

Q4

2014
MARKET INDEX



Q4 2014 MARKET INDEX

Global Market

Cumulative yacht brokerage sales reported in 2014 showed a rebound in Europe with sales and total sold values rising by double-digit percentages. In the U.S., sales were lower, with total volume off 5 percent and total value down 8 percent. As is often the case, however, the aggregate figures don't do justice to the nuances of the market.

The number of boats sold in the U.S. were lower in the high-volume sector under 35 feet, but were level or higher among larger boats. And sales of boats over 80 feet skewed total values on both continents. Prices in the U.S. were generally stronger among smaller boats and weaker in Europe in as many segments as were stronger.

Significant variations were also evident within different European countries and U.S. regions, so we have provided additional data for a number of geographic areas in this annual-report edition of the *YachtWorld Market Index*. As always, we're interested in your own observations about the brokerage market and suggestions for future editions of the *Index*.

John Burnham

jburnham@yachtworld.com

YachtWorld Editorial Director

US+EU

Global Market

2013 - \$5.633 billion / 38,303 boats

2014 - \$5.592 billion / 37,509 boats

United States

2013 - \$3.936 billion / 31,539 boats

2014 - \$3.619 billion / 30,063 boats

Europe

2013 - €1.360 billion (\$1.699 billion) / 6,764 boats

2014 - €1.603 billion (\$1.973 billion) / 7,446 boats



Q4

United States: Overall

Except in December, the monthly volumes of U.S. brokerage yacht sales trailed the same month a year earlier all year, and sales were 5 percent lower, cumulatively. A total of 30,063 boats changed hands during 2014, for an aggregate price of \$3.62 billion, down \$320 million from 2013.

The drop in total market value was due to lower superyacht sale prices, which slid by 31 percent, from \$1.23 billion to \$850 million. Among vessels below 80 feet, the total value of the U.S. market actually increased by \$60 million during the year.

The overall sales volume decline in 2014 was due to a 7 percent drop in sales among boats shorter than 35 feet, with 20,733 boats sold, down from 22,339 a year earlier.

Pricing generally improved among smaller boats, with the average sale price of a boat under 26 feet increasing, from \$21,700 to \$23,000, and among boats 26 to 35 feet, increasing from \$54,600 to \$57,900. Average sale price also increased in the 56- to 79-foot segment, climbing 2 percent to \$744,000.

In one segment, the 46- to 55-foot category, volumes increased while prices declined. The average price was 3 percent lower (down from \$285,000 to \$277,000), while total sales volume rose 6 percent, with 1,775 boats sold.

Powerboat and sailboat sales were lower by similar amounts on a percentage basis through 2014, with 24,560 powerboats and 5,503 sailboats sold. Powerboat sales represented 82 percent share of the market.

—John Burnham

US Overall - Type / Length

POWER

BOATS SOLD

2013 - 25,787 boats
2014 - 24,560 boats

VALUE OF BOATS SOLD

2013 - \$3.457 billion
2014 - \$3.156 billion



SAIL

BOATS SOLD

2013 - 5,752 boats
2014 - 5,503 boats

VALUE OF BOATS SOLD

2013 - \$478.6 million
2014 - \$463.7 million



LENGTH

BOATS SOLD

2013 - 10,156 boats
2014 - 9,414 boats

VALUE OF BOATS SOLD

2013 - \$220.5 million
2014 - \$216.9 million

<26'

BOATS SOLD

2013 - 12,193 boats
2014 - 11,319 boats

VALUE OF BOATS SOLD

2013 - \$666.3 million
2014 - \$655.5 million

26'-35'

BOATS SOLD

2013 - 6,604 boats
2014 - 6,591 boats

VALUE OF BOATS SOLD

2013 - \$858.4 million
2014 - \$879.7 million

36'-45'

BOATS SOLD

2013 - 1,681 boats
2014 - 1,775 boats

VALUE OF BOATS SOLD

2013 - \$478.5 million
2014 - \$492.3 million

46'-55'

BOATS SOLD

2013 - 725 boats
2014 - 769 boats

VALUE OF BOATS SOLD

2013 - \$487.3 million
2014 - \$524.7 million

56'-79'

BOATS SOLD

2013 - 190 boats
2014 - 195 boats

VALUE OF BOATS SOLD

2013 - \$1.225 billion
2014 - \$850.1 million

80'+

Q4

United States: Regions

Brokerage sales in North America were strongest in 2014 in the Southeast; nearly 9,000 boats worth \$1.8 billion were sold in Florida and adjacent states. That represented 26 percent of all boats sold and 48 percent of the total price paid for brokerage boats in the U.S. and Canada. The Southeast region also continued to be the fastest place to sell a boat, averaging 245 days to sale.

