

Aircraft Bluebook
PRICE DIGEST

MARKETLINE

Vol. 20 No. 2 **NEWSLETTER**

Aircraft Sales Remain Stable Despite Economic Uncertainties

Orders for New Aircraft Remain Strong

Carl Janssens, ASA
Aircraft Bluebook – Price Digest



Seems like everywhere one turns these days, it is easy to cue in on the worst-case scenario revolving around the depressed U.S. real estate market and the subprime mortgage scandal. Still, by official definition, the United States does not fit the mold that would indicate an economic recession has occurred. As Johnnie Cochran, the well-known defense lawyer once said in a high-profile trial, “If the glove doesn’t fit, you must acquit.” His statement would fit well with those who want to doom our economy to a recession.

Sure, the U.S. economy is currently working through some uncertain economic woes, but keep in mind these concerns will mend in time. This is easy to predict because the United States is still the land of opportunity and resources. And every time we pull a U.S. dollar bill out of our pocket, we are reminded that the nation recognizes a higher authority in its commerce. Printed on every U.S. dollar bill in any denomination: “In God We Trust.”

at record paces. The aircraft market does not reflect the uncertainties of the general economy. Why is this? As one aircraft dealer summarized at the National Aircraft Resale Association meeting in May: “Think of the industrialization the United States experienced last century. That’s what the rest of the world is going through now.”

For pre-owned jets, it has been business as usual in this segment reported by Aircraft Bluebook. Some of the notable changes in this market segment include early-model Cessna 500 series with \$50,000 gains after a long run of nearly no movement. In the larger-cabin segment, Falcon 2000s generally were up another \$300,000. There is no inventory for the newest Falcon, the 7X, so who knows what the checkbook will reveal should one come up for sale?

Ten-year-old and newer aircraft still continue to sell at record paces with minimal time on market.

Jet

Bluebook-at-a-glance

<i>Increased</i>	100
<i>Decreased</i>	130
<i>Stable</i>	565

New orders for corporate jets are at an all-time high. There are no signs of a slow-down. Orders are not being dropped as waiting lists for new deliveries continue to grow

Turboprop

Bluebook-at-a-glance

<i>Increased</i>	44
<i>Decreased</i>	65
<i>Stable</i>	506

As one aircraft dealer noted, the current turboprop market is reflecting a normal economy. Inventories are stable, and interest in acquisitions remains steady. Aircraft Bluebook noted this stability. Prices did not show much activity moving in either direction in this reporting period. Of the few aircraft models that did see positive increases

in value, the list was pretty limited to predictable models. Some King Airs, P180s and the PC12 all contributed. Declines included the MU-2.

Multi

Bluebook-at-a-glance

<i>Increased</i>	4
<i>Decreased</i>	135
<i>Stable</i>	529

The multi market continued to be predictable. Well-equipped, low-time, late-model aircraft do not stay on the market long when offered in the resale arena. The same held true for earlier models that have low time and have recently been restored with upgraded avionics. The Aerostar was the only aircraft with noted increases, and even those were modest in the \$5000-\$10,000 range. In the negative, select models across the board were noted down several thousand dollars as well. Again, the majority of this market segment remained stable.

Single

Bluebook-at-a-glance

<i>Increased</i>	223
<i>Decreased</i>	148
<i>Stable</i>	2033

The single market continued to hold its own during this reporting period. Several dealers reported record sales activity during the first quarter of 2008. With the single market most exposed to the effects of an economy that is slowing down, sales continued. Again, with the little movement in values reported by Aircraft Bluebook, gains and losses were minimal when compared to the previous quarter. The majority of the market held steady.

