



PEACE ON WATERS, BUYING A BOAT?

Guide on how to buy a boat

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AUTHOR'S NOTE

It all starts with the question, is Buying a Boat for You?

Riding around on the water in a boat has been a pastime (and often a trade or necessity) for humans for thousands of years. There's nothing more rewarding than setting out on the open water, feeling the wind rush through your hair and enjoying the life aquatic.

Before we delve into the actual process of buying a boat we have to make one very important decision: Is buying a boat the right choice for you? I know that seems silly; you bought this book because you want to buy a boat right? Do you? Really? You have to be completely committed once you dive into the world of boat ownership. This book cost a few bucks but a boat is a substantial financial investment with ongoing costs. If buying this book for a few bucks helps you avoid thousands of dollars of debt then it was well worth it even if you ultimately decide not to buy a boat.

Probably the biggest concern for most people is the finances. In many ways a boat can be quite a bit more expensive than a similar large item like a luxury car. Then again it depends entirely on what type of boat you get. If you just want to fish out on the lake you might get a simplistic little aluminum row boat; aside from cleaning it and protecting it from rust there's virtually no maintenance. Then again, you may want to sail the high seas on a yacht; you'll have quite a bit of maintenance and storage related fees there.

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INTRODUCTION

If you've never really done any boating then get your boat-owning friends - or friends of friends - to take you out on their boats. Boaters love to be on the water, and they love to talk about their boats. Offer to bring lunch and provide the beer; you should get plenty of invitations. Ask the owners why they decided to buy that particular boat, what they like and don't like about it, and how they use their boat: Weekends? Daysail only? Racing? Cruising? A boat that is great for racing may not be very comfortable for a long weekend on the water.

No boating friends? Make some. Call local boating and yacht clubs, get the racing schedule, and then sign up to be a crew member. If the boating or yacht clubs offer social memberships, join and hang around with the "boaties". Put a note on bulletin boards offering yourself as non-paid, inexperienced but willing-to-learn day crew. If you have any skills at all, even if it is just making great sandwiches, list them on your note. Visit marinas and don't be shy. While sitting in a waterfront bar in Kemah, Texas, we saw a familiar boat come in - it was the same make as one we were thinking of buying. We tracked the boat to its slip, introduced ourselves to the owners and explained why we were there. They invited us on board, offered us a beer and told us everything about their Islander.

Don't be picky. Take any rides your new friends offer to you - assuming that they are reasonably sane, sober-appearing people. This is especially important for new boaters. Racing is great fun - but after spending all day manhandling sails and being told to hike your ass out to weather, you might decide racing is too much work for you. Forty-plus foot sailboats are wonderful - but big sailboats require large lines and heavy-duty winches, and big gear is expensive. Gleaming teak looks beautiful - but it takes lots of time and/or money to keep it that way. I lusted after a wooden sailboat boat - but bought a low-maintenance fiberglass one.

Get Your Priorities Straight

Establishing priorities can be difficult, especially for a first-time boater buyer. Unless you have unlimited funds at your disposal, you won't be able to have everything you want in one boat. Accept that (1) your first boat will most likely be just that - your first, not your last; and (2) you will make mistakes the first time you buy a boat - and probably the second and third times, too. Mistakes will probably cost you money and most certainly get you laughed at (usually by people who made the same errors) - but they are not the end of the world. There is no perfect boat - just the best one for what you need and can afford right now.

The last thing you need to do to make sure that you are really ready to own a boat is to plan out your budget. This part of the process is so extensive that I'm actually dedicating an entire chapter to it. Owning a boat is generally not a "one-time fee and then you're free to have fun" sort of thing; there are a number of financial factors to take into consideration which we'll discuss in detail after you've picked out the boat that you think is right for you.

Before we move on let's answer that ever-important question: Is buying a boat for you? Consider the following factors before making your decision:

If you want to own a boat then you need to have free time in order to maintain and enjoy your water vessel. Taking care of a boat requires about twice as much attention as regular car maintenance. You need to keep the boat clean, repair damages, have a place to store it and maintain its integrity.

Are you financially ready for a boat? We'll discuss specific financial planning in detail later but before we even begin, do you have disposable income that you can dedicate to your boat? If you've already been looking around at boats, consider this: You will spend anywhere from 10% to 30% of the original price of the boat on yearly maintenance and storage. If your boat cost \$10,000 then expect it to cost an additional \$1,000 - \$3,000 a year to maintain.

Will you use your boat? Remember I said you needed free time to enjoy your boat. Your maintenance costs will not be substantially reduced just because you don't use your boat; if you never enjoy your new toy then you've acquired it for nothing. If you only want to use your boat once or twice a year then consider just renting a boat instead. A Decent motor boat may cost around \$9,000. With \$9,000 you could rent a similar boat once or twice a year for 8 or 9 years or even more depending on who you rent from.

If you think you can handle those things with ease or with a little effort then congratulations; it seems like buying a boat is probably a viable option for you.

Consider a Boating Course

If you are completely new to boating, now - before you get too caught up in the boat-buying process - would be a good time to take a public boating course. The basic boating courses offered by the United States Power Squadrons and the United States Coast Guard Auxiliary, are open to the public. These education-oriented organizations have social activities - another great way to meet boaters. Get to know them and you'll have a larger pool of boaters to help you draw up your priority list.

TYPES OF BOATS

Many people are unhappy boat owners because they buy the wrong boat. Before you dive head first into the world of boat ownership, ask yourself a few questions that will help you focus on the kind of boat you will need.

Who will use the boat? Just family or will you invite friends? This may have a bearing on the size.

How will you use the boat? Will you be fishing, water skiing, cruising, taking day trips, weekend trips or week long excursions?

When, and how often, will the boat be used? Do you boat year-round or only seasonally?

Where will you operate the boat? In lakes, rivers or on the ocean?

How much can you afford to spend? Don't forget the initial cost of purchase is just the beginning. There will be maintenance, insurance, registration fees and instruction and safety course fees.

