



How to sell your boat

Rupert Holmes looks at common pitfalls when trying to sell a boat, how to avoid them and how to get a good price in a reasonable time

It's often thought that advertising a boat, whether privately or through a broker, is the first part of the selling process. But that's liable to lead to disappointment if the boat is not well presented, not offered at an appealing price or you can't show that the vital paperwork is in order.

Presentation

First impressions are hugely important. If potential buyers feel comfortable on board and are not crowded out by your clutter

they will happily accept minor defects and maybe potentially larger problems.

Presentation is without doubt the most common area vendors get wrong when trying to sell their boat. There are a host of reasons for this, but one of the biggest problems is the ease with which we adjust to small changes without noticing them. In the case of boats those changes are likely to be a build up of dirt outside and clutter and mould inside. Before long the interior will start to smell musty, while green algae will start feasting on the dirt on deck, on

the sail covers and on the sprayhood and other canvas work.

Start by decluttering. This is often surprisingly easy and quick with a boat, as any personal items or gear that's not included in the sale, can simply be taken home. Follow this with a deep clean, including bilge areas.

Similarly, a pressure wash and fresh coat of antifoul can work wonders on the external appearance.

Step back and think again if you reckon you always maintain high enough standards that your boat won't suffer from presentation problems.

Rather like everyone believing they have above-average driving skills, statistics suggest it's unlikely you're in the minority of owners with boats that are constantly kept beautifully shiny and sweet smelling while on the market. This element is so important it's worth paying someone else to do it if you are unable.

This holds true even for low-value boats as a relatively quick sale means they'll stop notching up the bills.

Location, location

This has long been a pivotal consideration for marketing professionals, and is recognised as a vital asset when selling a house – yet few owners give it any thought when preparing to sell their boat.

Ease of viewing is a critical factor in

being able to see the price and value of the boat's location. A spot considered to be a high-value location with at least some connections...

A boat that takes a 30-minute ride to be at a desirable location with walk-away access...

There are many reasons for this. In the winter, many boats are discounted and advertising may simply move for the couple of viewings before...

Providing there are no other boats on the water, whether it's a lifer or afloat. If a boat is easy to view for a survey, buyers will assume the mechanical state of the boat to be laudable.

Often the arrangement is determined by mooring is a selling point and the price...

'Mental money boat, r...



Rupert Holmes

being able to sell a boat at a sensible price and within a sensible time frame. If the boat's home mooring is in a remote spot considering moving it to somewhere with a higher concentration of buyers, or at least somewhere with easy travel connections.

A boat that can only be reached by a 30-minute round trip in a dinghy will also be at a disadvantage compared to one with walk-ashore access.

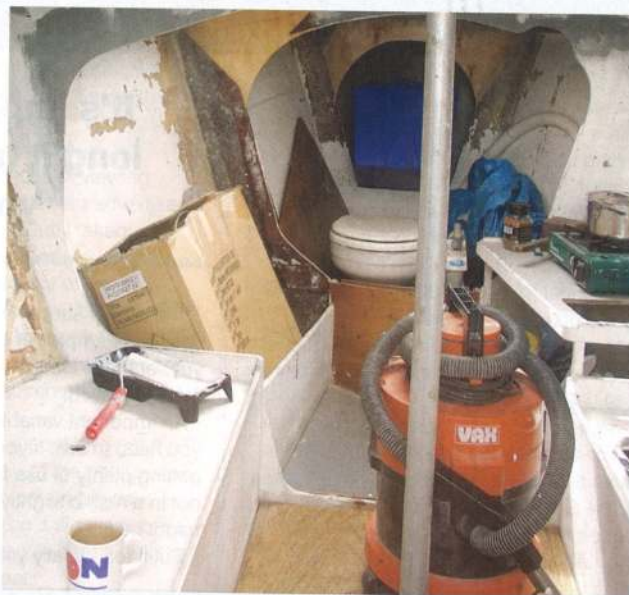
There are a number of ways of dealing with this. If the boat is being sold over the winter, many marinas offer deeply discounted winter deals. However, when advertising my 24-footer *Minestrone* I simply moved the boat to a local marina for the couple of weekends that I had viewings booked.

