

MARKETLINE

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2013 NEWSLETTER

PRE-OWNED MARKET SENDS MIXED SIGNALS THROUGHOUT INDUSTRY

MARKET COMPS — 2012 VS. 2013

By Dennis Rousseau | President and Founder | AircraftPost.com

For current generation business jets (turbofan, EFIS, FANS capable, etc.), we've taken a random sampling representative of the medium- and long-range

category aircraft. Nearly the same percentage of the available fleet (~10 percent) is on the market through December 2013 as was at the end of 2012. In the case of the GIV, Challenger 605 and G550, the percent increase/decrease was negligible. Overall, pre-owned inventory for this class aircraft is up slightly over last year. As displayed in the percentage of market data sheet [see page 2], later generation, current production aircraft show less aircraft on the market, as a percentage of the fleet, than those out of production. In normal markets, less than 10

IN NORMAL MARKETS, LESS THAN 10 PERCENT OF AN AVAILABLE FLEET WOULD BE CONSIDERED AVERAGE. HOWEVER, FOR THE LAST FIVE YEARS OUR MARKETS HAVE SWAYED FROM ANY SEMBLANCE OF NORMALCY.

percent of an available fleet would be considered average. However, for the last five years our markets have swayed from any semblance of normalcy.

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BLUEBOOK-AT-A-GLANCE

JET

INCREASED	0
DECREASED	504
STABLE	497

TURBOPROP

INCREASED	22
DECREASED	35
STABLE	575

MULTI

INCREASED	0
DECREASED	91
STABLE	586

SINGLE

INCREASED	136
DECREASED	238
STABLE	2261

HELICOPTER

INCREASED	0
DECREASED	30
STABLE	1109

CURRENT MARKET AS A PERCENTAGE OF THE FLEET

Aircraft Model	2012		2013 YTD (11/30/13)	
	Total on Mkt	Percent on Mkt	Total on Mkt	Percent on Mkt
Falcon 50	32	19.8%	29	17.9%
Lear 60XR >	14	13.2%	19	16.7%
Falcon 50EX	7	7.1%	16	16.2%
Global 5000	12	9.2%	21	16.2%
Challenger 601 3A	18	13.4%	21	15.7%
Falcon 900B/C	21	10.4%	31	15.3%
Falcon 900EX	17	14.4%	18	15.3%
Global Express	21	14.2%	20	13.5%
Lear 60	35	11.5%	41	13.4%
Gulfstream IV	24	12.4%	24	12.4%
Global Express XRS	17	10.6%	19	11.9%
Challenger 601 3R	10	16.9%	7	11.9%
Gulfstream IVSP	50	15.5%	37	11.5%
Falcon 2000	20	8.7%	25	10.8%
Challenger 604	54	14.8%	36	9.9%
Hawker 800XP	40	8.9%	43	9.6%
Gulfstream 200	15	6.1%	22	8.9%
Falcon 900EXy >	11	8.0%	12	8.8%
Gulfstream V	28	14.6%	16	8.3%
Gulfstream 450 >	13	4.8%	24	8.2%
Citation Sovereign >	31	9.1%	26	7.7%
Falcon 2000 EXy >	24	9.6%	19	7.6%
Citation X	14	4.5%	22	7.0%
Challenger 605 >	16	7.1%	16	7.0%
Hawker 850XP	11	10.5%	7	6.7%
Challenger 300 >	21	5.5%	27	6.4%
Gulfstream 550 >	9	2.2%	11	2.6%
Total	585	9.7%	609	9.9%

*EFIS equipped only

Continued on page 3

When viewing pre-owned transactions for current production aircraft (see Transaction Comps below and on page 4), the total sold is the same for 2012 as the first 11 months of 2013. Year-to-year selling price increases typically are associated with the average year of manufacture being newer (i.e., Challenger 300, Falcon 2000EXy, Lear 60). When price

declines exceed 10 percent, as in the case of the G450, it typically is because the average year of manufacture is older than the prior year. The Gulfstream G550, Falcon 900EXy and Citation Sovereign are good representations of year-over-year nominal depreciation.

TRANSACTION COMPS

Current Production Aircraft - 2 Year Sales Trend

	2012	2013 *YTD	Increase/Decrease
Lear 60XR			
Total Sold	4	6	50%
Average Year Sold	2009	2009	
Average Sale Price	7.3	6.4	-12%
Citation Sovereign			
Total Sold	13	17	31%
Average Year Sold	2007	2007	
Average Sale Price	9.0	8.4	-7%
Challenger 300			
Total Sold	21	17	-19%
Average Year Sold	2007	2008	
Average Sale Price	14.0	14.3	2%
Challenger 605			
Total Sold	7	10	43%
Average Year Sold	2008	2009	
Average Sale Price	19.8	18.1	-9%
Falcon 2000EXy			
Total Sold	23	10	-57%
Average Year Sold	2007	2008	
Average Sale Price	19.3	19.9	3%
Falcon 900EXy			
Total Sold	8	7	-13%
Average Year Sold	2006	2006	
Average Sale Price	25.3	23.3	-8%
Gulfstream G450			
Total Sold	6	10	67%
Average Year Sold	2008	2007	
Average Sale Price	28.1	22.5	-20%
Gulfstream G550			
Total Sold	14	19	36%
Average Year Sold	2006	2006	
Average Sale Price	37.1	35.5	-4%
Total Sold Overall	96	96	0%

Continued on page 4

* Jan-Nov 2013

Out of Production Aircraft - 2 Year Sales Trend

	2012	2013 *YTD	Increase/Decrease
Lear 60			
Total Sold	21	19	-10%
Average Year Sold	1999	2000	
Average Sale Price	2.7	2.9	7%
Hawker 850XP			
Total Sold	10	11	10%
Average Year Sold	2006	2006	
Average Sale Price	5.9	4.9	-17%
Hawker 900XP			
Total Sold	7	12	71%
Average Year Sold	2008	2008	
Average Sale Price	7.6	6.1	-20%
Citation X			
Total Sold	14	16	14%
Average Year Sold	2000	2002	
Average Sale Price	6.0	5.4	-10%
Falcon 50EX			
Total Sold	10	7	-30%
Average Year Sold	2000	2002	
Average Sale Price	6.3	6.3	0%
Gulfstream G200			
Total Sold	28	11	-61%
Average Year Sold	2004	2004	
Average Sale Price	8.2	7.5	-9%
Challenger 604			
Total Sold	27	38	41%
Average Year Sold	2001	2000	
Average Sale Price	9.5	7.0	-26%
Falcon 2000			
Total Sold	14	9	-36%
Average Year Sold	2000	1999	
Average Sale Price	9.2	7.1	-23%
Falcon 900EX			
Total Sold	7	7	0%
Average Year Sold	2000	2000	
Average Sale Price	15.7	14.9	-5%
GIVSP/G400			
Total Sold	20	12	-40%
Average Year Sold	1998	1998	
Average Sale Price	11.4	9.3	-18%
Gulfstream GV			
Total Sold	12	11	-8%
Average Year Sold	2000	2000	
Average Sale Price	21.8	19.2	-12%
Global Express			
Total Sold	9	8	-11%
Average Year Sold	1999	2000	
Average Sale Price	21.4	18.3	-14%
Global Express XR S			
Total Sold	4	7	75%
Average Year Sold	2007	2006	
Average Sale Price	37.8	32.3	-15%
Total Sold Overall	183	168	-8%

