

Good Start for New Year in Used Aircraft Market

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Aircraft Bluebook - Price Digest 

Have you ever been involved in an incident when you actually made the news?

I have. No, nothing in my life as the editor of Aircraft Bluebook-Price Digest has been particularly newsworthy. But in my previous life as a 25-year veteran in law enforcement with the Kansas City, Mo., Police Department, I sure can relate.

In some cases, what I experienced in a particular incident and what I later read in the news about the same incident did not match my personal experiences in the unfolding events. Not to knock any journalists for their reporting skills, I am making the point that it is hard to report third-hand information.

Instead of reviewing market statistics to summarize business aircraft activity, I'm going to shoot from the hip, so to speak, and generalize my personal experiences with those I have been in direct contact with who were directly involved with an aircraft transaction.

Business has improved. The only downside to making the deal happen is that the values of yesterday in some aircraft markets are not making a comeback. Breaking it down, late-model, long-range large-cabins are competitive. I can say this because reported values are not skidding downhill. They are holding steady if not improving. Time and condition do impact value.

Looking at the mid-cabin class, sales are also rebounding, but pricing, not so much. Yesterday's sale price is stronger than today's. It is what it is.

Light jets and VLJs tell the same story as the mid-cabin class. Turboprops, the muscle of short hops, heavy loads and limited runway environments, are showing a good steady trend of transactions. On the topic of values, what these turboprops are worth today will be a little less tomorrow. If I had to give it a name, I would call it *standard depreciation*. That alibi will just about work anywhere.

Purchasing piston-powered aircraft is like buying a car. Who in their right mind would buy a new car as an investment? Reported transactions seem to follow my rationalization. I could not find one person who bought a piston-powered aircraft for an investment but plenty who bought for business use and even a few — very few — who bought for personal recreation. No discoveries were noted with values improving, but again, there were plenty of sales.

I have been with the Bluebook for a dozen years now. Reporting on values would be difficult if not for the good support I get from all of you in the trenches making transactions happen. My sincere thanks and gratitude.

Jet

Bluebook-at-a-glance

| | |
|-----------------|-----|
| Increased | 3 |
| Decreased | 534 |
| Stable | 378 |

Early model Citation Xs were down this quarter. The Citation Mustang gained \$100,000 when compared to the winter quar-

ter. The late-model, long-range, large-cabin-class business jets remained stable for yet another quarter. Mid-range cabin business jets were off slightly again this quarter. Check your Bluebook for specifics.

Turboprop

Bluebook-at-a-glance

| | |
|------------------------|-----|
| <i>Increased</i> | 0 |
| <i>Decreased</i> | 70 |
| <i>Stable</i> | 530 |

The turboprop market displayed little movement in values when compared to the previous quarter. Prices, still softer than previous reporting periods, were not eclipsed by the sales volume of aircraft.

Multi

Bluebook-at-a-glance

| | |
|------------------------|-----|
| <i>Increased</i> | 12 |
| <i>Decreased</i> | 38 |
| <i>Stable</i> | 605 |

In the multi-engine category, sales reports were better than what Bluebook received for the previous quarter. Quantity was higher while values remained fairly stable.

Single

Bluebook-at-a-glance

| | |
|------------------------|------|
| <i>Increased</i> | 133 |
| <i>Decreased</i> | 280 |
| <i>Stable</i> | 2095 |

There was a slight increase in values of the Beechcraft Bonanza 36 series. Reported retail values were slightly higher than the winter Bluebook values. Take a look in the Bluebook to see if your aircraft got the positive bump in value this quarter. Ag piston aircraft values increased this reporting period as well.

Helicopter

Bluebook-at-a-glance

| | |
|------------------------|-----|
| <i>Increased</i> | 33 |
| <i>Decreased</i> | 79 |
| <i>Stable</i> | 942 |

This market is all about time and condition. Overall, rotary market sales have been nearly the same in the value range when compared to recent Bluebook retail values.

Aircraft Bluebook – Price Digest here for you

Please contact Aircraft Bluebook if you have any specific concern in a particular aircraft market. We will be happy to share with you the most up-to-date information available for your market segment. Call us toll-free at 877-531-1450 or direct at 913-967-1913.



