

Getting Coverage for Your Floating Home

In terms of how a yacht becomes an important part of your lifestyle and the cost of a yacht both in terms of purchase and maintenance, in many ways your yacht almost becomes like a floating home. Unlike a fishing boat or a boat used for commercial purposes, most of us buy a yacht to spend some significant time on and we equip that boat so it can be a home away from home for however long you habitat on that vessel.

When you look around your yacht, it's really an amazing design feat. It is at the same time a boat with all the pleasantries that make living there a joy and the resources to host guests and even hold parties. So while you certainly can afford both the purchase and maintenance of a yacht, getting insurance to make sure any damage can be covered is smart.

Unlike a home, a yacht is by nature in a more hazardous environment. Because your yacht is also a vehicle and it spends most of its time on the water, there are things that can happen to it that must be considered in your insurance policy. So make sure your policy covers every possible form of loss so you can get your yacht repaired or replaced if need be and to cover any harm that might be caused by an accident.

Obviously, you are going to include in the base policy the cost of the yacht and the basic equipment that came with it including the engine and other equipment necessary to operate the yacht as a sea going vessel. Your basic insurance policy is going to cover damage to the vehicle from weather or from on board accidents. But it should also be worded to cover the other ways that a yacht could be damaged or destroyed.

Explosions are a very real danger in the operation of a yacht. Unlike your home, that vehicle is always carrying a large quantity of explosive fuels just under the feet of you and your guests. If the yacht hits another vehicle or is hit by one or through equipment malfunction, that yacht can explode which can destroy that luxurious boat. So make sure your policy has coverage for this kind of loss and that there are no exclusions because of the cause of the explosion as that may not always be possible to know.

Next take into account any expensive items that may be on the yacht that are not part of the yacht itself. You may have any number of lifestyle amenities that would be expensive to replace such as the sound system, television or video equipment, furniture and supplies such as a fully stocked wet bar. While these items are not difficult to replace, they do represent a cost that should be covered by yacht insurance.

Weather related damage should be represented in the yacht insurance if you use the vehicle on a body of water that can bring a catastrophic storm such as a hurricane or even tornados. Now you might want to have your insurance agent help you calculate the statistical likelihood you would need such insurance. But you sure will be glad you had it in the event that a destructive force of nature took a toll on this investment you have made in your yacht.

Think through any situation that might result in damage or destruction to your yacht or that could result in financial loss. An accident with another boat could cause significant damage to the other vessel. If it turns out the accident was the result of an error on the part of your pilot, you could face a large financial liability. Similarly, if your yacht had a fire in dock or an explosion that caused damage to the dock or to other boats, you will be held responsible for that damage. So just as you are covering the damage to your yacht, make sure monies are in the insurance policy to cover collateral damage as well.

You are not inexperienced in knowing the costs of owning a fine luxury such as a yacht. You no doubt already have gotten insurance to cover theft and the basic threats to that vehicle. But it's worth your while to go back and review that policy to make sure that it is comprehensive in nature. You will be glad you did.

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