. Imagine a 1990 Honda Civic with new rims and tires. That maintenance and/or “upgrade” does not affect the market value of the car...it’s still a 1990 Honda Civic, worth roughly \$500. Maintenance is a must, it is expected that you keep your boat seaworthy and in good working order. Don’t let the broker make you think that by providing the regular maintenance and repairs that the boat should be getting, the boat is valued more. You wouldn’t buy a car for more money because it had regular oil changes, and you definitely wouldn’t buy a car if it didn’t have them. There are a few things John may consider raising the price for: brand new solar panels, an upgraded battery charger, new engines, a carbon fiber mast, or an interior professionally redone.

Holding Auditions

For such an important person in the boat buying process, do good research for your surveyor as well. Look for accreditation through NAMs or SAMS, and check for reviews online and by word of mouth. You are looking for a thorough, detail oriented surveyor who isn’t going to rush through the process or be put off by questions.

A big bonus: finding a marine surveyor who does infrared thermal imaging, like John does (yes, the same technology cops use). Thermal imaging uses a thermographic camera to troubleshoot mechanical, electrical structural or hull problems by finding temperature anomalies. This, as John says, “takes the doubt out” by finding things like scaling in the engine, fiberglass repair, overheating wires, among many others. Unfortunately, this service wasn’t offered to us during either of our purchases. John is a rarity bringing this technology into marine surveying, as many aren’t willing to invest in the expensive training, equipment and difficult certifications to provide this service. However, if you do see it offered, know it’s an invaluable tool in the inspection process.

John’s reminder to the buyer throughout the process, you should not be the one who most wants the sale to go through! The broker/seller should want the sale even more than as you do! YOU have options, and the ability to walk away and find another boat.

Happy boat hunting! You now have the knowledge to hop on <https://www.yachtworld.com/> and start the journey of buying a boat. Check below for all links, including to John’s website; thanks to John for all the knowledge and taking the time to answer questions!

Cheers!

S/V War Story

Jason & Anna

Captain John Banister:

<http://www.marinesurveyorflorida.com/>

NOAA:

<https://www.fisheries.noaa.gov/foss>

US Coast Guard PSIX:

<https://cgmix.uscg.mil/PSIX/PSIXSearch.aspx>

US Coast Guard Vessel Documentation Center:

<https://www.dco.uscg.mil/Our-Organization/Assistant-Commandant-for-Prevention-Policy-CG-5P/Inspections-Compliance-CG-5PC-/National-Vessel-Documentation-Center/National-Vessel-Documentation-Center-Other-Links>