

SHOULD YOU BUY A BOAT?

.....
Some tips from an expert

By Lisa Almeida • Freedom Boat Club



WELCOME

I cannot imagine a time in my life when I would not own a boat. I grew up boating and love everything about it. But I also know how common it is to hear complaints, and occasionally even horror stories, from people who own boats.

I will never be one of them. Not everyone who loves boating should be a boat owner. There are many factors to take into consideration. And there are good options for people who want to be boaters but not necessarily boat owners.



Is owning a boat the right decision for you? Here are some important factors to consider:

How often would you use a boat?

Last year, the national average for people who owned a boat and took it out on the water was 9.6 days. For a true boater, just 9 days out of the year on the water is not enough to justify the economic investment of owning a boat.

The most satisfied boat owners want to be on the water as much as possible — and come up with any reason to make it happen. For example, here in Jacksonville, we recently had a big concert at Metropolitan Park. Tickets were around \$250. Since the venue is located along the water, several boating friends and I attended the concert by boat. But all of us there didn't buy tickets. Some just went to spend time in the marina outside the concert with their friends.

You see, going to the concert wasn't about the music. It just gave us a reason to get together on our boats. This concept might seem ridiculous to a non-boater. I'm at the marina all the time. I can't tell you how many boats never leave the dock. It is hard to imagine anyone being a satisfied boat owner who doesn't regularly get out on the water.



\$5360

Average Cost of Boat Ownership per Year



9.6 DAYS

Average Time on the Water per Year



\$558

Per Day to Be on the Water

Would boating be a significant part of your lifestyle?

Before you buy a boat, consider whether you and your family want to be on the water often, almost every weekend, weather permitting. Will boating be a primary activity for your family? If so, buying a boat could be the best decision. If not, you may want consider alternatives to owning a boat.

And keep in mind, if you didn't grow up boating and now want to be a boat owner, go slowly. I've had people join my boat club who thought they wanted to own a boat. Then two years down the road, their desire for boating diminished. In 2005, Info-Link Technologies did a study of first-time boat buyers. 71 percent sold their boat, 27 percent purchased another boat, and 73 percent left boating altogether.

Although they enjoyed boating, they learned it was never going to be a focal point of their lives. Fortunately, these members saved time and money by joining a boat club instead of buying a boat.

Apart from the expenses of owning a boat, you should consider the significant amount of time it takes to be a boat owner: from maintenance and repairs to launching, docking, storing, etc. Grow Boating did an 18 month study that included lapsed boat shoppers.



IF YOU DIDN'T GROW UP BOATING AND NOW WANT TO BE A BOAT OWNER, GO SLOWLY.

Shoppers who had begun the process of buying a boat but stopped in midstream. Research showed that 42 percent stopped because of surprise or unexpected costs; 35 percent couldn't find a boat within their price range; and 33 percent encountered a personal event that caused them to re-evaluate their priorities. Another 21 percent thought they didn't know enough about ownership to throttle forward.

Other reasons included new access to boating via friends or family members; the boat-shopping process being difficult or overwhelming; and dealer intimidation, among others. (Some shoppers had more than one reason.)

In short, if you're not sure your family will embrace the boating lifestyle, the time and money involved, carefully evaluate your options. And keep in mind, the less you use your boat, the more problems you'll have with it. Boats need time in the water.



Decisions Made after Buying First Boat



71%
Sold Their Boat



27%
Bought A New Boat



73%
Left Boating



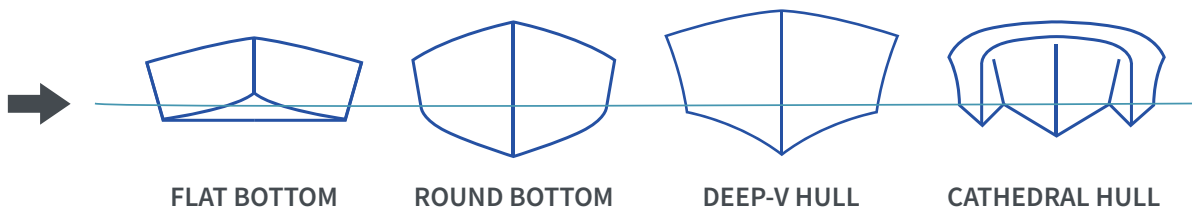
Another question before you buy: What kind of boat would be best for you?

Usability problems start when people don't know what boat they want or need. There are many, many different types of boats, designed for fishing, cruising, skiing, wake boarding. Some are built for comfort, others for speed.

You have many options. Start by taking into consideration who will be on your boat. If you're making a family purchase, what does each member want? For instance, if you like to fish and your daughter enjoys wakeboarding, then you need a combo boat. If you'll be on water with a lot of chop, you might not want a deck boat. Instead, you'd prefer a deep V-hull — something that protects you from getting sprayed and wet when the water is rough.



DIFFERENT TYPES OF BOAT HULLS



Other questions ...

Do you have a vehicle that can trailer your boat? Where will you keep your boat? If you keep your boat in a marina, you have to follow rules. But if you trailer it, then you have other factors to consider. Can your vehicle trailer your boat as far as you want to go? How far will that be?