What type of boat suits your personality and temperament? Do you imagine getting from place to place with great speed or leisurely sailing to your destination? In this section we'll discuss the many different types of boats and hopefully help you decide which is best for you.

There are thousands of individual models of boats but they can all usually be categorized into 3 distinct types of boats:

Unpowered or human-powered boats

These include rafts and floats meant for one-way downstream travel. Human-powered boats include canoes, kayaks, gondolas and boats propelled by poles like a punt. These boats tend to be the least expensive to purchase and maintain. If you have a rather small

budget and just want casual inland boating (Lakes and rivers) then these are the types of boats you'll want to look at.

Sailing boats

These are boats propelled solely by means of sails. You've probably seen these in movies with pirate ships and the like; the sails are gigantic sheets of canvass material that allow the air currents and wind to propel the boat in a particular direction. These boats are somewhere in the middle price wise. Depending on the size they can become extremely expensive but the most expensive sail boat still pales in comparison to the most expensive yacht. A sail boat requires a lot of unique attention and maintenance so only choose this type of boat if you're truly dedicated to boating.

Motorboats

This includes all boats that are propelled by mechanical means, such as engines. Speedboats, pontoons and most yachts are considered motorboats, even small fishing boats if they have a motor. These can be extremely inexpensive to extremely expensive, it all depends on what type you get. The cheapest motorboat will be a little more expensive than an unpowered boat while the most expensive motorboat will be cost substantially more than any other type of boat. The more complicated the boat, the more expensive it will be.

So which is right for you? Well, remember those questions I gave you at the beginning of the chapter? Let's elaborate on some of those.

What's Your Boat For?

Think hard about how you want to use your boat. Love to fish? Want to go racing? Do you plan to get away by yourself, or does your boat need to accommodate the whole family or pets? Do you dream of sleeping at anchor under stars? Then your boat will need good ventilation - and comfortable sleeping quarters. But if you plan to pull into a marina at night, you will probably want air conditioning - or maybe you'll prefer to check into the marina's hotel. If, after careful reflection, you have conflicting activities that are equally important to

you/your family, consider buying more than one boat. Two smaller boats – say an open power boat for fishing and traveling quickly from island to island, AND, a small sailing dinghy for the kids to play with – might be more fun than a bigger boat that only you can handle.

What Activities Can You Handle?

Fairly evaluate your physical condition, as well as that of your intended boating companions. It takes a lot of muscle to haul a 400-pound mainsail up the mast. If you can't do it, then you'd better have the means – strong crew or electric winches – onboard. Do you know anything about engines? Machinery requires know-how and maintenance. Can you fix the engine if it fails underway? If the engine on a sailboat craps out – assuming there is a workable sail and rig onboard – I can get us home, or at least to safety. However, because I know very little about engines, I will probably never take our powerboat out alone, or if I do I won't go far.

Where Will Your Boat Be Used?

Blue-water sailors who plan to cross the Atlantic need a boat very different from the one that dinghy racers will buy. Okay, that's an extreme example, but you get the point. Do you plan to keep your boat in the water and use it every weekend? Rack it and splash it once a month? Once on the water, will you drive or sail your boat for a couple of hours before putting it away, or will you be out long enough to need lunch, drinks and shade? If you learn to boat in a cold area you might not realize that you need some protective covering when sailing in a more temperate zone; the weather affects the waters just as much, if not more, than it does the land.

Popular Boats to Choose From

Kayaks

Kayaking is a sport all its own. These small one or two person boats are intended for river rapids and slightly more extreme boating. I've heard of people fishing on them but, again, it's sort of an extreme sport compared to everyday, run-of-the-mill fishing. If you're interested in Kayaking then definitely pick up a book about it or do some research online; Kayaks have a pretty wide price range but since they're not motorized they tend to be a bit less expensive than most other boats. A decent kayak will run you between \$250 and \$1500.

Row Boats & Skiffs

Ah, good old-fashioned row boats. These come in a variety of lengths and styles. The premise is that you propel the boat by rowing with oars. This is a great boat when you want to get some exercise in; in fact, rowing is a professional sport. This is the most common type of man-powered boat. You can fish in a row boat or just use it to glide along a stream and relax; metal row boats tend to be cheaper than wooden row boats but they also tend to dent and ding a lot easier. Rowboats & Skiffs are extraordinarily cheap compared to sail boats or motorboats so if you're looking for a simple option that has relatively low maintenance and doesn't break the bank, this is the boat for you. It should be noted that skiffs can also be used with a small sail instead of or in conjunction with oars for rowing. For a general use skiff or rowboat you can expect to pay from \$500 to \$5000.

Personal Water Crafts

These most commonly go under names like Jetski, Seadoo and Wave Runner. They're not technically boats but a guide to buying water crafts would not be complete without them. You may find that either a boat isn't right for you or that just having a boat isn't enough for you. Personal water crafts are basically the motorcycles of lakes

and rivers. These have a pretty wide price range as well, like a land motorcycle, but they tend to be somewhere between an extremely well-made man-powered boat and an affordable motorboat. Depending on the make and model (and age) you're looking at anywhere from \$1,000 to \$10,000.

Runabouts

Runabouts are sporty and versatile boats. Since they have a hook for connecting ropes, they can be used for skiing or pulling inflatable tubes. Many people choose these boats because they are sporty, have a higher seating capacity for entertaining family and friends, and make a good boat type for day trips. The three main types of runabouts are: bowriders, deck boats and cuddy cabins. These are probably the most common consumer boats because they usually have reasonable prices and are good for all-around inland boating. You can fish on a runabout, you can do jetski, you can race, it's pretty much a jack of all trades (as far as motorboats go). These types of boats can run from \$2,000 for an older model to \$30,000 for a newer, larger model.

Pontoons

Pontoon boats are extremely unique in that their method of floatation differs from just about any other boat. The basic design is that the pontoon consist of two air-filled steel barrels that float. A flat piece is then fitted onto or between these to act as a deck. This works to create a much more stable boat that's also extremely inexpensive to make. Pontoon boats are meant for inland boating on lakes (and very large, calm rivers). They're extremely popular in the boat-renting industry and they usually cost a bit less to insure than other boats. Pontoons are usually in the \$5,000 to \$25,000 range.