Providing the boat is easily accessible there are no hard and fast rules as to whether it's likely to be best on shore or afloat. If ashore the boat is available for easy viewing and won't need to be lifted for a survey. One the other hand, some buyers will ask for a sea trial or a mechanical survey that may require the boat to be launched.

Often the answer to this question is determined by whether the boat's usual mooring is a suitable one from which to sell it and the prices of local boat yards.

ABOVE If selling privately there's no harm in advertising on board – this *Twister 28* looked to be a very tidy boat

RIGHT Buyers can be surprisingly understanding of a boat that needs work, but most will look elsewhere if it's full of junk



Some of the larger brokers offer to store a boat in their display area. This can work particularly well for less well-known models – potential buyers often start with Google, but there are far more searches for popular models than for little-known designs. Displaying one of these next to other boats that buyers will be looking at can therefore be a good move.

Setting the asking price

Many boat owners succumb to what economists call the sunk cost (or Concorde) fallacy when selling their vessels. It's really easy to remember all the work and money that goes into looking after and improving a boat, but it's the market that determines what a buyer will pay, not your initial investment.

It's therefore maybe best to mentally assign the cost of any improvements you make during your ownership as being money invested in your enjoyment of the boat and the time spent sailing it, rather than money you'll recover at a later date.

It's also tempting to look at the asking price of similar boats to gauge the

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value of yours. However, anyone doing this is looking at the wrong data – the final selling price of many boats bears little relation to their initial asking prices.

Recent examples of actual selling prices I've come across include a friend who bought what appears to be a nicely kept late model Nicholson 32 in October 2019 for €8,000. Another has been having difficulty selling her re-engined Sadler 32 at an asking price disappointingly close to £10,000.

Brokers have an advantage when it comes to valuing boats, as all those that advertise on Yachtworld.com have access to the SoldBoats.com database that details the actual selling prices of thousands of vessels.

'It's important to be realistic about how long it takes to sell a boat – on average you're looking at a full year'

The broker should be able to give specific examples of boats sold, including year of build, location, sale date and the price achieved.

An important variable is how urgently you need to sell. If you expect to continue getting plenty of use from the boat and are not in a rush a slightly optimistic price might be fine.

But if realistically you are no longer using

the boat this points to a price that will maximise the chances of a quick sale.

Quite simply, the costs of mooring, insurance, maintenance and other expenses represent such a large proportion of the total value of many boats that stemming this flow of cash for a boat that's unused should be a key priority.

In this context it's important to be realistic about how long it takes to sell a boat. On average you're looking at a full year. Which means, of course, that many are on the market for much longer than that.

The exceptions tend to be keenly priced, well looked after and well equipped boats, or recent models in the 32-40ft bracket, the demand for which seems to be consistently strong.

Pricing for a quick sale is often also the best policy even for very high-value craft. Mooring fees and the cost of keeping the boat looking tidy are likely to be a relatively small percentage of the total value of these boats. However, the complexity of their gear can be such that without regular use and servicing a mini refit, at a considerable cost, becomes necessary. And that's without taking the depreciation of a newer boat into account.

SELLING BOATS OVERSEAS



Selling a boat overseas can be tricky

Selling a boat in the sun can be doubly hard if you're not able to be on site to show the boat to potential buyers, or to maintain its appearance.

A good guardianage service can be a boon and in many cases may be able to assist with viewings, but agree fees in advance, especially if they are based on a percentage of the sale price.

Talking to potential buyers while they're on board via services such as Facetime or Skype can allow them to ask questions of you that those showing them over the boat may not be able to answer.

