

The hull truth #2

Selling your yacht

IN A FOLLOW UP TO LAST MONTH'S ARTICLE ABOUT BUYING YOUR YACHT, HERE IS THE LOWDOWN ON HOW TO SELL.

CHRIS DANGER



HAVING just gone through the process of selling our catamaran *Take It Easy*, the third cat we have sold in our 20 years of cruising, we have sharpened our pencil and put some suggestions together that might be useful to others considering selling their pride and joy. Here are our top six tips.

PRICE IT RIGHT

Pricing your boat correctly is possibly the most important thing you can do to sell your boat quickly, yet it is so tempting to set a price that reflects your hard work. You have to resist that temptation if you want your boat to be off your hands rapidly.

So here is what we suggest. Go on line and check all the internet sites: Yachthub, Boatsonline, Yachtworld, Multihullworld, Boatpoint. Check all comparable boats to yours. Talk to a few brokers. Ask them what they think your boat is worth, what similar boats to yours have gone for, or are going for.

Find out from them why some boats appeal while others do not, why some sell quickly and others stagnate.

Now sit down, look at the information you have collected. Calculate what it truly costs to hold on to your boat for a few more months. Be honest with yourself: marina costs, insurance, maintenance, time and effort.

Understand that what you owe on your boat or what you have spent on it in the last year or two, all that new gear you have put on, has nothing to do with the boat's retail value. All it does is make your boat easier to sell.

Unfortunately, you will not get back what you spent, period.

If you insist on pricing too high, your boat will stay at the dock, unused, not looked at by purchasers and will become stagnant. Buyers tend to stay away from boats that have been around for months. They start questioning the value of the boat, wondering what is wrong with it.

We heard of a number of boats that sat on the dock for way too long, costing

their owner a fortune in berthing fees as well as a good amount of stress. Had they priced it right in the first place, their boat would have sold quickly for the same price they ended up getting a year later, but without the added marina and insurance costs and aggravation. We were the beneficiaries of this with our purchase of *Anui*.

In setting the price for your boat, do not worry about 'wiggle room'. Worry about attracting people with your listing at the right price. Because you will not have to worry about room to negotiate if nobody calls! Now price your boat to be the next one to sell. It is painful, but it works!

In our case, we had Ian McKenzie at the Catamaran Company value *Take It Easy* and several dealers gave us a price range for other Easy catamaran builds. They also commented on how each one they have seen presented. We knew ours was ahead of the pack.

We were also told we might advertise at a certain level, but we could expect to get 10 to 15 per cent below asking price.



Display your yacht on the hard for potential buyers to get the full picture. Boats on display at The Boat Works.

We were also told when it comes to selling your boat the first offer is often the best. In other words, if you get a decent offer, take it. Do not hope for a better one if you wait, unless of course you have very deep pockets and money is no object!

We had bought our next catamaran, *Anui* and had no desire to keep two boats for very long.

POSITIVE FIRST IMPRESSIONS ARE VITAL

Do not put a dirty, smelly, mechanically deficient boat on the market. Make sure your boat is polished, shiny and tidy.

Clean everything: carpets, engine, cushions, inside cupboards, lockers, everything. Make sure all systems work properly, no jury-rigged arrangements. The boat needs to run well; you might be willing to put up with some less than ideal processes, but a buyer will not.

So address anything needing attention before putting your boat on the market.

Shots showing your boat underway are a bit more exciting than those taken at the marina.



Buyers are put off by bad smells and grunge. Clean the bilges, pump out the holding tank and remove any grime or mould.

Get your personal gear off the boat. If it is not part of the sale, remove it. Cluttered boats do not show well.

If you live aboard while selling your boat, clear out as much of your personal effects as possible. Store your gear and knick-knacks off the boat. When potential buyers feel they are intruding, or can smell your last meal in the air, it does not help you.

Dress the boat so the interior looks welcoming. Scatter cushions on the lounge, matching quilt covers on the beds are a simple and inexpensive way to lift your presentation.

You might also consider having your boat surveyed. It may identify issues for you in advance, which you can tackle rather than dealing with them at the last minute. It shows you are serious about selling a boat in good order.

In the case of *Take It Easy*, we have always been boat proud and looked after her well. We had purchased new sails early in the year and new engines and also had our navigation gear replaced following a theft.

Take It Easy was repowered in early 2018, not because we wanted to sell her but because we were cruising full time on her and wanted her shipshape.

By November 2018 we were due for our annual maintenance schedule: antifoul, engines servicing. What we added was a

professional cut and polish to the hulls. It made *Take It Easy* sparkle and, with her distinctive sail trims, she looked like new.