Helicopter

Bluebook-at-a-glance

<i>Increased</i>	228
<i>Decreased</i>	26
<i>Stable</i>	676

Helicopter values remained strong during the first quarter of 2008. With manufacturers continuing to focus primarily on government contracts, the waiting list for new acquisitions continued to grow. Late-model helicopters with low component times are selling well. For turbine helicopters tracked by Aircraft Bluebook, gains were in the \$50,000-\$100,000 range with some of the elite twin-turbine class gaining several hundred thousand dollars when compared to the previous reporting period. Values for some Robinson models were down slightly from last quarter.

*Looking to Purchase
a Used Business Jet?*

SpeedNews®

THE SOURCE FOR AVIATION NEWS & INFORMATION



BUSINESS AIRCRAFT AVAILABLE

(online listings @ www.speednews.com • authenticated with serial numbers)

>700 Aircraft Now Listed: Free to List • Free to Browse

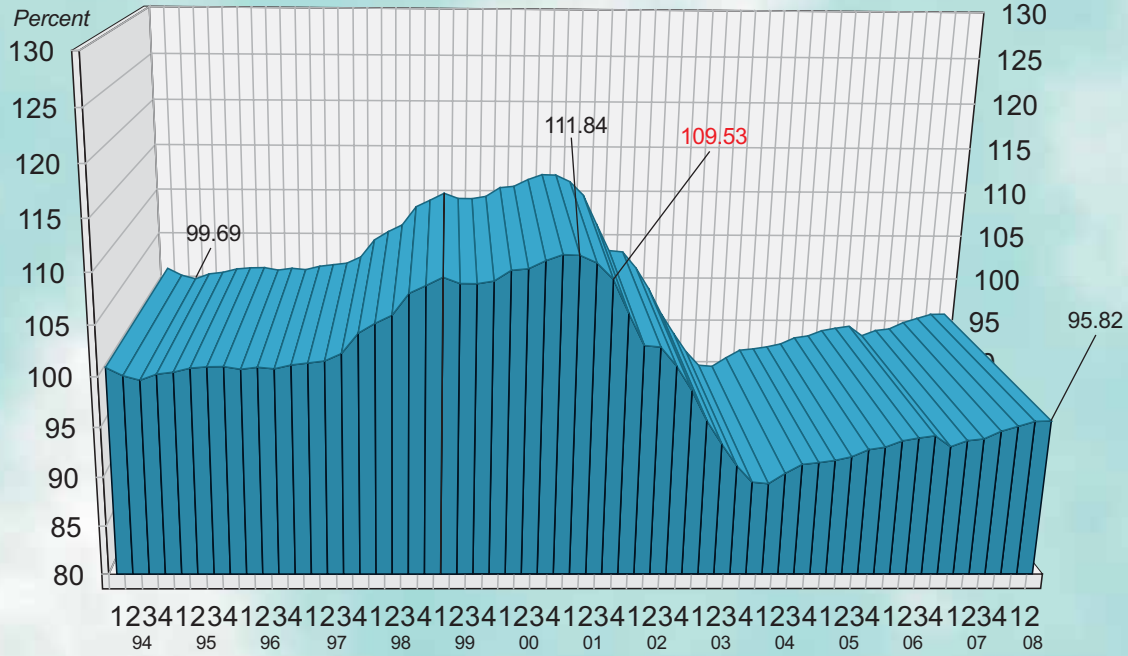
The listings range from airliner-derivatives such as an ACJ and BBJs to production slots for a G450, a Citation Mustang, a Learjet 40, and an Eclipse 500, to a wide variety of other airplanes including in-service business aircraft built by all of the top manufacturers, including Bombardier, Learjet, Gulfstream, Hawker, Beech, Cessna, Falcon, Dornier and IAI.



