



What are the costs to owning a Boat?

There are two cost categories:

- One time costs related to the purchase and commissioning your boat
- Continuing costs including insurance, slip or berth rental, maintenance and insurance.

Shopping intelligently, and buying a quality product make the boating life more affordable than you might think



There's a boat for every age, lifestyle and budget.



Boat loans are very accessible and rates are surprisingly low.

Consider that...



Interest on your boat may be tax deductible, as with a second home, if equipped with berths, galley and a head.



Boat shows are great opportunities to comparison shop, learn and take advantage of show deals



Placing your boat in a charter company can give you even greater tax benefits and income to offset ownership costs.

Financing

A boat loan is similar to a car loan. There are banks that specialize in boat loans, and these banks offer very competitive rates. Loan terms range from 15 to 20 years, depending upon the amount of the loan. Your boat dealer or broker can refer you to the best banks. Ask us for our How To Finance A Boat paper for more details.

Maintenance

Maintenance costs vary by type of boat or whether the boat you purchase is new or used. There are annual maintenance costs involved in ownership and monthly costs.

Annual Costs Include:

engine services, rig tunes for sailboats, bottom painting (usually bi – annually), and major cleanings like a hull wax.

Monthly Costs For Maintenance Includes:

regular washes which can be done either professionally or by you. Pre-owned, (used boats) can require significantly more maintenance and up front costs due to poor maintenance by prior owners or unknown issues not identified at the time of purchase. For professional repair labor, expect to pay about what you pay for car service for skilled labor. Cleaning costs are at a much less hourly rate.

Outdoor fabrics and vinyls, like your Bimini top, dodger and cockpit seat cushions, have a limited life-span (five to seven years, on average) and will need to be replaced at some point. While deck hardware may last for decades, the things you attach to it —like mooring lines, rigging and cables— need to be replaced as they wear and age. Rigging on sailboats is about every 15 years. Regular inspection of all lines, hardware and rigging is very important to your safety.

There is also the cost of cleaners, teak oils, wax, and polish. These items are marine grade and are usually more expensive than household cleaners.

Insurance

Just as with boat financing, you should look for insurance agencies that specialize in yacht insurance because there are many terms and conditions in boat insurance that are unfamiliar to the average insurance agent. Boat insurance costs vary by boat length and type, cost of the boat, your boating experience and level of coverage. Insurance companies that specialize in boats often provide surprising discounts for both your own skills and the equipment on your boat. If you've taken the United States Power Squadron boating class, ASA sailing classes or similar U.S. Coast Guard Auxiliary classes, you can get as much as 10 percent off your insurance. A boat with a diesel engine instead of gasoline gets a discount, and other discounts apply for built-in fire extinguisher systems, navigational electronics, and more. Where you cruise (and how far offshore, if you go into the ocean) can also have an effect on the cost of insurance.

Berthing-Dockage

Berthing is paid monthly and varies from harbor to harbor based on location and age of the harbor facilities. In the Bay area it ranges from \$9 to \$20/ft. month.

Taxes

State and local sales taxes apply to all boat sales, whether new or used. Property taxes also apply. These vary by county. You can check with your local agency for rates for both sales and property tax rates.

Used boat survey

If you are purchasing a used boat, you'll need to have a survey, which is not only important for your own peace of mind but required by most insurance companies and banks. A survey, done by a marine surveyor, is a comprehensive examination of a used boat, similar to a house inspection. The survey might include repairs needed, equipment that needs service or replacement, and even an estimate of fair market value. The buyer pays for the survey at \$3 to \$5 per foot (even if he doesn't finalize the purchase). Since surveyors are not licensed, check with your insurance agent or banker for a list of their approved marine survey companies.

-PASSAGE NAUTICAL -

Passage Nautical Enterprises is a full service boat dealer. We are the exclusive Beneteau sailboat and powerboat Dealer, premier Lagoon Dealer and offer a large selection of pre-owned boats. We are an ASA (American Sailing Association) school with powerboat and sailboat training and boat rentals. Our full service approach assures your enjoyment of your boating lifestyle, from our award-winning Service Department which offers repairs, installation, concierge services, Beneteau parts and a lifetime service relationship, to our training academy, educational seminar series and world-class yachts.

We provide financing and insurance services. Our Boat-As-A-Business workshop informs you how to receive tax savings through charter placement programs. We host monthly test rides, educational workshops and other VIP events about the boating lifestyle. For 30+ years, we have been making people's boating dreams a reality. Let us help you with yours. Contact us at: sales@passagenautical.com