

## Overview

### 1. Making the Offer – Required Paperwork

- a. **Sales Agreement** – terms of the sale
- b. **Exhibit A** – itemizes boat options and commissioning for a total boat price. Freight and pricing may not be available at the time of the offer if the actual delivery time is too far away (8+ months). But a cap on the freight cost can be determined at the time of the offer.
- c. **Exhibit B (optional)** – itemizes the cruising and safety gear that the Buyer may have requested. Not always applicable.
- d. **Deposit** – normally around 10% of the base yacht price.

For **factory ordered boats** (new boats that haven't arrived to the Dealer yet), it's important to make the offer and deposit to secure the production slot even if the final options aren't decided. The completion date could be a long way off and often there will be plenty of time to research and decide on the final options and make changes to the original order. It's important to know the final change deadline.

For **stock boats** (new boats that have arrived to the Dealer or are on their way soon), the options are already installed. Usually more options can be added but they typically can't be removed.

2. **Change Deadline** – this is the date the factory gives for any changes to the order.
  3. **Addendum** – only needed if changes are made to the original agreement like adding or changing options.
  4. **Financing** – This could take a while so it's important to get the financing process started even before making an offer. Ask us for financing referrals.
  5. **Insurance** – you'll need to have an insurance binder in place before the closing date. We can help with referrals for insurance.
  6. **Closing** – The balance payment due (total price less the deposit and any changes from the addendum)
  7. **Commissioning** – new boat commissioning takes about 3-4 weeks after the boat arrives from the factory. Can be less time for stock boats.
  8. **Orientation and Sea Trial** - customized for each buyer depending on their sailing experience. Includes a full mechanical and electrical systems orientation followed by on the water sea trial.
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## Closing Paperwork

### The Closing

For boat sales, a closing isn't an event or setting up a time for all parties to meet like it is in real estate transactions. It's basically the day the Buyer wires the balance owed which starts the next round of paperwork. The Buyer will receive a receipt and an updated statement anytime funds are sent to the Dealer.

A closing statement will be sent to the Buyer prior to the closing showing the amount due. Then a revised statement will be sent showing the balance has been paid.

#### 1. State Title:

- a. Buyer will fill out and sign "Michigan Application for Watercraft Title" and send to Broker so that Broker can register/title the boat for the Buyer (Broker will supply this form).
- b. The Dealer will register and title the boat for the Buyer and the Buyer will receive a Michigan Title and Registration within 4-6 weeks.

#### 2. USCG Documentation:

- a. If the Buyer would like to USCG Document the boat, this would be some additional paperwork and we usually hire a documentation service as it can be tedious and time consuming. Usually costs around \$700. Banks sometimes require a boat is USCG Documented in lieu of state title. There are pros and cons to this which can be discussed.

## Commissioning Details

New boats are shipped from the Jeanneau factory in France on a freighter and arrive in the Port of Baltimore. From there we send our long-haul truck to pick the boat up and deliver to Michigan for the commissioning process. We typically allow 3-4 weeks from the time the boat leaves the factory in France to when it arrives in Michigan.

It will take 3-4 weeks to fully commission a new boat. This includes; assembling the mast, sand barrier coat the bottom and then paint the bottom, commission the engine, water system and all systems on the boat, install lifelines and stanchions, mast-step, install boom, final rigging, installing deck gear, anchor tackle, cleaning, and more.

## Sea Trial & Orientation

The purpose of the sea trial is to ensure that the systems are functional and the boat's systems perform as they are designed. Aside from learning best practices for sailing and performance, we spend ample time on docking and harbor handling, anchoring, reefing, etc. We also offer a new owner orientation to go over the safety, cruising and mechanical components of the boat. This part is usually done dockside.



## Buyer Checklist

- Change Deadline  
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  - Financing Deadline  
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  - Closing Date  
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  - Sign Sales Agreement (offer)
  - Sign Exhibit A (if applicable)
  - Send Deposit to Broker (certified check or wire)
  - Receipt of Deposit – sign and return to Broker
  - Secure financing (if applicable)
  - Addendum to change order (if applicable) – sign and send to Broker
  - Determine closing date (if earlier than Agreement deadline)
  - Arrange for wire transfer or certified check (Broker will send wire transfer info)
  - Michigan Title
    - Fill out, sign and return the “Michigan Application for Watercraft Title” to Broker
  - USCG Documentation – this process is usually done by hiring a documentation service
  - Closing Statement (after balance is paid) – sign and return to Broker
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