* Jan-Nov 2013

ASK AIRCRAFT BLUEBOOK

In an effort to better explain how the Aircraft Bluebook works, we have included a few more FAQs this month that are relevant to all aircraft large and small. If you have any questions about the Aircraft Bluebook-Price Digest®, please feel free to give the editorial staff a call at 1-800-654-6776 or email us, info@aircraftbluebook.com.

What Does the Trend column in the Aircraft Bluebook represent?

The Trend information is the difference between the current quarter's Average Wholesale Value and the previous quarter's Average Wholesale Value. The Trend is represented with an up or down arrow followed by the amount of change. If there is no difference, "No Change" will be listed.

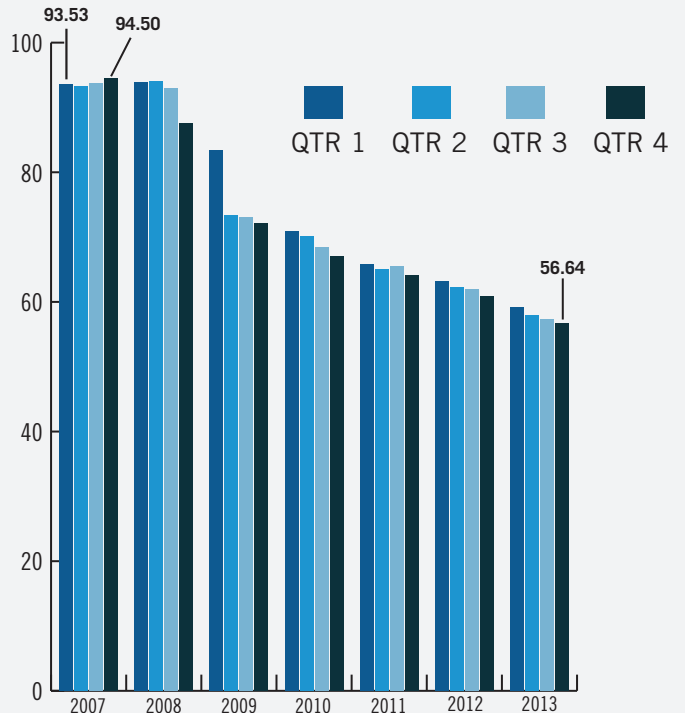
CURRENT MARKET STRENGTH

CMS represents an aircraft's current strength in the market. An A+ rating indicates the aircraft is enjoying a very firm market. Prices for an A+ aircraft are steadily rising, and holding times are very short or nonexistent. At the opposite end of the spectrum, a C- aircraft is one experiencing a very soft market. Its price is commonly discounted, and it often sets on the ramp in excess of eight months before selling. It is important to remember that Current Market Strength is not a forecast. It is valid only at Marketline's effective date of release. *See chart below.*

MARKETLINE CHARTS

All of the listed aircraft have a composite score that is presented in the Used Aircraft Market graph. Data points are represented in relationship to the respective new delivered historical price that is equal to 100%. The measure of change is reported in the actual percentage of value in relation to new. The delta between reporting periods can be concluded as the percentage of change.

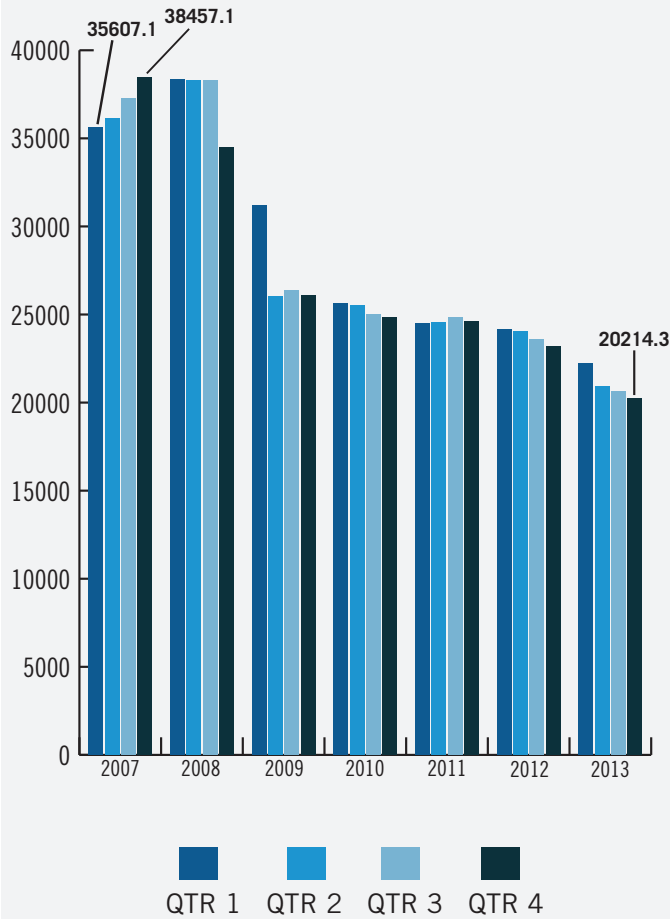
USED AIRCRAFT MARKET



CURRENT MARKET STRENGTH (CMS)