Sailboats

Sailboats vary in size but for practical purposes you'll probably get a medium-to-small sailboat if you decide to go with one. These can often be big enough to have a lower cabin with a few conveniences.

Because there's generally now motor these rarely have electricity unless you stick a gas-powered generator on them. Sailboats are great for sea travel and sports; they do well on the ocean water where the wind can really carry them. There are a vast variety of sail boats from skiff-sized to swoop. Some are as little as \$5,000, some are \$500,000 and more.

Jet Boats

Jet boats are extremely maneuverable and can skim so lightly across the water that they are great for recreational outings on shallow rivers as well as lakes. Without the danger of a spinning propeller, jet boats are excellent for pulling water skiers and tubes. Jet boats come in a variety of flavors from inboard to outboard and are slightly less expensive than larger motor boats. These boats are the preferred method for towing jet skiers as they contain no rotating blades and are much safer than motorized boats. Jet boats are usually priced between \$5,000 and \$25,000.

Speedboats

This is one of the most popular types of boats for just about any application. You see these lot on rivers, lakes and even larger ones on the ocean. A speedboat is specifically just a smaller, faster version of a generic motorboat. A decent speedboat will cost anywhere from \$7,000 to \$40,000 depending on its design and the company that makes it.

Cabin Cruisers & House Boats

Two distinct types of boats but they have similar features. A cabin cruiser basically looks like a large motorboat with more structure up top. This is because they have little cabins inside that might have a small kitchen area or a bed to sleep on. House boats are actually fully-functional as living spaces, sometimes with multiple rooms. Cabin Cruisers can be used for speeding around the ocean or like while houseboats are generally kept at dock and only rarely towed around to places (They generally do not even have motors). Both of

these types of boats tend to be on the expensive side, usually over \$20,000.

Yachts

A yacht is not a specific model of boat but rather a class of boat to which a few distinct models fit into. There are power yachts and sailing yachts. Generally yachts are a bit larger than the average boat most people will ride around in, usually being around the size of a cabin cruiser or house boat. Yachts tend to be extremely expensive as they're in the "Luxury" class of boats. Yachts can cost as little as a few thousand dollars and as much as a few hundred million dollars.

FINANCIAL PLANNING

This is one of the most complicated steps when deciding if buying a boat is right for you and which type of boat you can afford. You may find that a little tin row boat is all that your budget really allows for and that's okay; there is a lot of fun to be had on a small tin boat in the middle of a lake—it's the preferred method of transport for many traditionalist fisherman. If, however, your budget allows for a more complicated boat then you have a much larger set of financial factors to consider such as insurance, maintenance, fuel, docking, storage and licenses.

So, which type of boat did you choose? Are you a lone budget boater who's going for an inexpensive kayak? Or are you a party-loving well-to-do who's purchasing an opulent yacht? Regardless of what choice you made it's time to talk about the many "hidden" fees of boating. Remember, you can expect to spend approximately 10%-30% of the original cost every year in maintenance. This comes closer to 10% for the simpler, less expensive boats and closer to 30%

for the more complicated, more expensive boats. A Rowboat, for example, is very simple. As long as you keep in clean and make sure the sealants and paint are kept up, you're usually good to go. A Motorized Yacht, however, is much different. You need to check that the hulls' integrity isn't breached, make sure the electrical wiring is in good condition, take care of the engine, keep the boat clean, have a specialized place to store the boat, etc.

Docking and Storage

These are common factors for people to forget about when they're financially planning for their boat purchase. For one thing, you're probably going to need a trailer for your boat unless you purchase a very small skiff than can fit in a truck bed. Even then, a trailer is recommended when possible because it's better for the boat to travel with full support. If you have an extremely large boat then you may not need a trailer but you'll have to have a way of getting your boat to a marina for storage (which costs money). Also be sure to check your local laws and homeowner's association rules regarding boats. Many will not allow you to simply park your boat outside your house on the trailer; you'll have to keep it in your back yard or in a garage.

For a larger boat you're going to need a dock or marina to store your boat for you. Just like people can't live in apartments for free, boats can dock for free and you'll have to pay a monthly or yearly rent depending on the size of your boat. Most of these places will charge you by the foot (in length) but many will have a minimum length. This doesn't mean that you cannot dock a small boat there but it means that you pay that minimum regardless of the size of your boat. If your dock's minimum is 40 feet then you'll pay for 40ft of storage whether you have a 40ft long boat or a 25ft long boat. Freshwater docking is arguably less expensive than saltwater docking; usually because there's simply not as much competition for those types of docking areas. Don't worry about finding your dock just yet, I'll provide you with some online resources for your financial planning at the end of the chapter.

Insuring your Boat

At the time of this writing there are no state (or federal) laws that absolutely require insurance for a boat. That being said, if your boat was bought under a loan, leased, is being used as collateral for a loan or is being stored at a marina then you will be required to get it insured. Also there may be state-wide laws that require you to have some type of liability protection in case of an accident so be sure to do some specific research on your state's boating laws. Your best bet is to hunker down and get the insurance; in the event that anything less than stellar happens to your boat or someone on your boat you'll be extremely glad that you got boat insurance.

Determining Your Prices

There are a number of factors that decide how much your boating insurance will cost. It depends on the type of boat you have, how old it is, how experienced you are with it, where you take your boat and it's size (among other things). Since every boat is completely different there's no way of giving you a solid numerical figure. The basic idea is that the bigger and more expensive your boat is, the more it costs to insure and the less experience you have the more it costs to insure; it's really not unlike insuring any other vehicle, like a car. Here are some factors that can affect your prices:

Cruising area

Where you cruise and when. It costs more to insure a boat in coastal waters than inland lakes and rivers, especially in areas exposed to hurricanes.

Boating Safety Education

Many insurers will offer you a discount if you take a boating safety course that's been approved by the National Association of State Boating Law Administrators (NASBLA) or a course that the company itself offers.