Aircraft Bluebook
PRICE DIGEST®

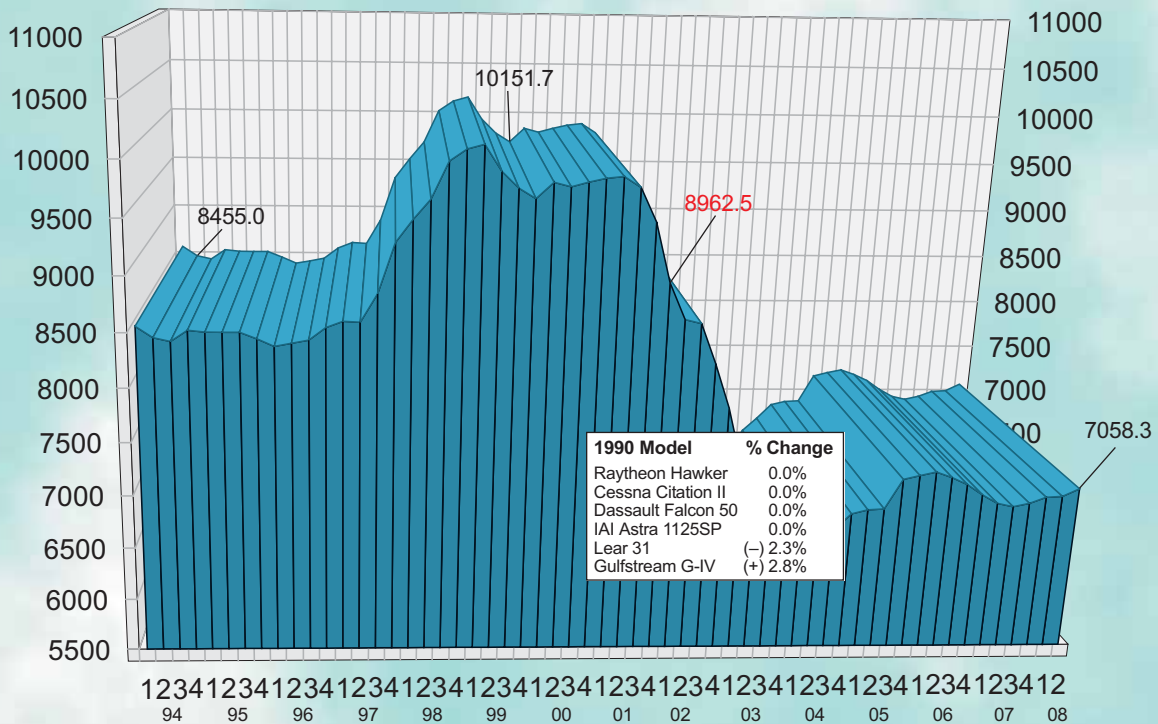
Subscribe to the Aircraft Bluebook
Marketline newsletter at the new
aircraftbluebookmarketline.com.