2007/2008 Model	CMS	2007/2008 Model	CMS	2007/2008 Model	CMS
Beech Premier 1A	B	Gulfstream G200	B+	Cirrus SR22-G2	B
Bombardier Global XRS	A	Gulfstream G150	B	Cirrus SR20-G2	B
Bombardier Challenger 604	B	Hawker 800XP	B-	Diamond DA40-180XLS Star	B
Bombardier Challenger 300	A	Hawker 400XP	C	Diamond DA20-C1 Eclipse	B
Bombardier LearJet 60XR	B	Beech King Air 350	A	Mooney M20TN Acclaim	B-
Bombardier Learjet 45XR	A-	Beech King Air B200	A	Mooney M20R Ovation	B-
Cessna Citation X	B	Beech King Air C90GT	A	Piper PA46-350P Mirage	B
Cessna Citation XLS	B+	Cessna 208B Grand Caravan	A	Piper PA34-220T Seneca V	B-
Cessna Citation CJ3	A	Piaggio P180	B	Piper PA28R-201 Arrow	B
Cessna Citation CJ2	A	Pilatus PC-12/47	B	Piper PA28-181 Archer III	B
Dassault Falcon 900EX Easy	A	Piper PA46-500TP Meridian	B+	Evektor Sportstar (LSA)	B-
Dassault Falcon 50EX	B	Socata TBM850	B	Flight Design CTLS (LSA)	B-
Dassault Falcon 2000EX	A	Beech 58 Baron	B	Agusta A109 Grand	A
Embraer EMB-135 Legacy	A-	Beech A36 Bonanza	B	Bell 206 L-4	A
Embraer Phenom 100	A	Cessna T206H Stationair	B	Eurocopter AS350-B3	A
Gulfstream G550	A	Cessna 182T Skylane	B	Robinson R44 Raven II	A
Gulfstream G450	A	Cessna 172S Skyhawk	B	Sikorsky S-76C++	A

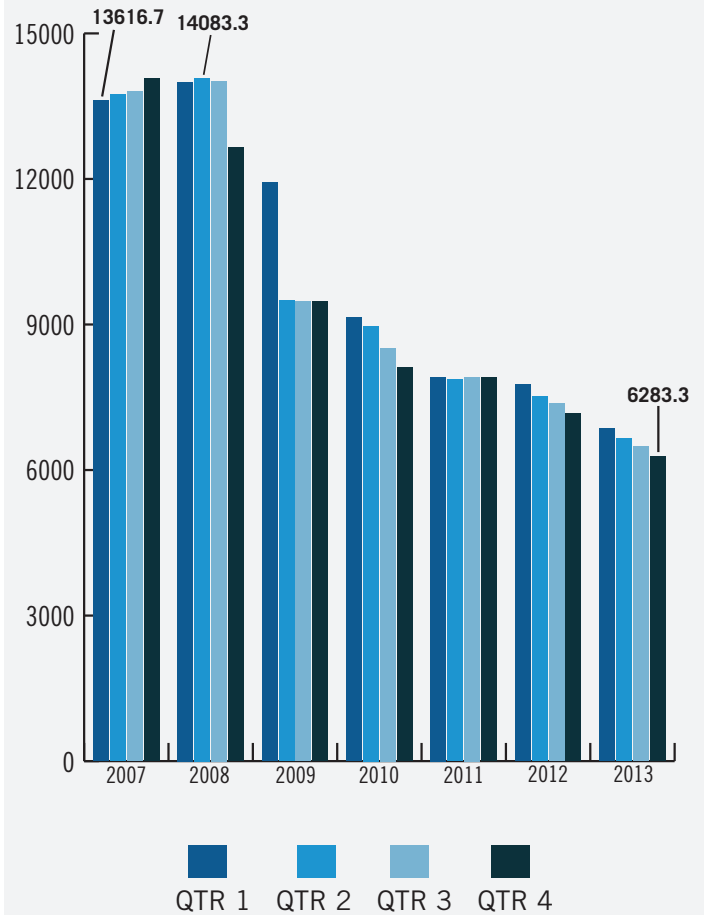
LARGE JET



The Large Jet chart depicts the average price (in thousands) of the seven jets listed. Each model's year will precede the name of the aircraft.

YEAR/MODEL	%CHANGE
2006 Bombardier Global Express	-1.7
2007 Bombardier Challenger 605	-3.2
2005 Dassault Falcon 900 EX Easy	-2.3
2005 Dassault Falcon 200EX Easy	0.0
2005 Gulfstream G550	0.0
2005 Gulfstream G450	-2.6
2005 Embraer EMB135 Legacy	-8.4

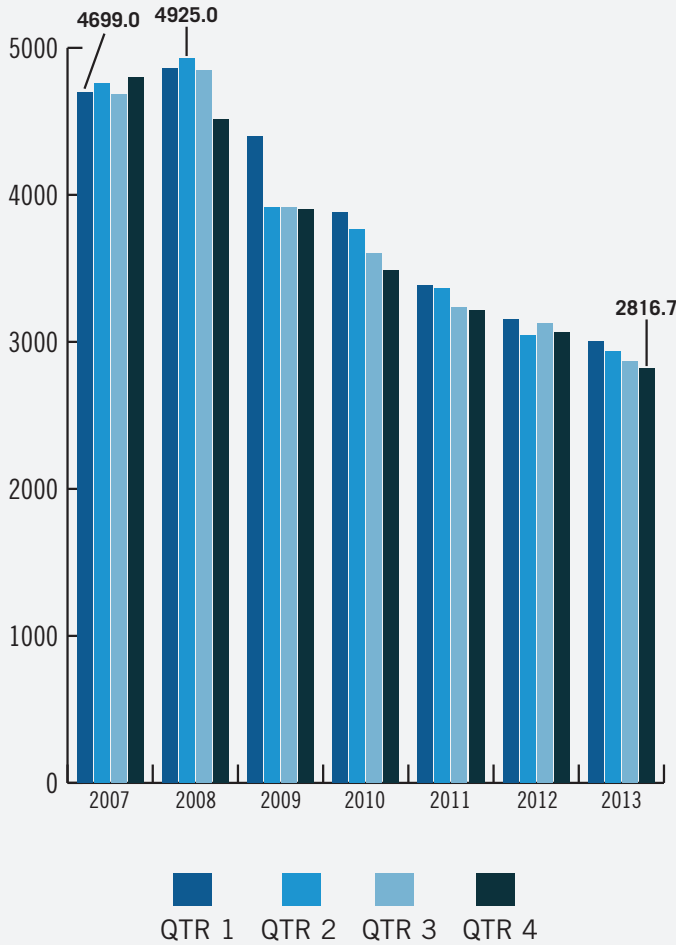
MEDIUM JET



The Medium Jet chart depicts the average price (in thousands) of the six jets listed. Each model's year will precede the name of the aircraft.