The Northeast and Mid-Atlantic regions maintained No. 2 and No. 3 rankings in total sales volumes, with 5,120 and 4,741 boats sold, respectively. The Northeast's volume market share slipped to 16 percent in 2014, but gained in terms of

2013

REGION	BOATS SOLD	TOTAL VALUE	AVG. DAYS TO SALE	% OF TOTAL BOATS SOLD	% OF TOTAL VALUE
US Southeast	8,884	\$2.160 billion	239	27%	53%
US Northeast	5,533	\$419.8 million	298	17%	10%
US Mid-Atlantic	5,164	\$347.6 million	256	16%	9%
US West	3,731	\$330.9 million	258	11%	8%
US Great Lakes	3,459	\$237.0 million	303	10%	6%
US Pacific Northwest	1,776	\$215.2 million	276	5%	5%
Canada	1,713	\$149.8 million	270	5%	4%
US Gulf Coast	1,575	\$119.2 million	250	5%	3%
US & Canada Total	33,252	\$4.085 billion	261		

US Regions

total price paid, moving from 10 percent to 11 percent. The total value of sales in the region dropped only \$6 million despite the sale of nearly 400 fewer boats.

Mid-Atlantic volume was also down 400 boats, and the total value of sales was \$21 million less, at \$327 million. In contrast, the value of sales in the U.S. West region increased \$13 million to \$344 million on sales of 3,711 boats, just 20 fewer than in 2013.

In the Great Lakes region, sales declined by 200 boats and total price by \$17 million. While the Lakes maintained a

No. 5 ranking in terms of volume, the U.S. Pacific Northwest surpassed the Great Lakes in total value, increasing \$17 million to \$232 million.

Sales in the two smallest U.S. regions—the U.S. Pacific Northwest and the Gulf Coast—were down incrementally between 2013 and 2014, while in Canada, sales volume increased from 1,713 to 1,749 boats. The total price paid was level in the Gulf Coast region, and total price increased both in the Pacific Northwest and Canada.

—John Burnham

2014

REGION	BOATS SOLD	TOTAL VALUE	AVG. DAYS TO SALE	% OF TOTAL BOATS SOLD	% OF TOTAL VALUE
US Southeast	8,387	\$1.824 billion	245	26%	48%
US Northeast	5,120	\$413.5 million	312	16%	11%
US Mid-Atlantic	4,741	\$326.9 million	266	15%	9%
US West	3,711	\$343.7 million	263	12%	9%
US Great Lakes	3,216	\$220.3 million	319	10%	6%
US Pacific Northwest	1,765	\$232.5 million	292	6%	6%
Canada	1,749	\$164.5 million	281	5%	4%
US Gulf Coast	1,530	\$121.0 million	253	5%	3%
US & Canada Total	31,812	\$3.783 billion	270		

Q4

Europe: Overall

Strong sales volumes in December capped a solid fourth quarter for European yacht brokers. Sales improved 21 percent in the quarter and 10 percent for 2014 as a whole, with 7,446 boats reported sold by YachtWorld member brokerages. The aggregate price paid for all boats also increased, with €1.6 billion in sales, an 18-percent increase compared to 2013.

The number of boats sold in most size segments increased year over year by double-digit percentages, with the 46- to 55-foot segment gaining the most—24 percent, with 749 boats sold. Sales increased by the lowest percentage, 4 percent, for 36- to 45-footers, with 1,877 boats sold.

The number of superyachts (over 80 feet) changing owners climbed from 149 in 2013 to 165 in 2014 at a total price of

€800 million, a 27-percent increase. The average superyacht sold for €4.8 million, up from €4.2 million.

In most other market segments, average prices were level or lower, especially for 36- to 45-footers, which declined in price by 5 percent or €7,000. The exception was among boats under 26 feet, which sold for an average of €21,200, up 14 percent.

Powerboat sales were principally responsible for the overall volume gains in Europe, increasing 15 percent, with 4,259 boats sold at an average price up 5 percent over 2013. Sailboat sales increased 4 percent, with 3,187 boats sold at an average price 3 percent higher. Powerboat sales represented 57 percent share of the market, increasing from 55 percent in 2013.

