Yacht Finance Market Update Maritime Law Association



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Yacht Finance Committee
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New York



Current Boat Market

- New boat sales down 15%, 2023
- Yacht Market-New Build >30 meters
- Average Boat Loan \$85,400
- Higher floorplan utilization/curtailment
- Covid/pandemic rebound (retreat)
- First time boat buyers
- Fuel prices stable
- Insurance requirements and cost
- Banking Industry Challenges

All Sales Data



2020	2021	2022	2023
310,000	306,000	266,200	258,000

Yacht Sales Data

Sold boats by length, 2022-2023

North America

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Length Group	No. of Boats		Total Value		Avg. Sold Price		Avg. Days on Market	
	2022	2023	2022	2023	2022	2023	2022	2023
<26	14,839	16,053	\$735,415,892	\$856,051,040	\$49,737	\$53,353	106	133
26-35	9,117	8,911	\$1,069,365,096	\$1,118,744,398	\$117,945	\$126,696	153	173
36-45	5,154	4,561	\$1,167,542,835	\$1,099,083,544	\$227,980	\$243,817	189	201
46-55	1,341	1,187	\$585,304,280	\$573,931,545	\$437,180	\$490,496	259	221
56-79	603	488	\$611,393,473	\$661,578,098	\$1,013,182	\$1,310,194	295	254
80+	156	136	\$490,558,705	\$634,539,849	\$3,128,915	\$4,711,109	323	266
Total	31,210	31,336	\$4,659,580,282	\$4,943,928,474	\$153,258	\$164,025	145	161

Yacht Sales Data

Boats Sold by Age Range- Global

Age Range	No. of Boats		Total Value		Avg. Sold Price		Avg. Days on Market	
	2022	2023	2022	2023	2022	2023	2022	2023
Current Year	4,241	4,888	\$713,089,516	\$905,757,122	\$175,929	\$193,436	150	176
1 Year	2,150	2,940	\$603,431,845	\$740,039,621	\$288,861	\$262,664	147	213
2 Years	1,698	2,047	\$520,082,306	\$580,139,008	\$324,337	\$299,730	143	143
3-5 Years	5,140	5,189	\$1,400,949,984	\$1,643,344,481	\$279,918	\$318,173	123	144
6-10 Years	5,435	5,645	\$1,494,100,132	\$1,570,054,436	\$289,586	\$290,186	148	149
10+ Years	23,401	21,631	\$3,865,687,819	\$2,988,452,234	\$172,178	\$140,808	190	190

NMLA Reports

- Marine lending trending down since 3rd quarter '22
- 55% of lenders predict drop in loan volume, '23
 - 20% anticipate increase
- Rate market is not deterring borrowers; 8-8.5%
- Minimum credit score 700 (some flexibility)
- Average Down Payment 10%
- 2022 marine delinquency .84% vs. .56% in 2021
- Second Tier/Higher Rate Lenders-increased delinquency
- Regulatory Changes updates-treasury yield issues

Market News

- Tommy Boats vs. Malibu
- Class Action Suit vs. IYBA et. al.
- 10 MPH Speed Limit (WSJ 4/13/24)
- Superyacht Sales Decline >30m (NY Post 4/17/24)
 - 2021-313
 - 2022-245
 - 2023-203

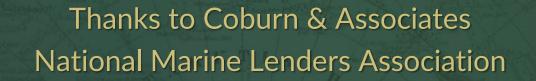
Today's Marine Lenders

Bank of America
Bank OZK
Coastal States Bank
Community First Bank
Farm Bureau Bank
Fifth Third Bank
First Commonwealth Bank
First Federal of Lakewood
Flagstar Bank
Grasshopper Bank
Huntington National Bank

Independent Bank
M & T Bank
Medallion Bank
Meredith Village Savings Bank
Merrick Bank
Newburyport Bank
Republic Bank & Trust Company
Shore Premier Finance (A division of Centennial Bank)
Truist Bank
U.S. Bank
U.S. Century Bank
Wells Fargo Commercial Distribution Finance (CDF)

Superyacht Finance

- Bank of America
- Wilmington Trust (M&T Bank)
- Shore Premier (Centennial Bank)
- Bank OZK
- Newcoast (MarineMax)
- Intercoastal Finance
- 18% of lenders loan > \$4MM



NMLA Fall Conference October 23-26, 2024 New Orleans, LA