YEAR/MODEL	%CHANGE
2005 Bombardier Challenger 300	0.0
2005 Bombardier Lear 45XR	0.0
2005 Cessna Citation Sovereign	-10.3
2005 Cessna Citation XLS	-2.0
2006 Gulfstream G150	0
2005 Hawker 800XP	-7.1

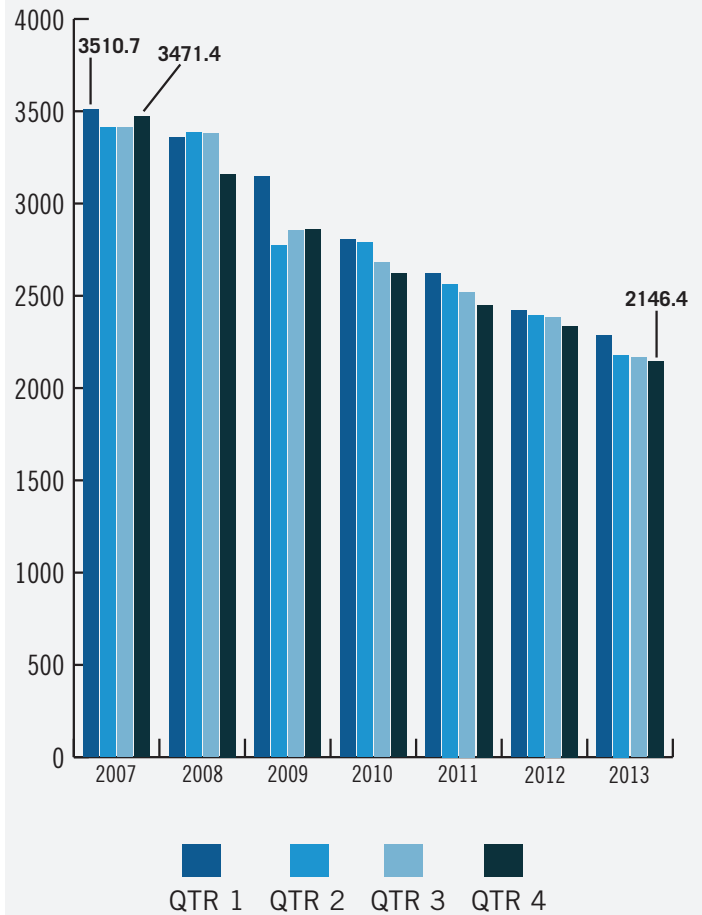
SMALL JET



The Small Jet chart depicts the average price (in thousands) of the six jets listed. Each model's year will precede the name of the aircraft.

YEAR/MODEL	%CHANGE
2005 Beech Premier 1	-6.7
2005 Cessna Citation CJ2+	-3.3
2006 Cessna 510 Mustang	0.0
2008 Embraer Phenom 100	-4.3
2009 Embraer Phenom 300	0.0
2005 Hawker 400XP	0.0

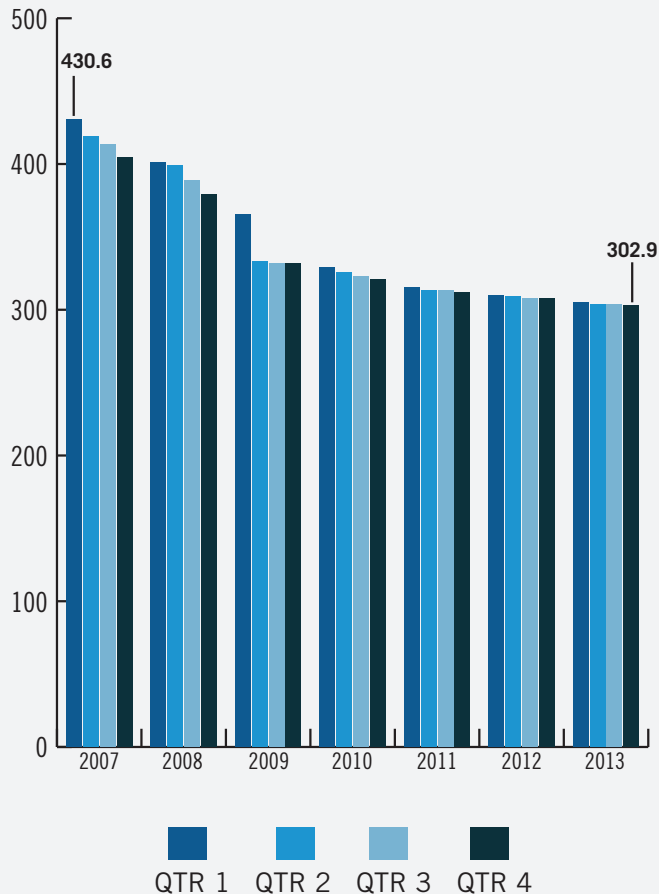
TURBOPROP



The Turboprop chart depicts the average price (in thousands) of the seven turboprops listed. Each model's year will precede the name of the aircraft.

YEAR/MODEL	%CHANGE
2005 Beech King Air350	0.0
2005 Beech King AirB200	0.0
2005 Beech King AirC-90B	0.0
2005 Cessna 208 Grand Caravan	0.0
2005 Piaggio AvantiP180	-2.7
2005 Pilatus PC12/45	0.0
2005 Socata TBM700C2	-3.0