Keep in mind, none of these questions takes into account manufacturer reputation and engine. Which type of engine do you want — an inboard or an outboard? Do you need a four-stroke? Obviously, just like with cars, boats have BMW and Toyota versions. And consider this for a minute:

Too many people try to match their budget to a boat. This thinking is backward.

Decide what you need first and then find your boat. If the boat you want is out of your price range, don't buy it. You won't be happy — you only settle for an alternative when you buy a cheaper model.

The only time you should buy on budget is if you plan to own a stepping-stone boat (i.e., you start small and intend to move to a bigger boat at a later date). Again, if you buy a boat that doesn't fit your family, maintenance problems will follow. A boat is not like a car.

Expect these costs after buying a boat

All boat costs aren't obvious. For example, you need at least one maintenance service a year, which runs about \$450. Registering your boat will cost you another \$50, while insurance is about \$100 a month.

You also need your Coast Guard Safety Package (e.g., life vests, line, blow horn, etc.), which costs \$500-\$600. And let's not overlook toys, such as tubes and wakeboards, which can run a few hundred dollars.

“ INEXPERIENCE WITH BOAT NAVIGATION AND NOT FULLY UNDERSTANDING ... IS THE BIGGEST MISTAKE I SEE.

Buy your boat from a dealer and you should be made aware of these costs. But if you shop for used options on Craigslist or a similar service, this information won't likely get shared with you. Either way, I suggest doing research before you start the shopping process.

Discover Boating is a reputable source that offers a free booklet called *A Beginner's Guide to Boating*. Check out the website at discoverboating.com.

Inexperience with boat navigation and not fully understanding what they don't know, is the biggest mistake I see people make after buying a boat. People don't know the rules of the road. They don't know about docking. They don't know about fenders, and currents. They don't know how to perform maintenance. They just bought a boat and off they went.

(NOTE: United States Power Squadrons is a nonprofit, educational organization dedicated to making boating safer and more enjoyable through education. See available classes at www.usps.org.)

Now, if you're set on buying a boat, do so during November, December, January and February. These are off-season months. Also, know you don't have to wait for a boat show to get a good deal. Just as with a car, prepare to negotiate price and shop around.

AVERAGE COST OF BOAT OWNERSHIP IN THE FIRST YEAR

\$4,000

Down Payment
Amount (10-20% of
Purchase Price)

\$1,500

Equipment and
Outfitting Boat

\$100

Registration and
Tilting Fees

\$1,200

Boat Insurance

\$2,500

Mooring or
Docking Fees

\$1,500

Boat Trailer

\$300

Miscellaneous Repair
During Season

\$250

Cleaning Services
During Season

\$2,000

Winter Storage and
Engine Servicing

\$5,000

Annual Loan Payments
or Membership Dues

\$1,200

Gas

\$500

Value of your Time to
Manage Boat

TOTAL COST IN FIRST YEAR: \$20,050

How to Enjoy All the Benefits of Boating Without the Hassle of Ownership

A boat club is an alternative to ownership. When you're a member, you simply show up at a dock and a fueled-up boat is waiting for you. Cost savings is one big benefit over ownership. On average, during a three-year period, you save from \$20,000 to \$30,000 because you only pay membership and monthly dues.

You don't deal with surprise costs, unlike when you own a boat. Boat variety is another big advantage. As a member, you have access to all boat types. And, in the case of Freedom Boat Club, you have reciprocal use at 152 locations across the United States.

So, let's just say you're a boater, own a boat and want to go over to another location. Well, if the boat you own is "trailerable," you could trailer it. But then where do you keep your boat once you get to the new location?

Where do you store the trailer? And where can you get your boat in the water? As a boat club member, you don't deal with these challenges. You simply call the location where you want to go, make a reservation and show up. Your boat is ready when you get there.

Here's What to Do Next ...

The reality is, you're busy — likely busier than ever. If your family is like many today, you want to enjoy time on the water, but can't figure out how to work it into your schedule. When you're a boat club member, you can weave time on the water into any activity you do. Like going to the doctor or a birthday party, you simply show up. You stop by the dock, go out for a few hours and have fun. Then you come back to the dock when you're done. Can a boating adventure really get much easier?

By reading this far and evaluating each section as it relates to buying a boat, you've demonstrated a commitment to making the best decision for you and your family. But you may have other questions that aren't answered here. So, don't hesitate to contact me at any time to answer your questions about buying a boat or club membership. I own boats and operate a boat club franchise. I'm familiar with both worlds.

Please understand, I'm not here to just sell you a club membership as a boat replacement. I believe you deserve the information you need to make an informed decision about boat ownership — without being subjected to aggressive pitches or tricks.



Get the guidance you need today. Call me at (904) 588-2417 or email l.almeida@freedomboatclub.com.

Lisa "The Boatanista" Almeida

Visit my blog for more boating tips www.Boatclubjax.com

Freedom Boat Club Jacksonville, St. Augustine
and Jacksonville Beach

(904) 588-2417 • 12807 San Jose Blvd. Jacksonville, FL 32223

l.almeida@freedomboatclub.com • Boatclubjax.com