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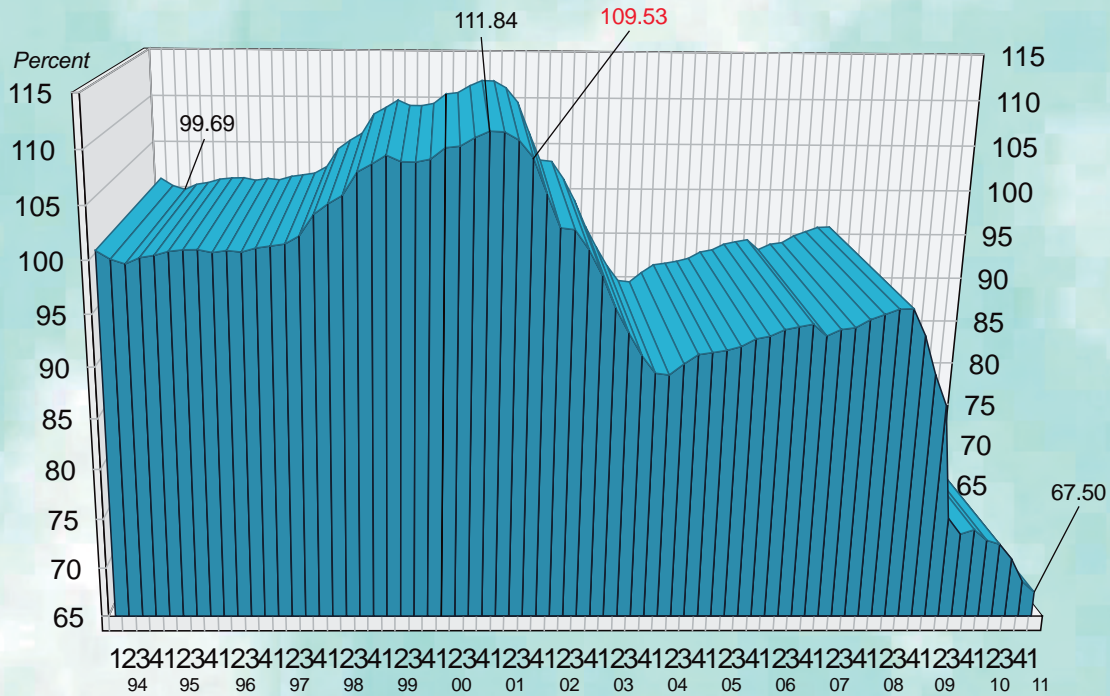


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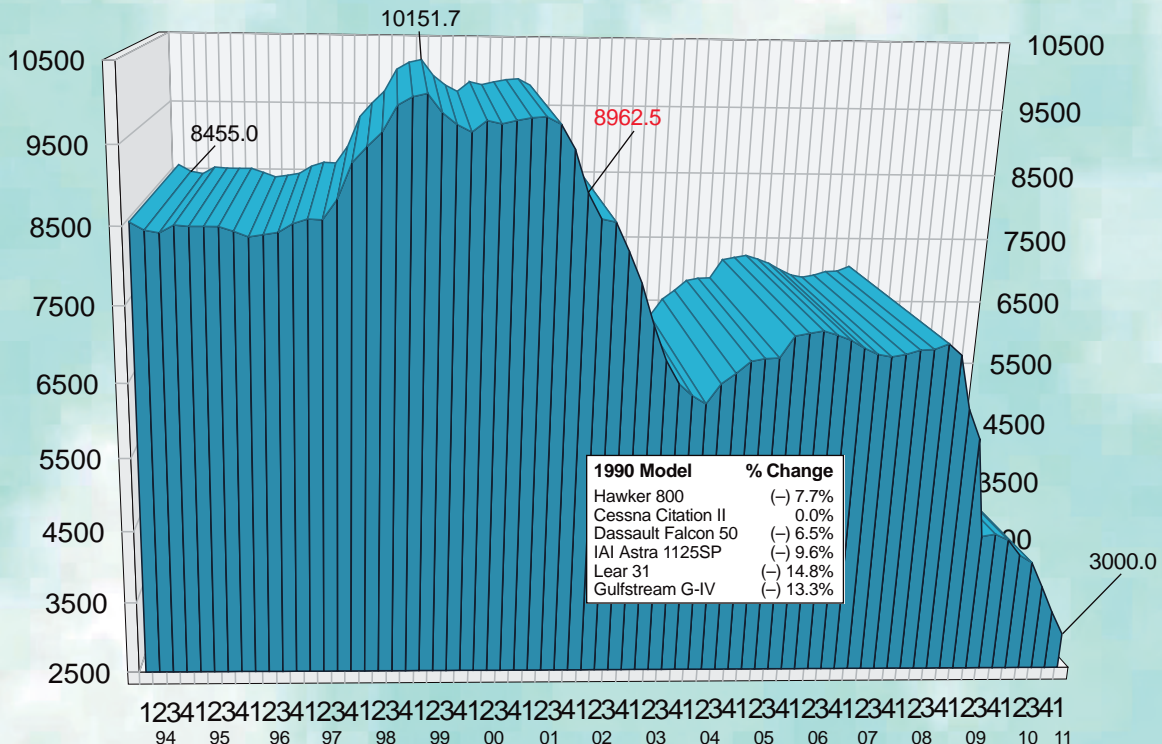
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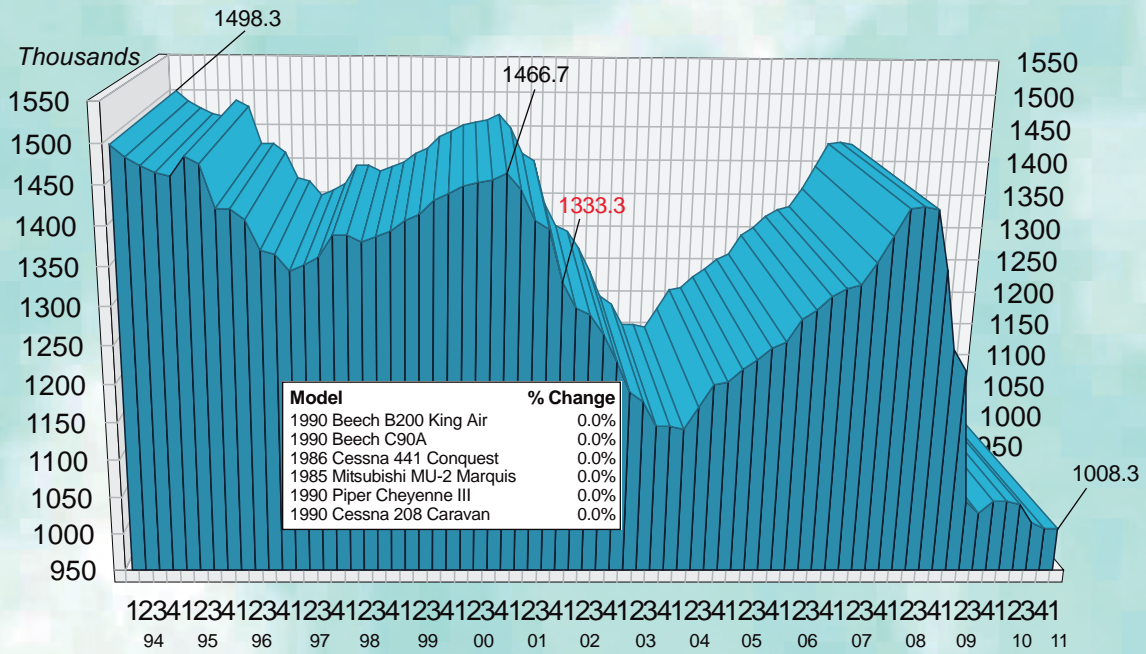
Used Aircraft Market. This chart displays each model's quarterly value in relationship to its average equipped price at the inception of the aircraft. The study begins in the Spring quarter of 1994 and includes the Jet, Turboprop, Multi, Piston and Helicopter. For all charts, the red number indicates the first reporting date after 9-11.