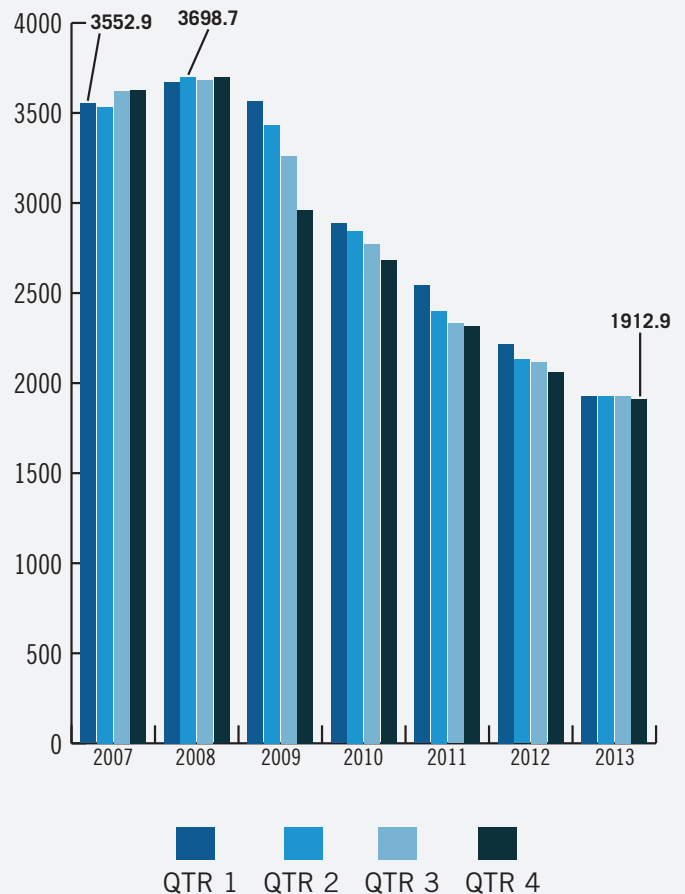
SINGLE/MULTI PISTON



The Single/Multi-Piston chart depicts the average price (in thousands) of the 12 aircraft listed. Each model's year will precede the name of the aircraft.

YEAR/MODEL	%CHANGE
2005 Beech 58 Baron	0.0
2005 Diamond DA42 Twin Star	0.0
2005 Piper PA34-220T Seneca V	0.0
2005 Beech A36 Bonanza	0.0
2005 Cessna/Columbia 400	0.0
2005 Cessna 182T Skylane	0.0
2005 Cessna T206H Turbo Stationair	0.0
2005 Cessna 172S Skyhawk SP	0.0
2005 Cirrus SR22-G2	0.0
2005 Diamond DA40-180 Star	0.0
2005 Piper PA46-350P Mirage	-0.8
2005 Piper PA28R-201 Arrow	0.0

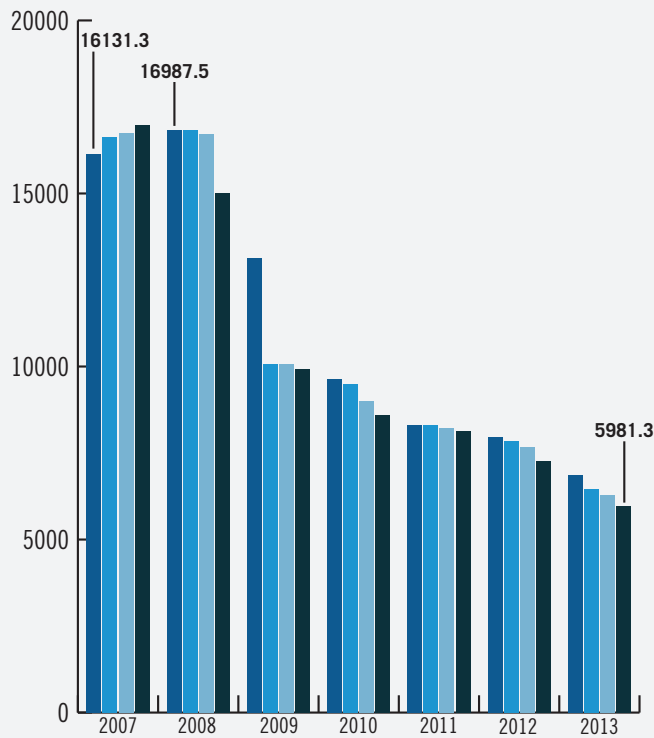
HELICOPTER



The Helicopter chart depicts the average price (in thousands) of the seven helicopters listed. Each model's year will precede the name of the aircraft.

YEAR/MODEL	%CHANGE
2005 Agusta A109E Power	0.0
2005 Bell 430	0.0
2005 Eurocopter EC130B4	0.0
2005 Eurocopter AS350B-3 Ecureuil	0.0
2004 Enstrom 280FX	0.0
2005 Robinson R44 Raven	0.0
2005 Sikorsky S-76C+	-2.2

LEGACY JET

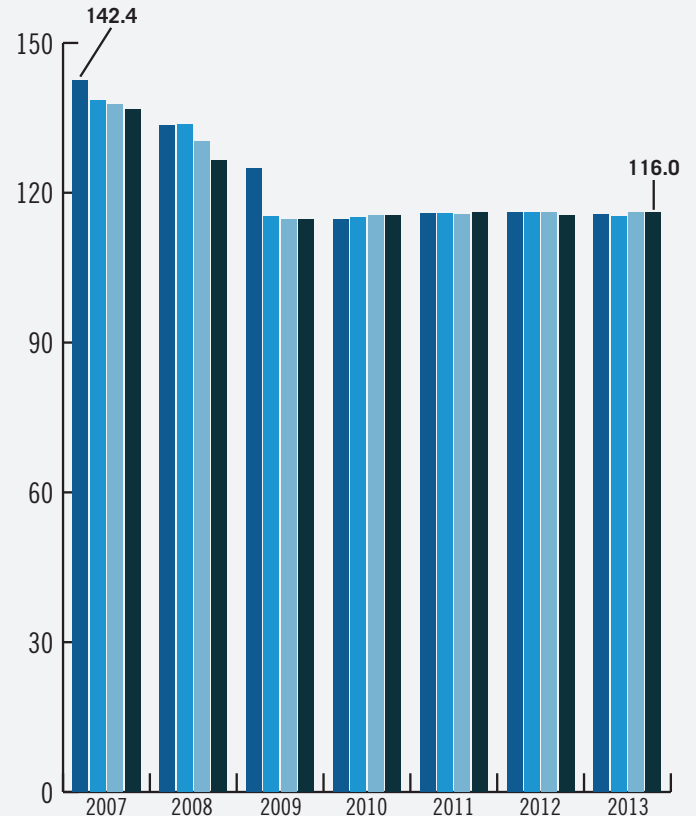


QTR 1 QTR 2 QTR 3 QTR 4

The Legacy Jet chart depicts the average price (in thousands) of the eight jets listed. Each model's year will precede the name of the aircraft. Legacy Aircraft are those produced prior to the year 2000.

