

Trawlerfest

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Trawler Buying Tips

As a Buyer – here is a basic outline of the process from contract to closing...

1. Ready with banking (personal or marine loan) and insurance. Both only need survey approval.
2. Signed contract agreeing to price, dates, and terms – Any Addendums? All in writing!
3. Involve a marine attorney? (Consult with broker on necessity). LLC? Title? Taxes? Duty?
4. Banking - Deposit to Broker Trust account (Verify account numbers directly)
5. Buyer side and Seller side agree to survey date (one or two days)
6. Hire hull surveyor – SAMS or NAMS (and diesel mechanic?). Buyer pays.
7. Confirm yard haul out time (tide an issue?) (Power wash?) Seller sign yard order. Buyer pays.
8. Travel arrangements for all parties ready? Airport, cars, accommodations, proximity and timing
9. Survey day – full day(s), take notes, ask questions. Copy of listing write up for inventory
10. Underway demonstration – what to look for? Noise, speed, WOT alarms?
11. Haul out – what to look for? Bottom condition, stabilizers, through hulls, running gear.
12. Launch the dinghy (you are buying two boats)
13. Receive survey report back (and oil samples?). How much time to allow for this?
14. Review survey finding with broker (normal aging wear and tear? Inoperable?)
15. Possibly negotiate with seller for survey findings. Fix if keep, reasonable resolution.
16. Submit survey to insurance/finance for approval (don't accept the boat until you are confirmed).
17. Verify new moorage location (they will need copy of your insurance)
18. Accept vessel after insurance/finance approval of survey and any price adjustment (addendum?)
19. Documentation service – abstract of title, USCG, dinghy registration, Bills of Sale
20. Closing statements and paperwork circulated for buyer and seller (seller needs notary).
21. Final banking organized – All by wire transfer.
22. Documentation/Escrow/Broker confirms receipt of all docs and all funds – ready to be released?
23. Closing date. Deal closes when seller is paid. Insurance bound, take possession (remotely)
24. Operational limitations without a captain? Delivery captain to new location?
25. Closing location – stay or leave? Permit/Affidavit? Pay sales tax on vessel and dinghy?

Read the PassageMaker Magazine Trawler Transactions column by Jeff for more advice!



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