



Scoring a Fix (or Two)

Most often, after a trawler is surveyed, negotiations will follow to allow for repairs and close a sale.

When you're trying to buy a boat, your surveyor will provide a summary document. This summary will be several pages long with photos and a list of recommendations. Your insurance underwriter will need a copy, and the results will certainly influence whether you move forward with the deal or walk away.

We advise our sellers to think of the summary as a school report card. The better the seller has cared for the boat, the closer the summary will be to a coveted A grade. But as the buyer, you ultimately need to rate the vessel with your own criteria as a pass or a fail.

The survey report is time-sensitive. It starts the clock to get approvals to meet your contract due-date obligations. You need to allow time for negotiations to cover the costs of repairs, and to make sure your lender and underwriter accept and approve the survey findings.

Most of our buyers share the survey report (including the diesel-engine inspection and lab results from oil samples) with us as their broker, so we can help to interpret the details. It is normally a good idea to do this before forwarding the report to your banking or insurance agents. Your broker's experienced eyes may question some particulars that should be rectified; I once had a busy surveyor insert the price from a less-expensive boat by mistake.

The first place I look on the summary is the market valuation price. This is the surveyor's professional appraisal of the vessel's value. To me, an informed buyer and willing seller know more about the reasonable price than any independent source, but most surveyors put a lot of thought into coming up with a fair price, and

will provide insurance companies and marine lenders with the facts needed to bind coverage and draw up loan documents.

We help our buyers prioritize their concerns about the findings, including by listing the approximate cost to repair each problem. It is easy to get mesmerized by a long list of line items. Ask the surveyor and diesel mechanic to answer any questions you and your broker may have. You need to discern safety issues from operational problems. Are the findings due to lack of use, normal wear or neglect? Is an item something that was built to an outdated standard or that was installed incorrectly? With a used trawler, some gray hairs and wrinkles are part of the natural aging process.

Cost estimates to correct deficiencies need to be a priority. It is difficult for a yard to provide an exact quote, but you need to understand the financial significance of making repairs, even if it's in round numbers. If you move ahead, what will you need to spend to bring the boat up to your standards? That number might be over your budget, but you can wait to see what your insurance underwriter requires you to fix before you make any final decisions. If there is too much work to take on, then it may be wise to let the boat go.

Remember that the seller is not contractually obligated to make any repairs or concede any money to address a survey's discoveries. Your broker can help you determine what's normal and fair. A reasonable request from a buyer with an experienced broker should encourage the seller to make an adjustment to complete the sale. ⚙️