YEAR/MODEL	%CHANGE
1996 Bombardier Challenger 604	-5.5
1996 Bombardier Lear 31A	-8.0
1996 Cessna Citation Ultra	0.0
1996 Dassault Falcon 900B	0.0
1997 Dassault Falcon 50EX	-4.0
1996 Gulfstream GV	-6.1
1996 Gulfstream GIVSP	-9.1
1996 Hawker800XP	0.0

LEGACY PISTON

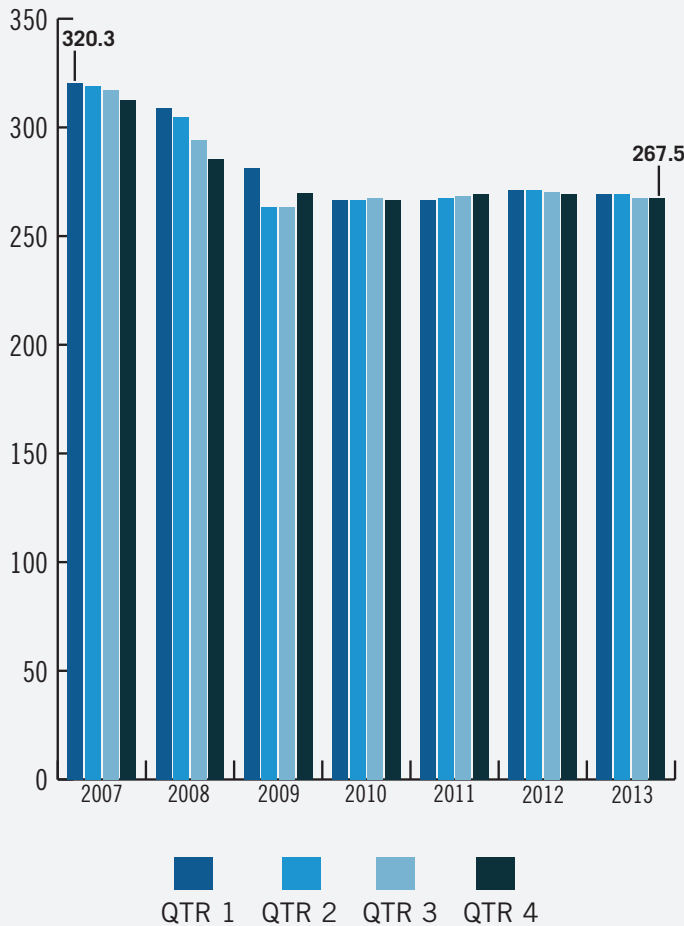


QTR 1 QTR 2 QTR 3 QTR 4

The Legacy Piston chart depicts the average price (in thousands) of the ten piston aircraft listed. Each model's year will precede the name of the aircraft. Legacy Aircraft are those produced prior to the year 2000.

YEAR/MODEL	%CHANGE
1990 Beech A36 Bonanza	0.0
1990 Beech F33 Bonanza	0.0
1986 Cessna 210 Centurion II	0.0
1986 Cessna 172P Skyhawk B	0.0
1985 Cessna 152 Commuter II	0.0
1990 Mooney 252 TSE	0.0
1990 Piper PA-28-236 Dakota	0.0
1990 Piper PA-28R-201 Arrow	0.0
1990 Piper PA-28-181 Archer II	0.0
1990 Piper PA-28-161 Warrior II	0.0

LEGACY MULTI ENGINE PISTON

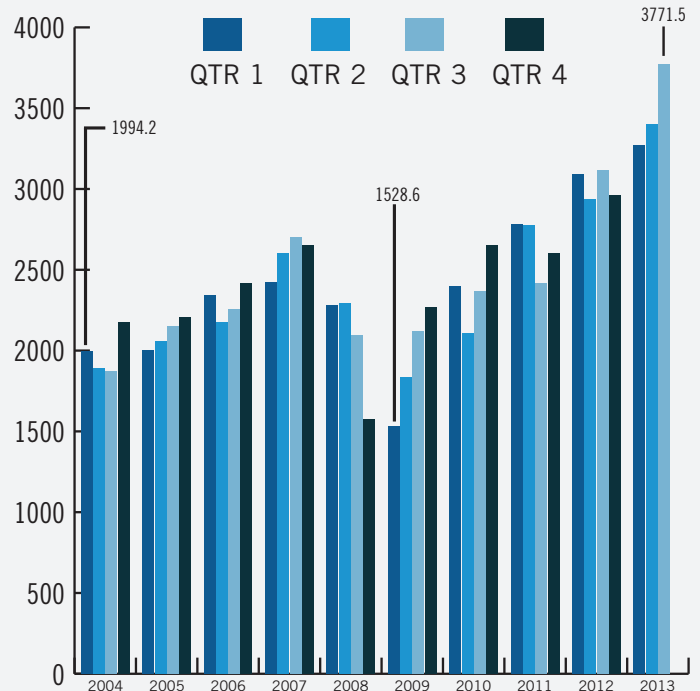


The Legacy Multi Engine Piston chart depicts the average price (in thousands) of the six aircraft listed. Each model's year will precede the name of the aircraft. Legacy Aircraft are those produced prior to the year 2000.

YEAR/MODEL	%CHANGE
1986 Beech 58P Pressurized Baron	0.0
1990 Beech 58 Baron	0.0
1985 Cessna 421 Eagle III	0.0
1981 Cessna 310R II	0.0
1982 Piper PA-310C Navajo	0.0
1990 Piper PA-34-220T Seneca III	0.0

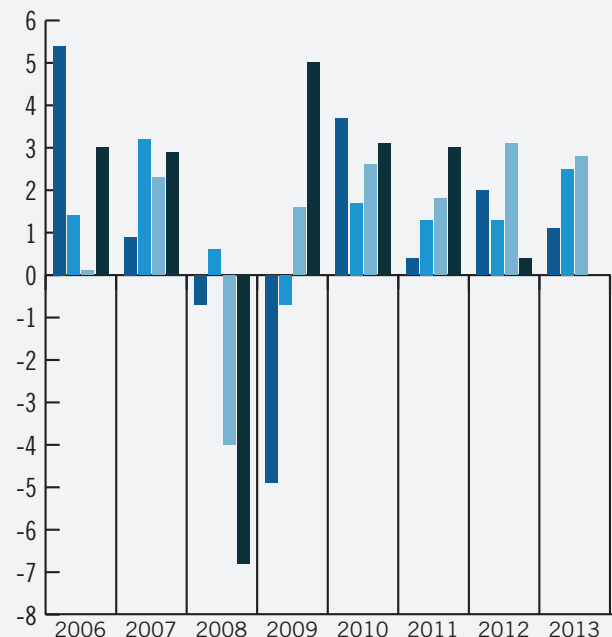
NASDAQ

Consider these graphs as crosschecks. The general aviation and business aircraft market does not operate in a vacuum but is a part of the bigger picture.