JET



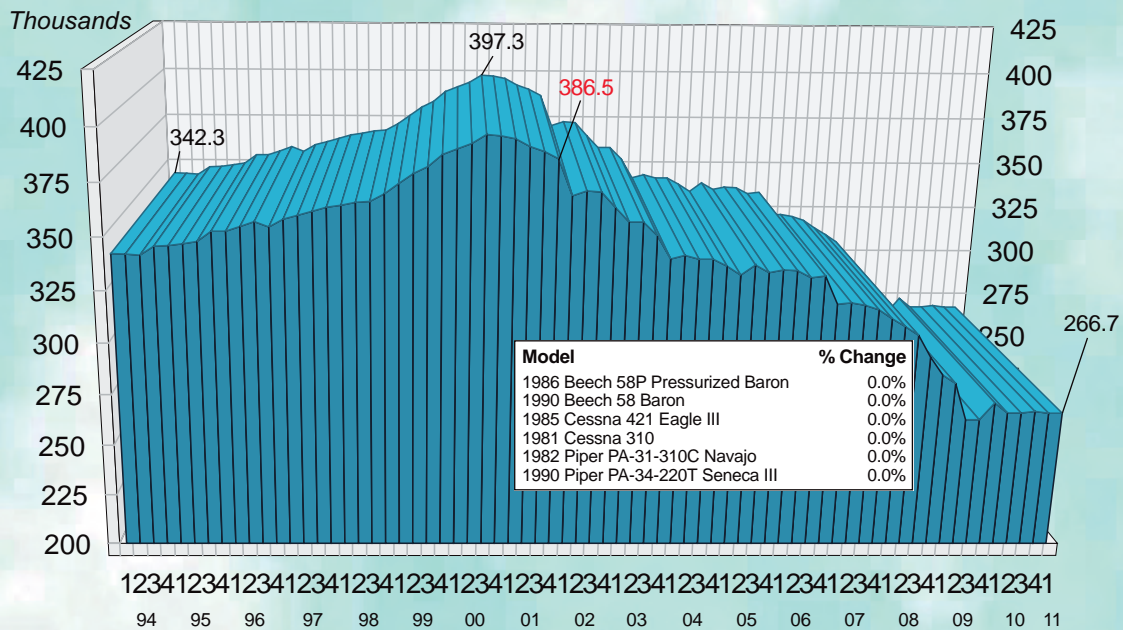
Jet. The jet chart depicts the average price (in thousands) of the six 1990 jets listed in the box.

