

Boat Loans

Shopping for a boat loan? Want the lowest boat financing interest rates available? Let the marine loan professionals at eBoatloans find you the best terms and lowest interest rates available for you.

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Boat Loan Information

There are many, many ways to finance a boat, as in any loan, key items to you need to be aware of are the money you need to contribute, interest rates, terms, and the small print.

After you have decided on the source of the boat loan you will need to be "approved" which means do you have the wherewithal to pay it back. The paperwork can be called a "loan application", "finance application" or "credit application" and is the lending sources information about you. Take the time to complete this form completely.

This is also a good time for your annual credit report checkup. Most lenders will require proof of income, and credit information. The interest rate you will pay can be all over the board and can be either fixed or variable. If you want to know what your monthly payment will be and have it stay that way, find a fixed rate loan.

If you are buying a large boat and this is the only loan you can get, go for the variable rate loan. which can have a little lower start up interest rate but these "go with the flow" so to speak interest rates often do rise. The other choice you may have is whether the interest is calculated on a per day basis, i.e., you pay for the time you borrow the money or if it has been calculated over the life of the loan. Also, be aware of any early payoff penalties or fees.

Let's say you want to pay off your loan, or, more realistically, want to go cruising. Will your lender allow the boat out of US waters and if not, can you pay off the loan early without additional costs? After all, they thought they were going to get you to pay interest for millenniums and it's only been a lifetime so far. And ask what it will cost you to get into the loan, are there "points" which means a percentage of the loan to be paid as a loan origination fee, in other words they stick it to you with "points".

Determine how long you want to be pay for the boat, the longer the length of the note, the longer it will take you to acquire equity, which is the part you own. This can get complicated depending your cash situation, your income and how long you usually stay enamored with a particular boat. The "term" of the loan usually ranges between 5 to 25 years for most boats.

The amount of down payment can depend upon the lender, how much you are financing (the minimum amount being financed by a lot of lenders at this time is \$25,000), the age of the boat, what you plan to do with it, if it is registered with the state in which is home ported or Federally documented (which a lot of lenders are now requiring) and where you are going to be taking it, and can be as low as 10% or as high as 25%.

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