U.S. REAL GDP

Each data point represents the BEA's final figure or latest estimate of the quarter-to-quarter seasonally adjusted annual rates of change in real GDP "based on chained 2005 dollars." The study begins with the first quarter in 2006.

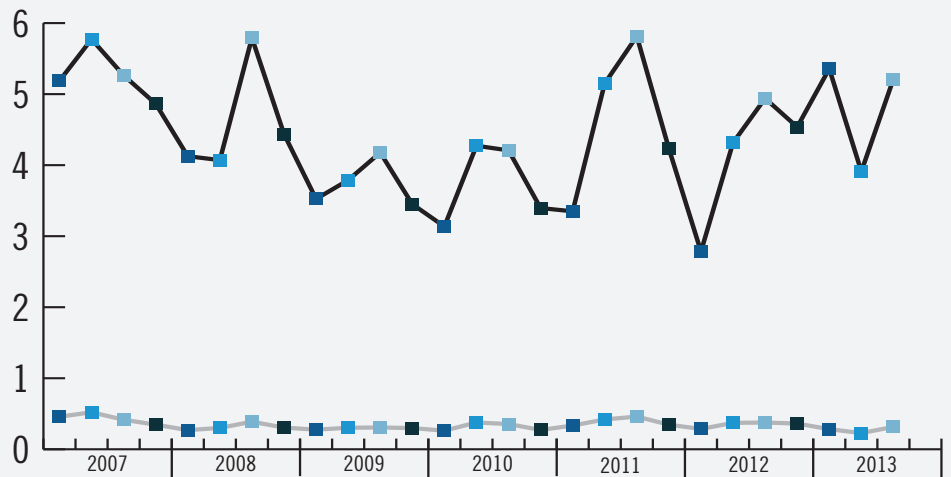


CHANGE OF STATUS: SINGLE/MULTI

The black line in the chart depicts change-of-status data for singles. The light gray line represents multi.

Single: 5212
Multi: 315

QTR 1 QTR 2 QTR 3 QTR 4

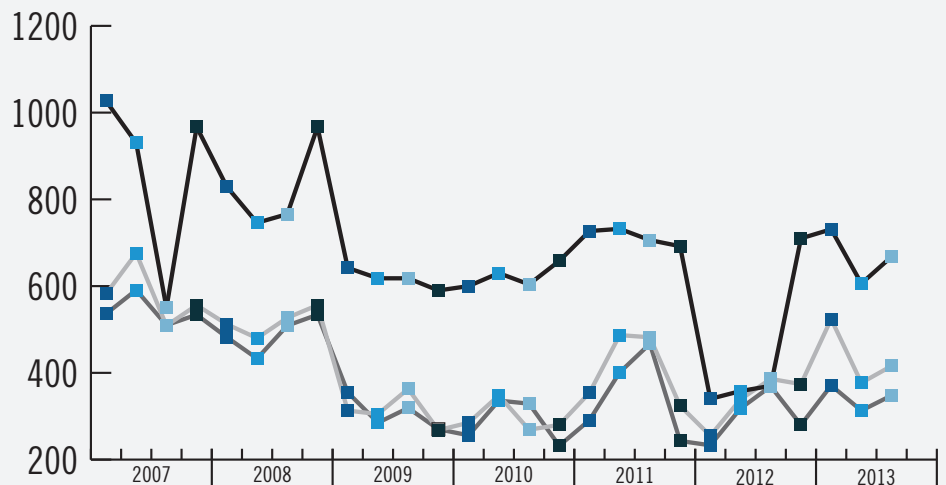


CHANGE OF STATUS: JET/TURBO/HELI

The black line in the chart represents change-of-status information for jets. The light gray line depicts turboprops, while the dark gray line represents helicopters.

Jet: 668
Turboprop: 416
Heli: 348

QTR 1 QTR 2 QTR 3 QTR 4

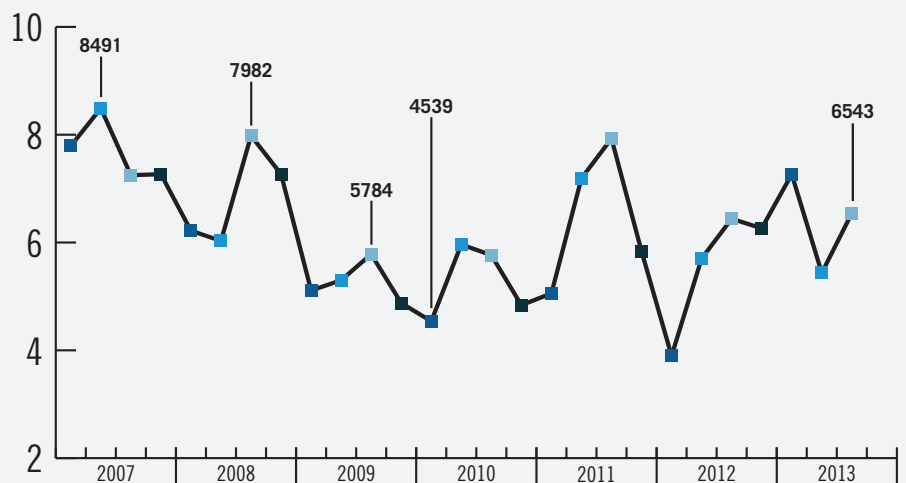


CHANGE OF STATUS: TOTAL MARKET

Depicts change-of-status data for all aircraft included in the Aircraft Bluebook. The numbers are from the FAA Registry. Gliders, homebuilts, airliners and other aircraft not found in the Bluebook are not included in this study.

Total Market

QTR 1 QTR 2 QTR 3 QTR 4



INTO THE BLUE

Aircraft Bluebook At-a-Glance

Cessna Mustang

By Chris Reynolds, ASA | Aircraft Bluebook-Price Digest®

Aircraft Bluebook-At-a-Glance has reviewed the current market status of the Cessna Mustang series aircraft. Research for this study was obtained, in part, from Aircraft Bluebook, Aircraft Bluebook's Historical Value Reference, the FAA's registry web site and various trade publications.

Demand

According to AMSTAT and FAA records, the active Cessna Mustang fleet is approximately 450 aircraft. At the time this article was written, more than 30 various year models of the Mustang were for sale in the marketplace, representing approximately seven percent of the total fleet.