TURBOPROP

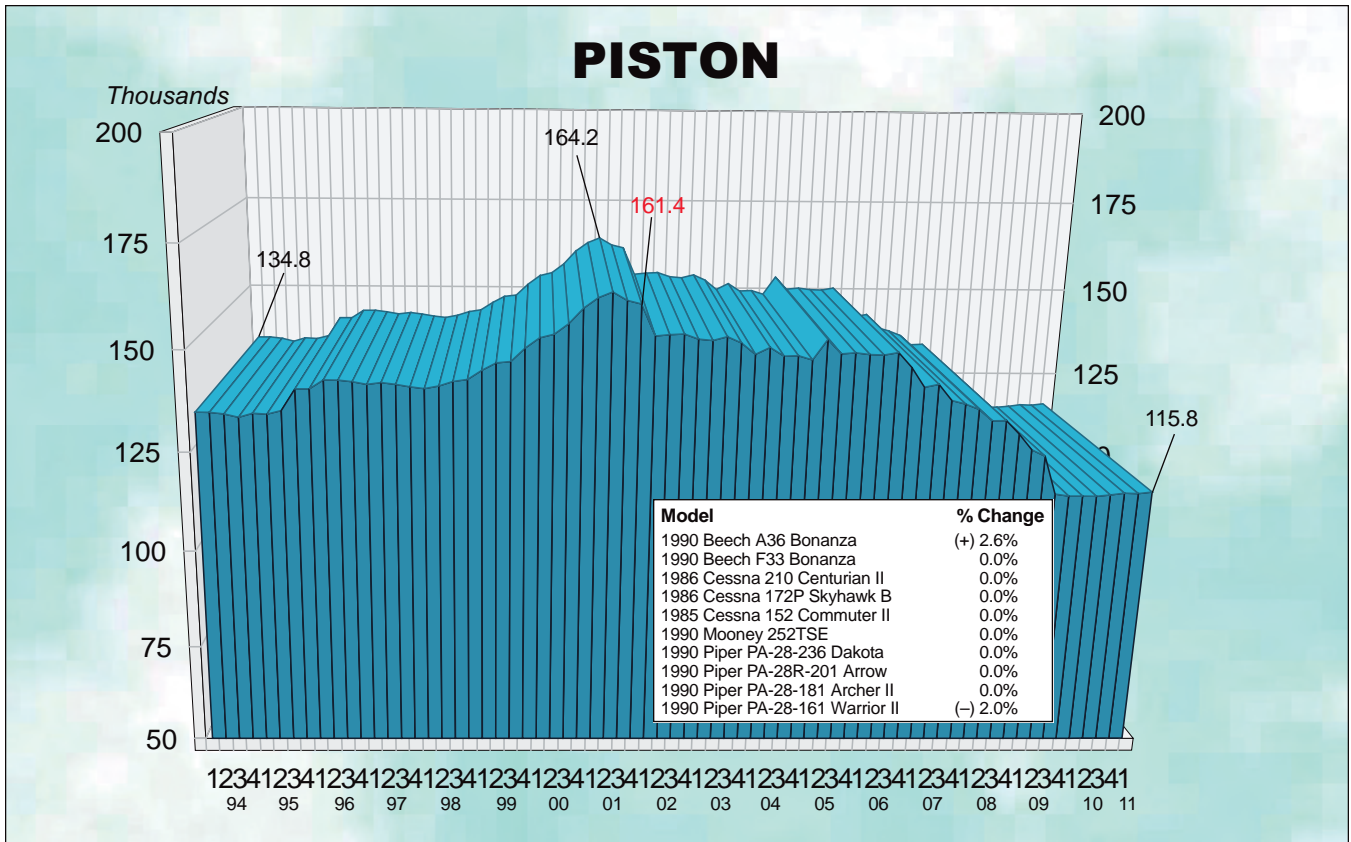


Turboprop. The turboprop chart depicts the average price (in thousands) of a 1985, 1986 and four 1990 turboprops listed in the box.