Good Driving Records

Premium discounts are applied for clean driving records because BoatUS believes that if you are responsible behind the wheel of your automobile, you will also be responsible at the helm of your boat.

Liability Limits

The higher the limit, the higher the cost.

Deductible Size

The higher your deductible the lower your premium.

Boat Storage

Maintain your boat in a particularly secure location - secure from extraordinary weather patterns such as hurricanes, tornados, floods, etc. and/or secure from theft or vandalism. Catastrophic loss from weather or thieves is a significant cost factor in boat insurance.

Know Who Your Insurer Is

Boat insurance can be "added on" to a homeowner's policy, purchased from an independent insurance agent, or bought directly from a marine insurance specialist. Buying a policy through a reputable agent or directly from a marine insurance specialist is the best way to go. "Adding on" to your homeowner's policy may be convenient, but homeowner's policies often limit or don't adequately provide some marine related coverage - like salvage or wreck removal. If you have to make a claim, you will appreciate a company that knows more about boats than homes.

Ask experienced boating friends for their insurance experiences and check on the insurance carrier - the company that will actually be providing your coverage. A.M. Best ratings are the industry's benchmark for assessing an insurer's financial strength; look for an "A" rating (excellent) or better. State insurance regulatory agencies are also a good reference and can be found online.

Agreed Value vs. Actual Cash Value

These are the two main choices for boat insurance and depreciation is what sets them apart.

An "agreed value" policy costs more up front but it potentially pays more - it will cover the stated value of the policy in the event of a total loss. For example, a total loss on a \$50,000 agreed value policy would pay you \$50,000. More importantly, with a partial loss an agreed value policy replaces damaged boating equipment on a "new for old" basis with no depreciation. Hence, a claim for a stolen four-year-old GPS would get you a new, comparable replacement GPS. Some repairs, however, are subject to depreciation, such as paint, canvas and aging machinery.

"Actual Cash Value" policies cost less but only pay up to the actual cash value at the time the boat or property was lost - depreciation is factored in on all losses. Actual Cash Value policies are better suited to less expensive boats or to situations where you are more concerned with liability protection and defense against lawsuits than you are with boat damage.

If the worst happens and your boat needs to be salvaged, you want to ensure that your policy covers salvage costs up to 100% of your boat's insured value. If it covers anything less, you could end up paying salvage costs out of your own pocket. Unfortunately many homeowners and some marine insurer policies limit salvage coverage to a percentage of the boat's total value.

For example, if you have chosen a \$50,000 "agreed value" policy, you want salvage coverage up to the same amount as the boat's agreed value - \$50,000. You should not have to subtract these "salvage" dollars, or the policy's deductible, from the total amount available to fix the damage. An actual cash value policy should have the same, with the dollar salvage limit being equal to, but separate from, the actual value of the vessel.

Some policies also have "hurricane deductibles" - a significantly higher deductible for damage to your boat caused by a hurricane. Be sure that this dollar amount is acceptable to you.

Don't treat boat insurance like other insurance. Make sure you understand exactly what is covered as well as what isn't covered. If the policy doesn't make sense, ask for an explanation in laymen's terms. [JSW's note: Don't sign anything until you understand it all. If they won't explain, walk away.

One size doesn't fit all: A bass boater may need fishing gear and tournament coverage. If you're in the hurricane belt, hurricane haul-out coverage makes the decision to safely store your boat ashore that much easier as a storm approaches. If you have a fuel tank aboard, you should be concerned about fuel spill containment and clean-up coverage along with 24-hour assistance to get it done immediately, especially in light of today's environmental protection laws. A good insurer will tailor your coverage to fit your needs, so there will be no surprises if the unexpected happens.

Step By Step

Resist the impulse to simply call your current insurance provider and purchase boat insurance from them. Many general insurance providers lack the experience with boats to make sure you get all the coverage you need. While you may ultimately find that you go with your original provider, you need to do some additional work to be an informed consumer.

Decide whether you want an Actual Cash Value policy, or an Agreed Amount policy.

Actual Cash Value policies pay for Replacement Costs *minus depreciation* at the time of the loss. If your boat is a complete loss, the insurance company will take used boat pricing guides and other resources to figure approximate market value of your vessel. While this form of boat insurance costs less, you also get a smaller return. Unless you think you can replace your boat for whatever your used boat is worth, it may not be a good idea.

Agreed Amount Value policies refer to an agreed amount you and the insurance company have set as the value of your vessel and that's how much you would get back in the event of a loss. Agreed Amount Value policies also replace old items for new in the event of a partial loss without any deduction for depreciation.

Identify what coverage you need. Some of the things you may want to cover (or may be obliged by law to cover) are:

Physical Damage Coverage- this is the bread and butter of your coverage but you want to make sure it covers your hull, engine, and trailer. It protects against vandalism, theft, lightning, windstorms, and collision.

Personal Effects Coverage- This covers all your personal property on your boat such as a TV, cell phone, cameras, radios. You won't usually find this coverage from a general insurance provider.

Boat Liability- This is coverage you have to have, is required if you financed your boat, and is required by most states. This covers any damage you do to someone or their boat.

Uninsured boat owners coverage protects you from damages received from a hit and run or uninsured operator.

Medical liability coverage ambulance and hospital costs if someone injures themselves in, on, or boarding/leaving your boat

Commercial Towing coverage reimburses you if your boat stalls and needs to be towed in to port. Additionally you can get coverage for towing if your boat becomes grounded ashore.

Salvage Coverage will cover the cost of salvaging a sunken vessel, which is required on most lakes/rivers

Spillage Coverage covers clean-up costs for oil/fuel spills in the water.

The easiest thing is to start with a Google search "boat insurance specialists" and get a quote from the top ten providers. You'll want to do a background check on these providers to make sure they are stable, quality insurers. Do this by seeing how long they've been in business. Search for any negative reviews existing online, and finally when you talk to them make sure their staff is knowledgeable and friendly. The Better Business Bureau is a good place to look.