At that stage we had not made an offer on any boat. We just thought she needed a spruce up. But all this paid off because a month later when we made the decision to put her on the market, she looked good, the photos were great and did not lie. It told the story of a well-cared for boat.

MAXIMISE YOUR EXPOSURE

Place your boat where the most potential buyers can see it and access it, or move your vessel to the brokers' office if you are relying on them to sell it.

South Queensland and Sydney are hot spots for sales on the eastern seaboard.



It is easy for people to drive or fly there and they typically check out a few boats on the one trip.

There are different schools of thought about whether to show your boat on the hardstand or in a marina. It is easiest for people to see the whole boat when it is on the hard, plus they can have it surveyed while it is out of the water. But, if your boat is going to stay out of the water for months it will bake in the hot sun, so the conditions are much harder on the boat than if it stays in the water.

Wherever you choose to display your vessel, your listing is what will attract people to it. Take high resolution, uncluttered, bright photos of your boat. They must show the interior well: the sails, the cockpit, the engines. Focus particularly on the inside shots with a wide angle lens. If you do not own a good camera, pay a professional photographer to take the shots. Amateur snapshots don't sell the boat.

Remember, people not only want a boat that sails, they also want it to be appealing inside and they review photos to draw up a short list of vessels to see in the flesh. Photos give prospective buyers an impression. What impression do you want to create? What will sell your boat?

The specification list or inventory is also important. But do not forget to write an initial description of the most salient

points about your yacht, its selling points, before you get into the details. Making that first paragraph engaging will act as a hook together with the photos. You want people to read on. You want your boat to stand out from other similar boats.

Remember also that your exposure is not limited to an Australian audience. People overseas scan the major yacht sales sites for opportunities. So you want to make sure that your advertisement is grabbing enough and detailed enough to appeal to them.

"TWO DAYS LATER WE RECEIVED THE BALANCE OF THE MONEY."

We had *Take It Easy* advertised on yachthub.com and boatsonline.com. We kept her at the Gold Coast City Marina for a month.

The Gold Coast is a region where a lot of boat buying and selling occurs in Australia. The aspects we wanted to highlight about her was that, unlike other Easy catamarans on the market, she was built by the designer Peter Snell. She also had new sails, new engines and new instrumentation. All this piqued the interest of a few prospects very quickly.

But something else played in our favour: the fact I have written articles and blog posts about our experiences with *Take It Easy*. The boat was known and had a good profile as a capable cruiser.

Our philosophy has also always been to be totally transparent about maintenance and repairs. She is an honest boat. So people could find out about *Take It Easy*, 'warts and all', by simply visiting our website, which serious prospects did.

Interestingly, the same happened with our previous catamaran *Medina*. Our cruise stories were posted on an online sailing group where one avid reader had his mind set on her. When we put her up for sale, he was ready and waiting.

So do not be shy about sharing what you do, it might come in handy at sale time!

DECIDE WHETHER TO SELL PRIVATELY OR VIA A BROKER

Selling your boat is a time-consuming exercise. Do you/can you handle the advertising, the calls, the showings and sea trials and deal with the negotiations?

If you choose to sell privately, you will need the availability to handle all this on your own. Sure, you will not have commission costs, but you will spend a lot of time.

If you choose to go down that track, describe your boat honestly, use plenty of pictures and videos and respond to enquiries promptly.

If you choose to work with a broker, understand that most charge between 7 and 10 per cent of the sale price in commission. But for that they handle the marketing, the pre-visit clean ups, the showings, they coordinate the offer and settlement stage and guide you through all the paperwork.

It is a trade-off, your time against theirs,

LEFT: Showing off the big colourful spinnaker.

OPPOSITE PAGE: Sail trials are an opportunity for prospective buyers to see how the boat handles.





TOP TO BOTTOM:
Make a choice:
display your boat in
a marina berth or
onshore.

Survey and sea trial,
always a tense time,
but it went well for
Take It Easy!

The flags are flying:
boats for sale.



but you also tap into their network. Brokers have a book of buyers looking for boats and have new vessels constantly coming on the market and, as mentioned in our last article, are able to 'match-make' buyers to yachts even before vessels are advertised online. Advertised boats only account for 50 per cent of what you see online.

In our own situation, we had a period of time immediately after purchasing our new catamaran when we had to stay around south east Queensland for Christmas festivities and some work on *Anui*. So we knew we would have about four weeks available to show *Take It Easy* and try to sell her privately.

We elected to advertise her ourselves on Yachthub.com and boatsonline.com, as well as on our website. Had the online route not generated the interest during that period, we would have put her in the hands of a broker; just for the convenience of being able to get away.