—John Burnham

EU Overall - Type / Length

POWER

BOATS SOLD

2013 - 3,700 boats
2014 - 4,259 boats

VALUE OF BOATS SOLD

2013 - €1.029 billion
2014 - €1.249 billion



SAIL

BOATS SOLD

2013 - 3,064 boats
2014 - 3,187 boats

VALUE OF BOATS SOLD

2013 - €331.2 million
2014 - €354.6 million



LENGTH

BOATS SOLD

2013 - 1,482 boats
2014 - 1,639 boats

VALUE OF BOATS SOLD

2013 - €27.4 million
2014 - €34.7 million

<26'

BOATS SOLD

2013 - 2,363 boats
2014 - 2,595 boats

VALUE OF BOATS SOLD

2013 - €115.0 million
2014 - €128.1 million

26'-35'

BOATS SOLD

2013 - 1,802 boats
2014 - 1,877 boats

VALUE OF BOATS SOLD

2013 - €223.8 million
2014 - €220.6 million

36'-45'

BOATS SOLD

2013 - 602 boats
2014 - 749 boats

VALUE OF BOATS SOLD

2013 - €146.5 million
2014 - €177.0 million

46'-55'

BOATS SOLD

2013 - 366 boats
2014 - 421 boats

VALUE OF BOATS SOLD

2013 - €217.1 million
2014 - €242.9 million

56'-79'

BOATS SOLD

2013 - 149 boats
2014 - 165 boats

VALUE OF BOATS SOLD

2013 - €630.6 million
2014 - €800.1 million

80'+

Q4

Europe: Countries

Sales by European country in this report reflect the number of YachtWorld member brokers in each country, as well as the prevalence to varying degrees of the brokerage model. Total sales and value of sales in the countries selected equated to 88 to 89 percent of all boats reported sold by YachtWorld members in Europe as a whole.

Fifty percent of the reported transactions in 2014 were for boats sold in the U.K.—3,755—nearly 400 boats more than the 3,384 sold in 2013. The aggregate value of the boats sold increased from one year to the next by €26 million, totaling €234 million. This was a 15 percent share of the price paid for brokerage boats in Europe during the year.

2013

REGION	BOATS SOLD	TOTAL VALUE	AVG. DAYS TO SALE	% OF TOTAL BOATS SOLD	% OF TOTAL VALUE
United Kingdom	3,384	€208.3 million	282	50%	15%
Spain	764	€202.2 million	372	11%	15%
France	590	€339.9 million	453	9%	25%
Netherlands	685	€150.1 million	337	10%	11%
Italy	364	€281.6 million	433	5%	21%
Germany	220	€24.9 million	269	3%	2%
Europe Total	6,764	€1.360 billion	338		

EU Countries

The No. 2 country in European brokerage sales was Spain, which reported increased sales volume from 764 to 796 boats. This represented a consistent 11 percent market share and a total value up from €202 million to €226 million—14 percent market share.

Brokerages in France led the market in the total number of Euros changing hands both in 2013 and 2014. The aggregate value of French sales rose from €340 million to €412 million, as brokers sold 691 boats, up from 590. While it took longer to list and sell boats in other countries in 2014, the speed of French sales increased, with the average number of days from listing to sale declining 55 days to 398.

Losing market share in 2014, brokers in The Netherlands sold 648 boats, 37 fewer than in the previous year. The total price paid for the boats increased, however, from €150 million to €162 million.

In Italy, brokerage sales rose more than in any other country outside the U.K., with reported volume of 515 boats, up from 364. The aggregate price of boats sold increased from €282 million to €351 million, which was 22 percent of the market's total value. Italy retained the No. 2 position behind France in total value of European brokerage sales.

—John Burnham

2014

REGION	BOATS SOLD	TOTAL VALUE	AVG. DAYS TO SALE	% OF TOTAL BOATS SOLD	% OF TOTAL VALUE
United Kingdom	3,755	€233.7 million	312	50%	15%
Spain	796	€226.1 million	389	11%	14%
France	691	€412.0 million	398	9%	26%
Netherlands	648	€161.7 million	353	9%	10%
Italy	515	€350.6 million	517	7%	22%
Germany	214	€21.3 million	342	3%	1%
US & Canada Total	7,446	€1.603 billion	364		

Q4 2014 MARKET INDEX

John Burnham, Editorial Director, jburnham@yachtworld.com
Graphic Design by **Michael Bantug**

The **YachtWorld Market Index** is published by **YachtWorld**

Cover image courtesy, **Bavaria Yachtbau GmbH**