Purchasing Your Craft

So, you've decided on which boat you like best and you've developed a financial plan that will allow you to maintain your boat and enjoy your boat without breaking the bank. No I guess we should probably go out and get a boat; seems like the next logical step right?

When you go looking for boats there are going to be a hundred different outlets in your local area and a thousand more you can find online. Don't expect to just go out and find the perfect boat in a day or two. Plan on looking for boats during a particular month and if you know you're going to need one for an event then plan well ahead and give yourself a month or two to look for a boat. The last thing you want to do is make a bad decision, spend way too much or get a lemon of a boat.

Should I Buy New or Used?

You can pretty much ask this question about any large vehicle and you'll get very similar answers. Some people only ever buy used boats because they hate payments and loans and want to get a deal. Some people only ever buy new boats because they want the best quality and they want to be reassured by the seller's warranty. Truthfully either tactic has its own advantages.

Regardless of whether you're buying a used or new boat you need to get your boat surveyed by a marine surveyor. Often times if your purchase the boat from a dealer they will have survey reports or their own surveyor; do not use them. The reports may be old and the

surveyor works for the company—I don't mean to say that all company surveyors are dishonest but it's still a conflict of interests. Your loan company, if you use one, will likely provide you with a surveyor or you can look one up yourself online or in the yellow pages.

Buying a Used Boat

Buying a used boat is a great option if you're a little strapped for cash on the upfront costs but don't want to settle for a smaller or less advanced boat. That being said, buying used almost always carries a little more risk than buying new because you're often buying from a private party with no warranty and only their word to go by. There are no lemon laws or any type of CarFax equivalent for boats so you'll have to do your research yourself before you make a decision on a used boat. Potentially you can get a great deal and ride off with an excellent boat for a fraction of the cost of a new one. Just don't spend a few thousand dollars on a complete junk heap that's going to run for a few days and then fall apart in the middle of the water.

Make sure to get any used boat surveyed by an official marine surveyor. It's especially important that you do this in and out of the water (you may have to pay for a haul) so he or she can thoroughly inspect the boat. It would also be very smart to hire a marine mechanic to look at the engine and confirm that it's in good shape. You can easily get a boat that looks okay on the outside but has a rusted-out engine that is on the brink of complete breakdown.

Pros

- You can get a really good deal and spend much less money
- You may be able to buy outright without needing a loan
- You can own the boat's title right off.
- It's not difficult to find good deals on used boats
- If you buy outright you have no monthly payments

Cons

- There are no laws protecting you from getting a bad boat
- Used sellers may not know anything about the boat they're selling
- It's easy to get a used boat that will have hidden problems.

So the short answer is that there are more risks involved with buying used boats but also more rewards as well. Maintenance will be the same or possibly cheaper for a used boat that was taken care of well so you'll save a lot of money in the end if you buy a good used boat (emphasis on the word good).

Buying a New Boat

Buying a new boat comes with its very own benefits and problems. One thing that should be clear is that buying a "new" boat does not mean that you can skip hiring a surveyor or that you're guaranteed to get a boat that's in tip-top shape and in perfect working order. When you buy a new boat you also have to worry about finding a reputable dealer who will actually give you a good price as well as a lender or leasing company that has good terms and then of course you have to consider the overall higher price as well.

Pros

- You're getting an unused boat that is in good condition
- You're getting a new boat with current safety features and technology
- You'll have a warranty to cover unexpected malfunctions
- It's easier to buy because you don't have to worry as much about what damage a previous owner may have done.

Cons

- You're paying substantially more than for a used boat
- You'll likely have to use a lender and have monthly payments and stipulations on how you can use your boat as well as hefty insurance requirements.
- New technology will cost more to maintain and repair

As you can see, each tactic has its own advantages and disadvantages. I personally recommend buying a cheap, used boat first if you've never really owned a boat before. Buy the boat knowing that you may end up selling or junking it within a year or two; make it your practice investment so that you can really get used to boating and understand what to look for in a boat: How it should ride, how the engine should or shouldn't sound, what type of warning signs to look for in other components of the boat. Then after you've got a real taste for boating and have saved up some money you can go after a much nicer used boat or a brand new boat.

It's also good to start small and work your way up. The general rule of thumb is that the smaller the boat is, the easier it is to handle. Think about it: A Kayak is a 1 or 2 person boat that you simply direct by paddling and it's so small that it's very easy to maneuver. A Sailing yacht, in comparison, is absolute enormous and requires years of training and practice to fully master. If you have no real experience in boating then it makes more sense for you to get a modest-sized boat like a speedboat or a small pontoon than for you to start off with a 45ft cabin cruiser or something of the like.

Alternative Options to Buying

You don't necessarily have to just go out and buy a boat for yourself. There are a few other options you can consider. Boats are generally for leisure and vacation so that provides them with a lot more flexibility than cars and trucks; you can afford to share or split costs with a friend and just negotiate on the time used.

Consider Co-Buying

Don't have quite enough money on your own? Do you have a friend who also wants to buy a boat? If both of you can afford the boat together then it may be a good option; especially if you plan on keeping it at a publicly accessible dock where either party can access it if they need to. Consider getting a boat that both of your families can fit on so that you can enjoy your co-purchase together. Bear in mind that this is not something to jump into with a person you hardly know; in fact, I'd recommend doing this with a family member before a friend. Also only do this if you two will be buying the boat outright so that no more money is owed on it; that way you don't have to worry about the other person's financial situation changing and them not being able to make a payment etc.

Lease a Boat

Being able to lease a boat is fairly uncommon because boats actually lose their values substantially faster than even cars do. That being said, there are still a few leasing companies out there that deal with boats. When you're looking around for a boat ask the dealer if their company or a company they work with is willing to do a leasing deal. Leasing is great because the upfront costs of the boat are substantially reduced so that you have much lower monthly payments and an affordable or even absent down payment. The only problem with leasing is that you put absolutely no equity into the boat when you return it; the benefit is that, unlike leasing a car, there's a slight chance that you'll get an okay deal if you have the option to buy out your lease when it's over.