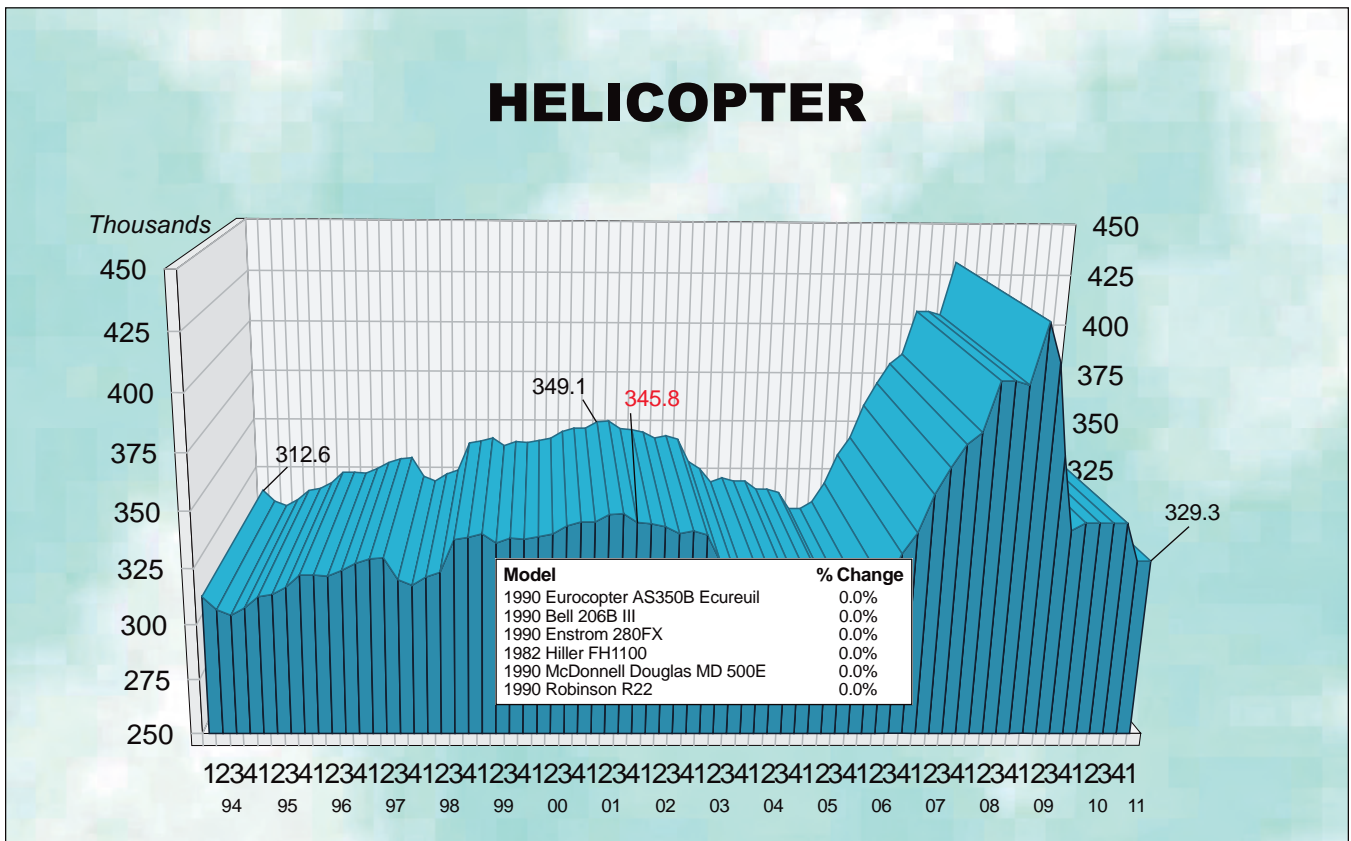
MULTI



Multi. The multi chart depicts the average price (in thousands) of the six multi models listed in the box. Each model's year will precede the name of the aircraft.