COLLATE YOUR PAPERWORK

When selling a boat, you must provide the buyer with the registration papers, the hull identification number certificate (HIN) and a gas compliance certificate. So get all this ready in advance.

The registration will need to be transferred to the new owner; this process is fairly similar in each state. You will need to hand over the registration certificate and sign the transfer papers. In some states, such as New South Wales, you will also need to lodge a 'notice of disposal' with the relevant authority within a certain time period: usually 14 to 21 days.

For a boat to be registered within Australia, it needs to have a HIN: a legal requirement. The HIN plates are typically affixed by a boat code agent.

In most states, the HIN certificate must be passed on to the new owner, however, if the HIN is on the registration papers then a certificate may not be required.

Larger vessels that have any permanent gas systems installed will need a gas compliance certificate. This certificate confirms that the gas appliances and fittings are in line with Australian standards and have been correctly installed. You will need a licensed gas fitter to carry out an inspection in order to acquire a certificate. In states, such as Queensland, it is a legal requirement to obtain a certificate no more than three months prior to sale.

If available, you should also provide the engine's service history and any available warranty papers. Any instructions or reference manuals for specific equipment such as navigation, AIS, radio, engines, watermaker are also advisable.

Once an agreed sale price has been reached, you need to create a Bill Of

Sale and then organise how payment will be made. The Bill Of Sale is a written note that essentially puts the deal in writing; it should include contact details of the buyer and seller, the boat's details including HIN and the sale amount.

"IT IS SO TEMPTING TO SET A PRICE THAT REFLECTS YOUR HARD WORK."

There are a number of ways in which payment can be organised, electronic bank transfer or a transfer carried out in-branch at a bank are advisable and you can request funds to clear within a day. If you have used a broker to sell your boat, they will handle all this and guide both parties through the paperwork.

If you have tackled the sale of your own yacht, you need to have the paperwork ready.

For our sale of *Take It Easy*, we had all legal paperwork assembled, including an offer document for taking a deposit prior to the marine survey, all the forms required for the transfer of Australian Registration, the Gas Compliance Certificate and a statutory declaration stating we were the legal owners of the vessel, with no encumbrance.

It was straightforward for us as we had just gone through the buying process with our new boat *Anui*, had kept a list of the forms we needed and had spare copies of everything.

We also had manuals and user instructions collated for all equipment on board. It made the paperwork filling process easy for the buyers.

TAKE THE MONEY AND RUN

By this I do not mean accept a ridiculously low offer, but certainly don't knock back a fair offer.



A modern classic gaff rigged trailer sailer.



BLUEWATER CRUISING YACHTS

WANT OUR WEBSITE OR CALL US NOW TODAY

David Brothers 0412 660 271 • 398 Middlemg Road Cammer NSW 2265
Email: david@bluewatercruisingyachts.com • www.bluewatercruisingyachts.com

HANDMADE YOUR YACHT DREAM
SPECIALISING IN THE DESIGN & BUILD OF

BOTTOM: Internal shot showing the timber work, a feature of *Take It Easy*, so make it glossy.

BELOW: Queen island bed with a real mattress, worth showing!

Here is the advice given to us by Andrew Crawford, of Multihull Central in Manly, Queensland: “when it comes to selling your boat, the first offer is often the best.” Sure, you can wait for the better dollar figure, but it may never come.

The longer your boat is on the market, the more likely it is that you will need to drop your expectations and your price. The few extra thousands you hope for will evaporate in berthing fees.

Be reasonable when dealing with the outcome of a marine survey. No-one expects a secondhand boat to be perfect.

But if something serious is uncovered that requires repair, either get it done yourself or take the cost of the repair into account in the settlement price. Do not risk losing a sale for a couple of thousand dollars.

With *Take It Easy*, we got an offer somewhere between our minimum and the listing price. We were happy to accept it. We could have haggled over a few extra thousands, but we wanted her gone.

The 10 per cent deposit was paid by the purchasers, the marine survey and sea trial went well. Two days later we received the balance of the money in our bank account, signed the paperwork and handed over the keys. Job done!

So there you have it: the whole ‘hull truth’ about selling your boat. When the time comes to put your pride and joy on the market, do your research and keep these tips handy.

Good luck! ≈



CHRIS DANGER

Chris and her partner Wade Bishop have been sailing on catamarans of various sizes for about 20 years, cruising Bass Strait, Tasmanian waters and Australia’s East Coast. In July 2017, they finally retired, and are now sea wanderers. After spending many years on *Take It Easy*, they have just acquired their ‘last’ catamaran, *Anui*, a 52ft Crowther. Follow their adventures on www.sv-anui.com.