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Rupert Holmes

ABOVE Even a tatty-looking boat can be cleaned and tidied so that it can be seen in its best light

LEFT Cleaning and polishing the topsides, pressure washing decks (assuming they are not teak) and a fresh coat of antifouling can transform a boat's appearance

Preparing paperwork

This is a vital element to have in order before the boat is advertised as failure to do so can result in a sale being delayed or even lost. Proof of legal title, unencumbered by marine mortgages or liens such as outstanding boatyard, mooring or repair bills, plus evidence of VAT paid status, if relevant, is critical. In addition, boats built after 1996, or first used in the EU after that date, need RCD compliance certification.

Ideally you will be able to provide a complete trail of paperwork back to the original builder, but many older boats lack this, in which case as much information as you can find, including bills of sale, receipts for insurance, boatyard storage and permanent berthing can all help to provide buyers with a reassuring paper trail.

Any service records, logs and receipts will help indicate how well the boat and its systems have been looked after.

Paperwork indicating when the standing rigging was last replaced is particularly important as this needs to be replaced at 10-15 year intervals (and more frequently on very high mileage boats). Finally, you'll need an inventory of all the kit that will be sold with the boat.

If you're selling through a broker they will provide a standard Sale and Purchase Agreement. RYA members who are selling a boat privately can use the association's standard contract, which also has a useful checklist of paperwork you'll need to prepare in advance.

Many see advertising or appointing a broker as the first step in selling their boat. However, there's no point in doing so until the vessel is well prepared, in a suitable location (or easily moved to one) and the paperwork is in order.

Promotion

The more information you can include in an advert, or on the broker's listing form, the greater the chance you have of catching the attention of a genuine buyer. It's worth spending time to polish this element as badly written or incomplete listings often discourage buyers from asking further questions.

A set of recent photos, ideally including some showing the boat under sail, will help to reassure buyers that it's worth travelling to see your boat.

Many will have already had disappointing experiences of viewing scruffy and dirty boats that are advertised with photos that were clearly taken months, if not years, earlier.

At the same time be wary of waxing lyrical about the boat and all its attributes to the extent that you don't paint a realistic picture. It's also important to remember that there's a legal requirement to disclose known defects.

When placing ads the goal is to get the boat in front of as many of the right people as possible – it's rarely as simple as paying for one month on a single website in the hope that buyers will beat a path to your door and your boat.

Find out where similar boats tend to be advertised most. This tends to be on national or international websites such as PBO's sister site YBW.com, apolloduck.com, boats.com, theyachtmarket.com and so on. However, it's also worth considering local media that have boats for sale sections. And don't forget class associations. These may already be talking to people who've asked for information about your class of boat.

Facebook groups such as Yachts and Yachty Bits for Sail (Europe) can also be effective. However, it's important to recognise these tend to be very 'in the moment' – they can be a good way to spread the word to a wider audience, but are not a substitute for maintaining a

AVOID THESE COMMON MISTAKES

1. Overly optimistic pricing

This is simply a route to the boat not selling, while in the meantime it's still requiring maintenance and stacking up bills for mooring/storage, insurance and more.

2. Failing with presentation

Many boats on the market look unkempt, dirty and undesirable. Make sure yours looks good and don't underestimate the frequent attention it will need to stay that way, both outside and below decks.

3. Lack of effective promotion

Brokers can be just as guilty of this as private sellers. Either way, boats need to be constantly available to the eyes of potential buyers, yet I'm constantly surprised by the number that are advertised only on a card in a chandlery window, or sporadically via a short-term online listing.

4. Remote locations

This may work in glorious summer weather, but don't expect a stream of interested parties to make their way to your boat in the depths of winter – unless, of course, the price is incredibly attractive.

5. Taking offence at a low offer


It's hard to be objective about what our own boats are worth and easy to forget, for instance, that state-of-the-art electronics fitted at considerable cost five years ago could be half-way through their useful life. Often a low offer can be talked up, but be realistic if your boat has proved difficult to sell – buyers tend to have seen a lot more boats than sellers and many have a better appreciation of realistic valuations.