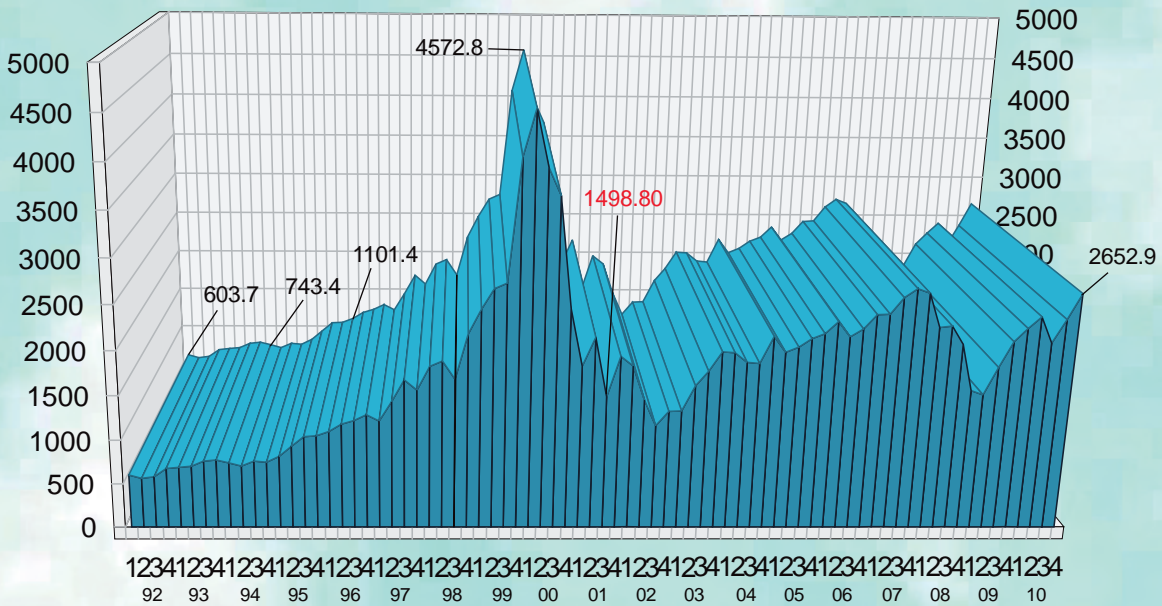


Piston. The piston chart depicts the average price (in thousands) of the 10 pistons listed in the box. Each model's year will precede the name of the aircraft.



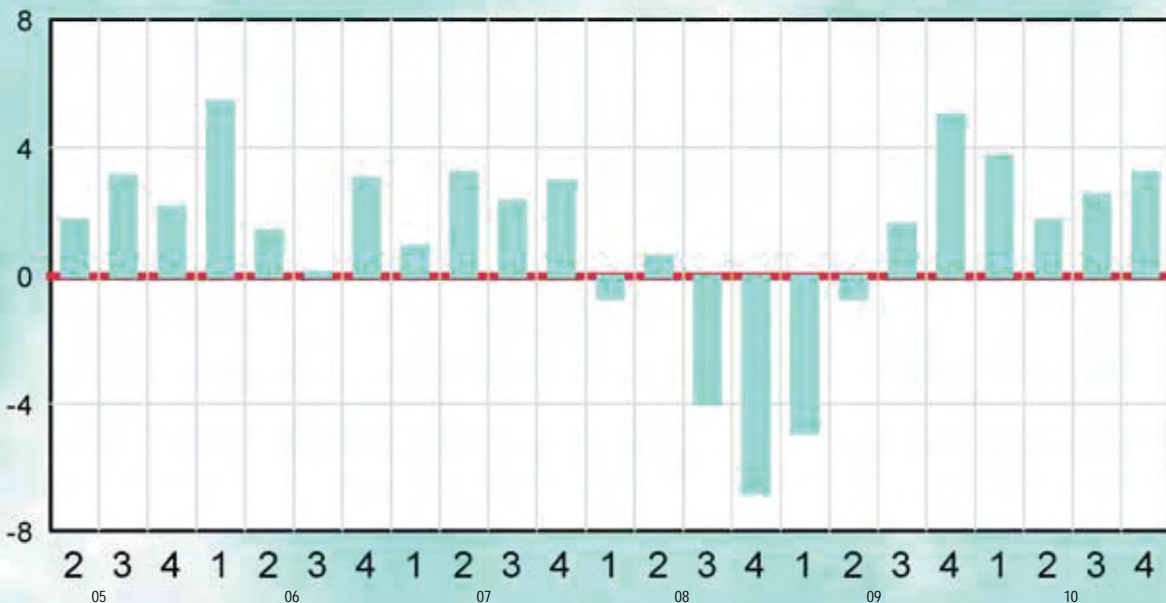
Helicopter. The helicopter chart depicts the average price (in thousands) of the six helicopters listed in the box. Each model's year will precede the name of the aircraft.

NASDAQ



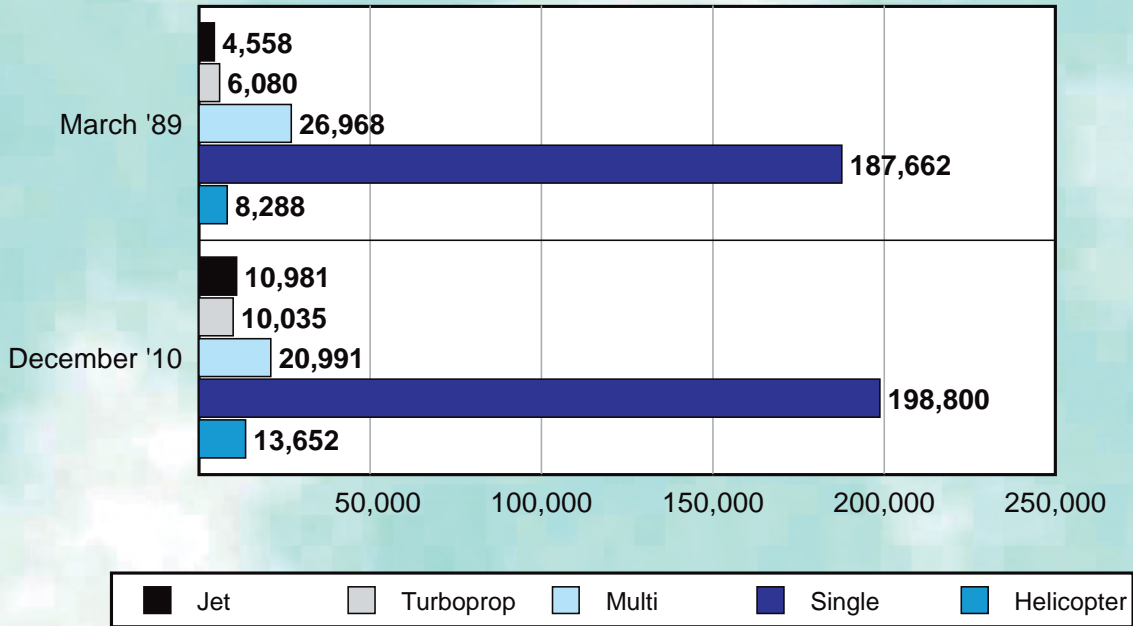
NASDAQ: This ratio scale chart depicts the change for the NASDAQ daily average from quarter to quarter beginning at the end of the first quarter of 1992. Each data point represents the closing daily average on the last trading day of each quarter. This study originates in the first quarter of 1971.