Rent

We talked about this earlier but I want to present it as a serious option again. Owning a boat is a very costly experience. Depending on what you actually do with your boat you may find that renting is a far better option for you.

Inspecting Your Boat Before Purchase

As I said, you should always get a surveyor to check out a boat you're thinking of purchasing. This ultimately will save you money by protecting you from spending thousands on a bum boat. That being said, it's a waste of money to just hire surveyor after surveyor for every boat you look at. Before you hire a surveyor or a marine mechanic to inspect the boat, do a little precheck yourself and if the boat can't even pass these simple specifications then don't even bother with a surveyor.

Watch out for these obvious warning signs:

- Mismatched paint. This could indicate that the boat has been in an accident and had repairs made. Although this in and of itself may not disqualify the boat, if you were not told of the repairs what else might you not have been told about?
- Does the keel run true in a straight line fore and aft? Is it straight horizontally?
- Do you see any apparent water lines inside the boat or on the engine. Look for a line that separates a rust free area on the engine and an lower area with a lot of rust. This could indicate that the boat took on water.
- On an inboard, does the shaft turn true or does it wobble? What about the prop - any nicks or cracks?
- Take hold of the prop and try to move it up and down and sideways. You should not be able to move it much. If you can, you have a worn cutlass bearing.

- Take a small rubber or phenol hammer and lightly tap the hull moving around the boat. If you hear voids in the fiberglass, that could be a problem of repairs, blisters, or delamination.
- Walk around the decks and on the bow - you shouldn't find soft spots.
- How are the floors inside? Any soft spots? Is the upholstery in good shape?
- Is the steering free and easy to move?
- Check around hatches and windows - do you see water stains inside? If so, these will have to be rebedded to keep the rain and spray out.
- Is there any musty/moldy smell inside? This could indicate leakage, prior water damage or simply neglect.
- Make sure it is legal with all required equipment.
- Are the handrails bolted through and not just screwed to the surface? Are they secure?
- Look at the transom and check the hull identification number. Does it look like it has been modified? Does it match the number on the registration and or title?
- When you start the engine do you have good water flow?
- Check belts and hoses for cracks or wear. Even with low hours on an engine(s), rubber deteriorates just sitting.
- Check the oil and instead of wiping the stick with a cloth use your fingers, do you feel any grit? What is the color? How does it smell? Does it smell burned. You might want to send a sample of it and the transmission fluid to a lab for testing.
- Check the transmission fluid with the same process as the oil.
- Check the impeller and while you are looking at it throw it away and replace it with a new one.

- Check the strainer(s) for debris and clean if necessary.
- Test the seacocks to make sure they open and close.
- Does the transmission shift easily or does it "clunk?"
- See if you can get the maintenance records and review how the boat has been maintained in the past. Also look for recurring problems.
- See if you can find the previous owner(s) and ask about the boat.
- Check both the BUC and NADA books to determine value range for this model and year. You can get these books at any boat dealer or a bank that does boat loans.
- If you are looking at an inboard/outboard make sure the tilt motor works properly.
- If you are looking at an outboard look under the cover for excessive corrosion.

Calculate Your Annual Costs

The final step is to make sure that the boat fits into your annual budget. To do this you need to consider all of the cost factors and then determine exactly how much this boat will cost you each year. Here are the factors you want to add up:

- Monthly Payments X 12
- Registration Fees
- Equipment
- Insurance
- Trailer Registration
- Dock Fees
- Maintenance/Repairs
- Taxes
- Fuel and Oil
- Winter Storage (if needed)

So let's do an example. Let's say I just bought a \$20,000 cruiser from a dealership; here's what my annual costs would look like:

Monthly Payments.....	\$350 X 12 = \$4,200
Registration Fees.....	\$180
Equipment.....	\$800
Insurance.....	\$960
Trailer Registration.....	\$80
Dock Fees.....	\$960
Maintenance/Repairs.....	\$500
Taxes.....	\$1,000
Fuel and Oil.....	\$1,200
Winter Storage (if needed).....	N/A
Total	\$9,880

So my annual costs will be just under \$10,000. If you subtract the cost of the boat payments (\$4,200) you end up with \$5,680 in maintenance and fees each year which is about 28% of the original purchase price, just as we estimated at the beginning of the book.

What was your estimate? Does it fit your budget? If it doesn't fit your budget then don't get stressed out or give up; try finding a better deal or even settling for a slightly smaller or slightly less complex boat. Consider getting something really simple just so you can get used to boating and then save up for what you really want next year.

If your estimate barely fits your budget then be weary of how you spend. Plan on making a few cut backs in other areas so you can accommodate your new expenses. If your estimate is well within your budget then you're ready to buy!

BOATING SAFETY & MAINTENANCE

Basic Safety Guidelines

No matter how much experience you have, it's always a good idea for everyone to review boating safety rules before departures. Boating is especially dangerous because there are a lot of external factors that don't apply to situations we face every day like driving a car or even riding on an airplane. The water is just as dangerous as it is fun and since we aren't as well designed as fish for swimming we need to take special precautions to prevent unnecessary accidents and tragedy.

Always check local weather conditions for boating safety before departure- TV and radio forecasts can be a good source of information. If you notice darkening clouds, volatile and rough changing winds, or sudden drops in temperature, play it safe by getting off the water.

Proper boating safety means being prepared for any possibility on the water. From compliance with fire safety regulations to tips for fueling up, following a pre-departure checklist is the best way to make sure no boating safety rules or precautions have been forgotten.

One of the most important parts of boating safety is to use your common sense. This means operating at a safe speed at all times, especially in crowded areas. Be alert at all times, and steer clear of large vessels and watercraft that can be restricted in their ability to stop or turn. Also be respectful of buoys and other navigational aids, all of which have been placed there for one reason only- to ensure your own boating safety.

Make sure more than only one person on board is familiar with all aspects of your boat's handling, operations, and other boating safety tips. If the primary navigator is injured or incapacitated in any way, it's important to make sure someone else can follow the proper boating safety rules to get everyone else back to shore.