6. Lack of paperwork

At best buyers won't be impressed if they have to wait for you to cobble essential paperwork together before contracts can be signed. Make sure this aspect is in order before the boat is even advertised.

continued advertising presence.

Brokers can also cast a wider net and are able to advertise on YachtWorld.com, which is unavailable to private sellers. In addition to marketing the boat they can also save you a considerable amount of time through liaising with potential buyers, and handling the legal side of the sale. There's a sense therefore in which they act as both the estate agent and solicitor in a house sale.

When appointing a broker there should 

be a Listing Agreement that sets out the contractual terms. It's also worth agreeing on a marketing plan for the boat – where will it be advertised, for how long and so on.

Handling viewings and negotiating price

Serious potential buyers may well have questions about the boat, the equipment and systems, before they are ready to view the boat. It's also common to be asked for more photos.

During viewings it can be helpful to point out important features and explain what you like about the boat. But also make sure the buyers have space to check everything out carefully and have the opportunity to start feeling comfortable with the idea that it could be their boat.

Negotiating price is different for every boat, vendor and buyer. If the boat is well prepared and sensibly priced it's likely to sell without having to drop too far.

However, try to avoid alienating a potential buyer even if they make what appears at first sight to be a ridiculously low offer.

In this scenario you have several options. One is offering to meet half way – for instance at 80% instead of 60% of the

'Many thousands of boats are successfully sold each year'

asking price. Alternatively, you may want to say you won't drop more than 10%. That may instigate another round of counter offers – if the buyer comes back asking for a 20% discount you may settle on splitting the difference at 15%.

On the other hand, when I sold *Minestrone* I insisted on the asking price. That's because there were several interested parties viewing the boat that weekend and I knew she was very keenly priced, which put me in a much stronger position than most owners.

There's a sense in which the longer you can keep a potential buyer talking seriously, the more likely they are to start to become emotionally vested in the boat and the more likely they'll be to want to conclude the deal.

But don't push your luck – this type of negotiation has to be handled carefully. That's especially true if there has been no other interest in the boat.

Surveys and sea trials

Once an offer is accepted, the standard contracts make this a binding deal, although usually subject to a satisfactory survey and possibly a sea trial, plus mechanical report and/or rig check.

On signing the contract, usually a 10% deposit is paid. If selling through a broker this should be held in their client account.

HOW I HELPED SELL *MINESTRONE*

A good set of photos – especially recent ones showing the boat actually being sailed – are a boon to a sale



Get some decent photos of the boat – these are some of the images I used for advertising *Minestrone* when I sold her in 2015. You don't need a great camera... quite a few of mine were taken on a 2013 era smartphone

For a private sale of a high-value boat a buyer might understandably be reticent to hand over a large amount of money, but it could, for instance, be held by a solicitor or you could engage a yacht broker to handle this aspect.

Generally there's a 14-day window scheduled for surveys, but if selling in the spring, during which marine trades tend to be very busy, you may need to allow a little more time. Nevertheless, you should expect the buyer to be prompt about booking these inspections.

What if the survey report reveals material deficiencies that had not previously been identified? This could relate to a single item, or a number of smaller problems that add up to around 10% or more of the

agreed sale price. There are three options at this stage – the buyer can walk away, keeping their deposit but less any costs you may have paid in relation to the survey, such as lifting the boat ashore.

Alternatively the buyer can ask the vendor to fix the problems, or adjust the price accordingly. If an element of betterment is involved then it's not unusual for the two parties to share the cost burden.

Many thousands of boats are successfully sold each year, allowing their owners to move on to a different vessel, or a new project. Making sure yours is one of those and not one that languishes on the market for years is not rocket science, but does need time and commitment. **PBO**

Photos: Rupert Holmes

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