U.S. REAL GROSS DOMESTIC PRODUCT



U.S. Real Gross Domestic Product: This graph represents real gross domestic product measured by the U.S. Bureau of Economic Analysis. 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 second quarter in 2005.

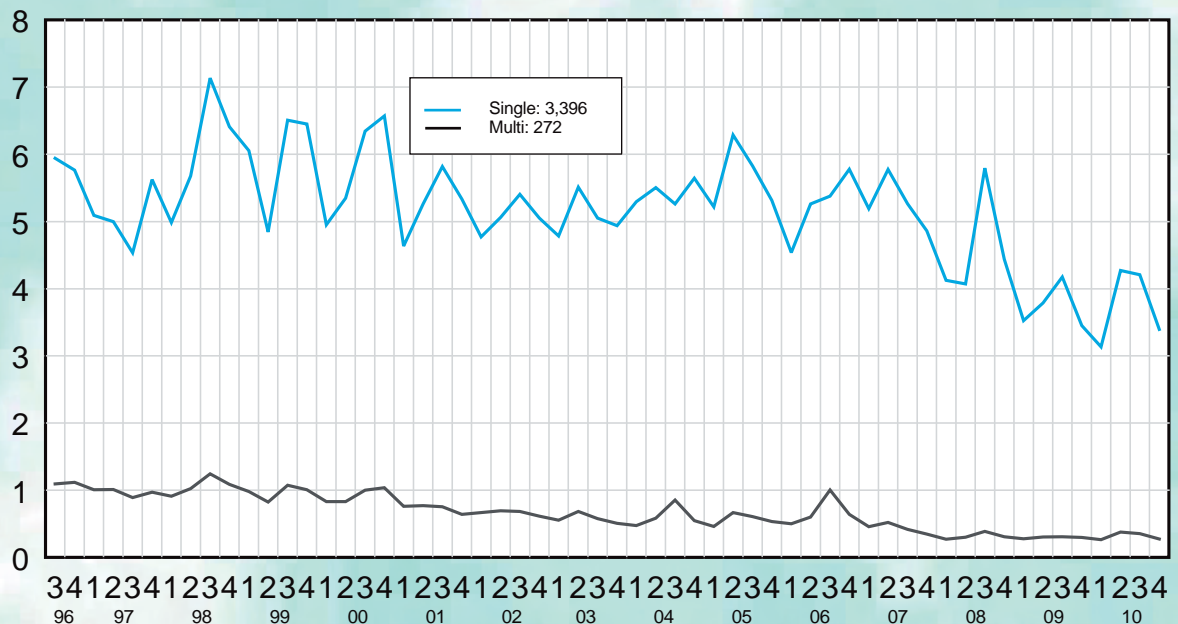
AIRCRAFT ON REGISTRY



Aircraft on Registry. The Aircraft on Registry chart depicts the number of aircraft reported in Aircraft Bluebook which are listed on FAA records and considered to be in the U.S. inventory.