Whether you choose to inform a family member or staff at your local marina, always be sure let someone else know your float plan in terms of where you're going and how long you're going to be gone.

A float plan can include the following information: name, address, and phone number of trip leader; name and number of all passengers; boat type and registration information; trip itinerary; types of communication and signal equipment onboard.

Did you know that the majority of drowning victims as the result of boating accidents were found not to be wearing a Lifejacket? Make sure that your family and friends aren't part of this statistic by assigning and fitting each member of your onboard team with a Lifejacket-prior to departure.

Practice boating safety at all times by saving the alcohol for later. The probability of being involved in a boating accident doubles when alcohol is involved, and studies have also shown that the effect of alcohol is exacerbated by external effects such as sun and wind. What's more is that when you're out on the water you have limited access to emergency care and if you're not coherent enough to contact them you'll be in deep trouble.

If you're going to be in and around the water, proper boating safety means knowing how to swim. Local organizations such as the American Red Cross and others offer training for all ages and abilities- check to see what classes are offered in your area!

Remember earlier in the book when I mentioned that this would be a good idea to decide if you want to buy a boat? Well now that you have or are going to definitely buy one, you need to get to it!

Beginning boaters and experienced experts alike need be familiar with boating safety rules of operation. Boater education requirements vary by state- some require validated completion of at least one boating safety course. Regardless of your individual state's requirements, it's always important to be educated, aware and prepared for every circumstance that might arise. You can learn boating safety rules by taking a local community course, or there are online tutorials to help educate novice boaters.

Maintenance and Upkeep

There are a thousand different things to keep track of when you own a boat. I could probably write an entire separate book just on boat maintenance alone (in fact there are many books on that very subject that go into the hundreds of pages). I will give you some basic tips for maintaining your boat but what you should really focus on are the links that I provide at the end of this section; those links will provide you with in-depth resources that can help you maintain your boat and make it last a lifetime!

Bi-Annual Equipment Checklist

Two or three times a year you should go through your boat and thoroughly check that you have these essential items and that they're all in working order. You should also check out your boat and make sure that there are no repairs required or deteriorating materials that need to be replaced. This is an extensive list that focuses on larger boats with cabins and motors. Your list may not be that extensive if you have a simpler or smaller boat so customize your check list to fit your needs; just remember to maintain it and do a full check at least twice a year.

Personal Flotation Devices (PFDs)

As part of your pre-departure inspection of PFDs check for wear or abrasion, weak or torn seams, secure straps and buckles. Some types of PFDs are equipped with inflation devices; check to be sure cartridges are secure and charged.

Fire Extinguishers

- Do you have all required quantities and types of fire extinguishers?
- Have they been checked within the past year?
- Are serviceable units tagged by a licensed facility?
- Are units accessible?
- Is at least one accessible from the helm or cockpit?
- Are you and your crew familiar with their operation?

Fuel System

- Is the system properly grounded at the filter, tank, deck, pump, etc.?
- Is the fuel tank free from rust or contamination?
- No leaks from tank, hose or fittings.
- Hoses U.S.C.G. approved and free of cracking or stiffness with adequate slack to account for vibration.
- Is tank secured?
- Fuel shut-off valve on tank and at engine.
- Engine compartment and engine clean and free of oily rags or flammable materials.
- Blower switch at remote location.
- Is your fuel system protected from siphoning?

Safety Equipment

- Lifelines or rails in good condition.
- Stanchions or pulpit securely mounted.
- Hardware tight and sealed at deck.
- Grab rails secure and free of corrosion or snags that may catch your hands.
- Non-skid surfaces free from accumulated dirt or excess wear.
- Ground Tackle
- At least two anchors on board.
- Anchor and rode adequate for your boat and bottom conditions.
- Tackle properly secured.
- Length of chain at anchor.
- Thimble on rode and safety wired shackles.
- Chafing gear at chocks for extended stays or storm conditions.

- Anchor stowed for quick accessibility.
- Stoves
- Labeled and designated for marine use.
- Properly ventilated to remove carbon-monoxide from cabin.
- Retainers or rails for pots and pans while underway.
- If built-in, properly insulated and free from combustible materials, CNG and LPG (propane).
- Stored in separate compartment from boat's interior and engine room.
- Tightly secured shut-off valve at tank.
- Proper labeling and cautions in place at tank location.
- Hoses, lines and fittings of approved and inspected type.
- Compartment is ventilated overboard and below level of tank base.
- Electrical System
- Wiring approved for marine applications.
- System is neatly bundled and secured.
- Protected against chafing and strain.
- Adequate flex between bulkhead and engine connections.
- Clear of exhaust system and bilge.
- System is protected by circuit breakers or fuses.
- Grounds to Zincs if required.
- Wire terminals and connections sealed to prevent corrosion.
- Bilge Pumps: Will the pump(s) adequately remove water in emergency? Do you have a manual backup? Are bilges clean and free to circulate (clear limber holes)? Do you check bilges frequently and not rely on automatic pumps?

Corrosion Prevention

- Through-hulls, props, shafts, bearings, rudder fittings, and exposed fastenings free of non-destructive corrosion.
- Zincs are adequate to provide protection.
- Through-hulls are properly bonded.
- Inspect the steering cables, engine control linkage and cables, engine mounts and gear case for corrosion.
- All are properly lubricated or painted to prevent undue corrosion.

Through-hulls

- Strainers, intakes and exhaust or discharge fittings are free from restrictions such as barnacles, marine growth or debris.
- Inspect sea valves for smooth operation.
- Handles are attached to valves for quick closure.
- Hoses are in good condition and free from cracking.
- Double hose-clamps below the waterline.
- Anti-siphon valve fitted to marine toilet.
- Through-hull plugs are near fittings or attached to hose in case of emergency.

Batteries

- Stored in non-corrosive, liquid tight, ventilated containers.
- Non-conductive covers are fitted over posts.
- Batteries are well secured.

Did your boat pass the test?