Pricing

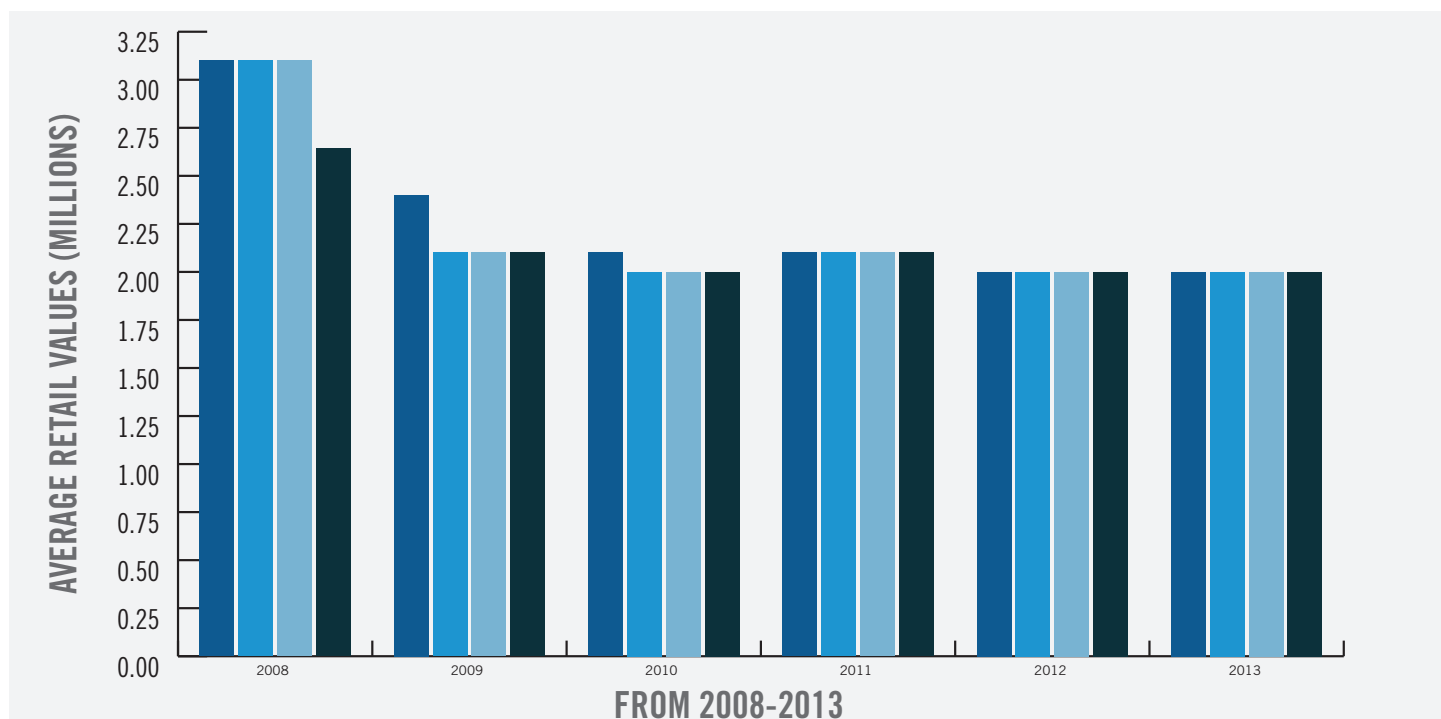
Current offerings for the Mustang range in asking prices from \$1,100,000 to low \$3,000,000. The average airframe time for a five-year-old model appears to be approximately 600 to 900 hours. Over the last 12 months approximately 50 Mustang transactions have occurred with an average time on market of around 160 days. The Winter 2013/14 Aircraft Bluebook lists a 2008 Cessna Mustang with a reported retail price of \$2,000,000.

Residual Values

A 2008 Cessna Mustang, with market values being tracked since the first quarter of 2008, was reported new with an average equipped price of \$2,643,000. During the first half of 2008 values actually exceeded factory pricing, but in the fourth quarter values quickly eroded. Aircraft Bluebook's Historical Value Reference has demonstrated the Cessna Mustang's market value performance by quarter in the graph for the 2008 model.

Other historical values can be obtained at Aircraft Bluebook's web site, www.aircraftbluebook.com

AVERAGE RETAIL VALUES



FROM 2008-2013

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2008	\$3,100,000.00	\$3,100,000.00	\$3,100,000.00	\$2,643,000.00
2009	\$2,400,000.00	\$2,100,000.00	\$2,100,000.00	\$2,100,000.00
2010	\$2,100,000.00	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00
2011	\$2,100,000.00	\$2,100,000.00	\$2,100,000.00	\$2,100,000.00
2012	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00
2013	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00

WHAT'S NEW IN ABB

- Updated Airworthiness Directives
- Updated maintenance programs

AIRCRAFT BLUEBOOK AROUND THE GLOBE

NBAA Schedulers & Dispatchers, New Orleans, Louisiana; January 14 – 17, 2014

The premier event for Schedulers & Dispatchers and the suppliers who support this critical role in successful flight department management

National Aircraft Finance Association (NAFA) Annual Conference, Ft. Lauderdale, Florida; April 9 – 14, 2014

The National Aircraft Finance Association is a non-profit corporation dedicated to promoting the general welfare of individuals and organizations providing aircraft financing and loans secured by aircraft; to improving the industry's service to the public; and to working with government agencies to foster a greater understanding of our members' needs.

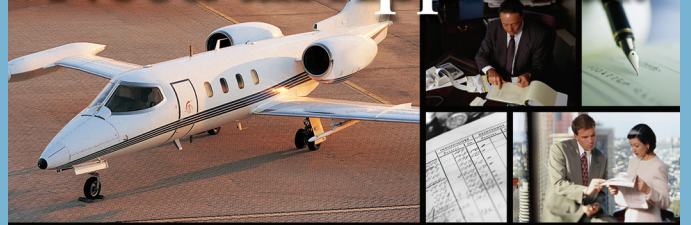
Asian Business Aviation Conference & Exhibition (ABACE), Shanghai, China; April 15 – 17, 2014

ABACE is the region's largest show dedicated strictly to showcasing business aviation products and services to thousands of the region's top business leaders, entrepreneurs, wealth creators and other purchase decision-makers.

European Business Aviation Convention & Exhibition (EBACE), Geneva, Switzerland; May 20 – 22, 2014

EBACE, jointly hosted each year by the European Business Aviation Association (EBAA), the leading association for business aviation in Europe, and the National Business Aviation Association (NBAA), the leading voice for the business aviation industry in the United States, is the premier annual meeting place for the European business aviation community.

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| Diminution of Value



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