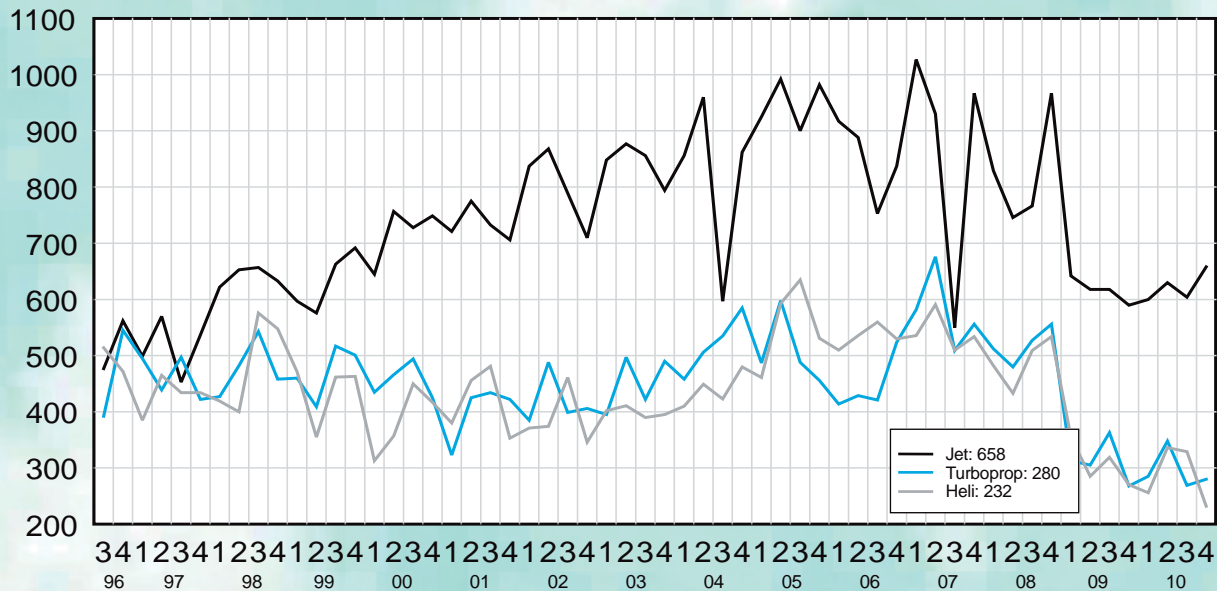
CHANGE OF STATUS SINGLE • MULTI

Thousands



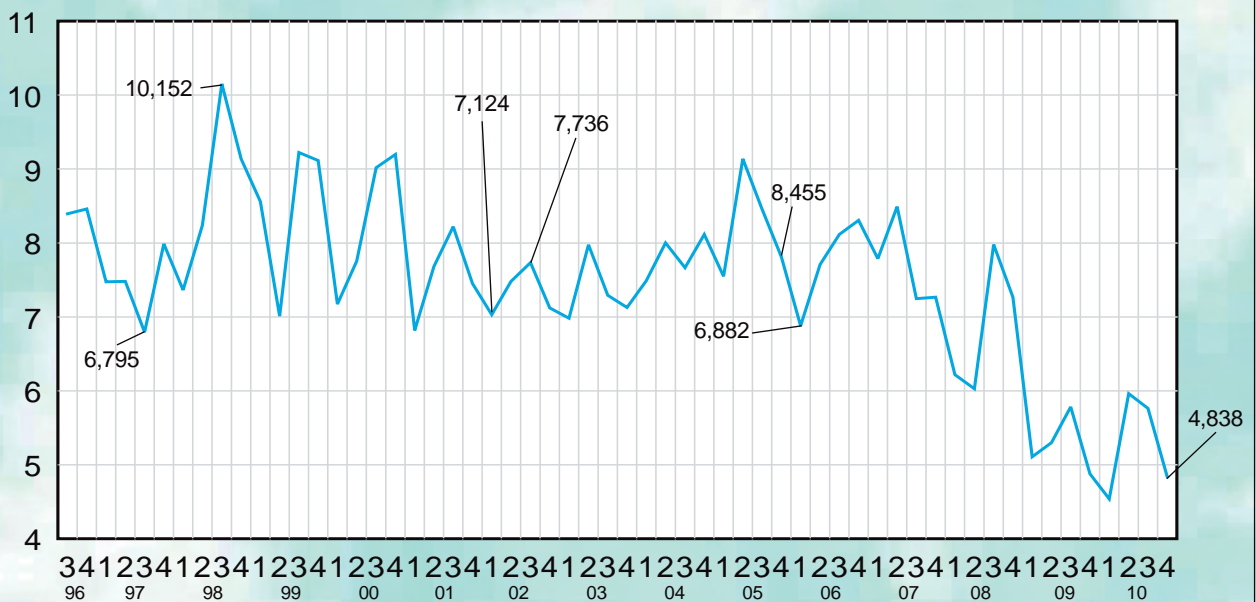
Single/Multi. The blue line in the Single • Multi chart depicts change-of-ownership data for singles. The black line represents multis.

CHANGE OF STATUS JET • TURBOPROP • HELI



Jet/Turboprop/Heli. The black line in the Jet • Turboprop • Heli chart represents change-of-ownership information for jets. The blue line depicts turboprops, while the gray line represents helicopters.

CHANGE OF STATUS TOTAL MARKET



Total Market. Depicts change-of-ownership 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.