If not then make sure you have all these essential items in order before your next boating trip. Always do this check at least a week before you actually plan on going out on your boat and not the night before. This will allow you some time to rectify any problems that you find before your trip—nothing's worse than planning a big trip and finding out you have a dead battery or a big leak the night before you set out.

Cleaning Your Motorboat

Cleaning a man-powered boat is pretty simple since there aren't a lot of different surfaces or motorized/electrical parts. Cleaning a motorboat like a cruiser or fishing boat requires a little more work.

Carpets

The carpet of your boat is prone to the most abuse. Not only do we drag our dirty feet across it, but we also drip fish slime, spill salted plastics and scent, and of course, the odd beverage or two.

Use a power washer or garden hose to spray down the entire carpeted surface, working from the bow to the stern. This will lift up the dirt and grime from the fibers. If stubborn stains persist, a deck brush worked over the area can remedy the problem.

If you own a wet/dry vac, suctioning the dirt and water up can be done right away. If a conventional vacuum is to be used, allow the carpet to dry thoroughly before going to work on it.

Bilges

The bilge area can certainly take the title for concealing some of the grimmest dirt, sludge and oil residue. A bilge cleaner, such as Bass Pro Shops Heavy Duty Bilge Cleaner, will allow you to get the bottom of the boat clean, without having to get your hands dirty. These specific cleaners will break down oil, gas, grease and sludge, while cleaning and deodorizing the area. They will not affect metals, plastics or paint, so they are very safe to use. The dirty water or residue can then be pumped out through your bilge, or sucked up with the use of a wet vac.

Consoles

When dealing with plastic and glass in and around the console area, an all-purpose spray cleaner, or "Windex" will do the trick. I like to use a partially wet, soft sponge for the initial rub down, and then finish the job with a dry cloth.

For graphs or electronic gauges, a water-vinegar solution used in conjunction with a soft cloth will keep these valuable items fresh and clean. Wiping in a circular motion on electronic screens can leave grit marks or fine scratches, so pay close attention to work the cloth in one side-to-side direction only.

Vinyl Seats & Upholstry

Vinyl seats can break down from exposure to the sun's UV rays, leading to cracking and discoloration. Vinyl cleaners with added protectents, such as Bass Pro Shops Vinyl Protectant for Boats and

RV's, will deep clean seat material, while also providing a "sunscreen" residue to help in further protection.

Mildew stains can appear when material is not allowed to dry thoroughly or breathe. Dish soap, hot water and a hand-held deck brush can clear up this problem. Once dry, a mildew preventative spray such as Bass Pro Shops Mold and Mildew Preventative Pump Spray should be applied to lessen the chances of reoccurrence.

The Hull

The hull of your boat takes a lot of abuse, mostly from the sun and water. Stains and discolorations are a fact of life for anglers, but can be remedied with a few simple steps. Not only will your boat look like a million bucks after a good wash, it will also improve its handling performance and fuel efficiency. (Bonus points to consider with today's high cost of gasoline.)

Regardless of the type of coating your boat has, a thorough cleaning is the first step to protecting your hull. Working a power washer over the entire hull, paying close attention to every nook and cranny, will clean away surface dirt while preparing the hull. While the boat is still wet, a commercial boat cleaner should be applied with a sponge or soft scrub brush. There are a myriad of products on the market for this purpose; Bass Pro Shops Heavy Duty Boat Soap, Star Brite Boat Wash in a Bottle and Meguiar's Flagship Premium Marine Wash are a few to consider.

Rinse cleaner off with fresh water and dry the hull with a soft cloth or towel. Gelcoats are applied to fiberglass boats to act as a protecting agent. UV rays from the sun can break down this layer, leading to oxidization. In order to prevent this, a wax or polish with a UV sunscreen should be applied after each cleaning. Choose a product that doesn't contain harsh chemicals or abrasive agents. Follow the manufacturer's instructions when using a wax for the best possible finish. If your boat is of the painted aluminum kind, it can also benefit from the cleansing and waxing process.

Outboard Engines

Your engine can get grimy from oil residue and watermarks. Spray down the outside of the motor with the power washer or hose, then give it a good cleaning with a dish soap and brush. For tough spots, a commercial degreaser, such as Bass Pro Shops All Purpose Cleaner Degreaser, will get the job done. Spray on and use a soft bristled brush or coarse sponge. Thoroughly rinse the unit after using any detergents, and wipe dry with a soft towel.

ENJOY YOUR BOAT

Hopefully you've made a final decision after reading all or most of this book. You may have decided that a boat wasn't for you and chose to simply rent when you go on vacation. Good financial choices are always admirable. If you've decided on buying a boat and have a sound financial plan for doing so then good for you! You're going to get a lot of fun and entertainment from your new sea craft! Whatever you decide I hope this text has provided you with all the information you need to find the perfect boat for you and have a great experiences in the future!

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About Founder of Al Muhandis Abdulwahab Publishing

Abdulwahab A. Al Maimani is the Chairman of Board of Al Muhandis Group, a founder of nine firms, and shareholder in more than twelve enterprises. A young entrepreneur who influenced more than 15,000 person in less than a year in the entrepreneurs world. Remarkably, he was recognized as one of the World’s Leader Businessperson by the World Confederation of Businesses. He started a firm, and with proper partnerships, the group of companies now consists of nine companies with a market value of more than \$7.1Millions in less than 3 years. He created the First “Digital International Youth Forum” with partnership of UNGC, and creator of Jawhar Digital Library and Repository of Knowledge & Creatives.

Riding around on the water in a boat has been a pastime (and often a trade or necessity) for humans for thousands of years. There's nothing more rewarding than setting out on the open water, feeling the wind rush through your hair and enjoying the life aquatic.

Before we delve into the actual process of buying a boat we have to make one very important decision: Is buying a boat the right choice for you? I know that seems silly; you bought this book because you want to buy a boat right? Do you? Really? You have to be completely committed once you dive into the world of boat ownership. This book cost a few bucks but a boat is a substantial financial investment with ongoing costs. If buying this book for a few bucks helps you avoid thousands of dollars of debt then it was well worth it even if you ultimately decide not to buy a boat.

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