USED AIRCRAFT MARKET VALUE



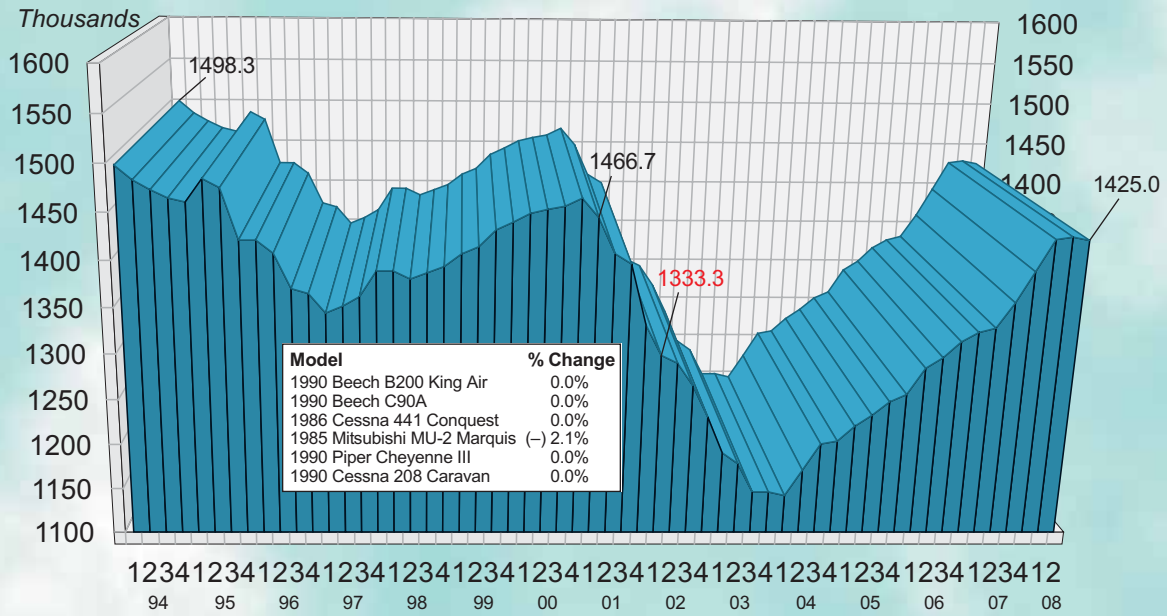
Used Aircraft Market. This chart displays each model's quarterly value in relationship to its average equipped price at the inception of the aircraft. The study begins in the Spring quarter of 1994 and includes the Jet, Turboprop, Multi, Piston and Helicopter. For all charts, the red number indicates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

JET



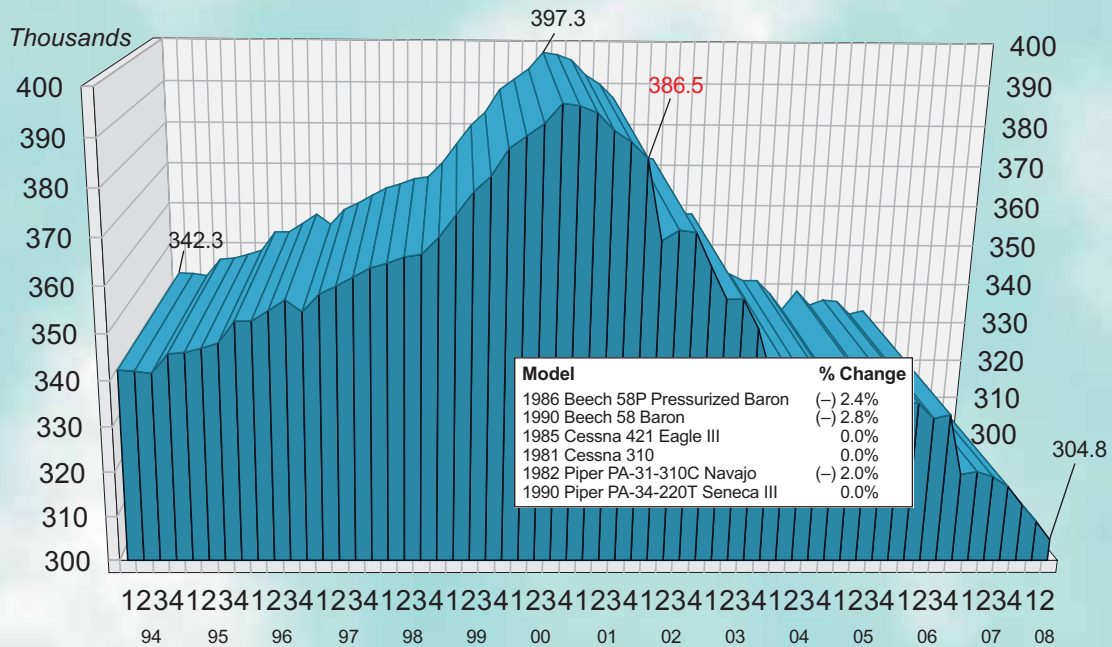
Jet. The jet chart depicts the average price (in thousands) of the six 1990 jets listed in the box.

TURBOPROP

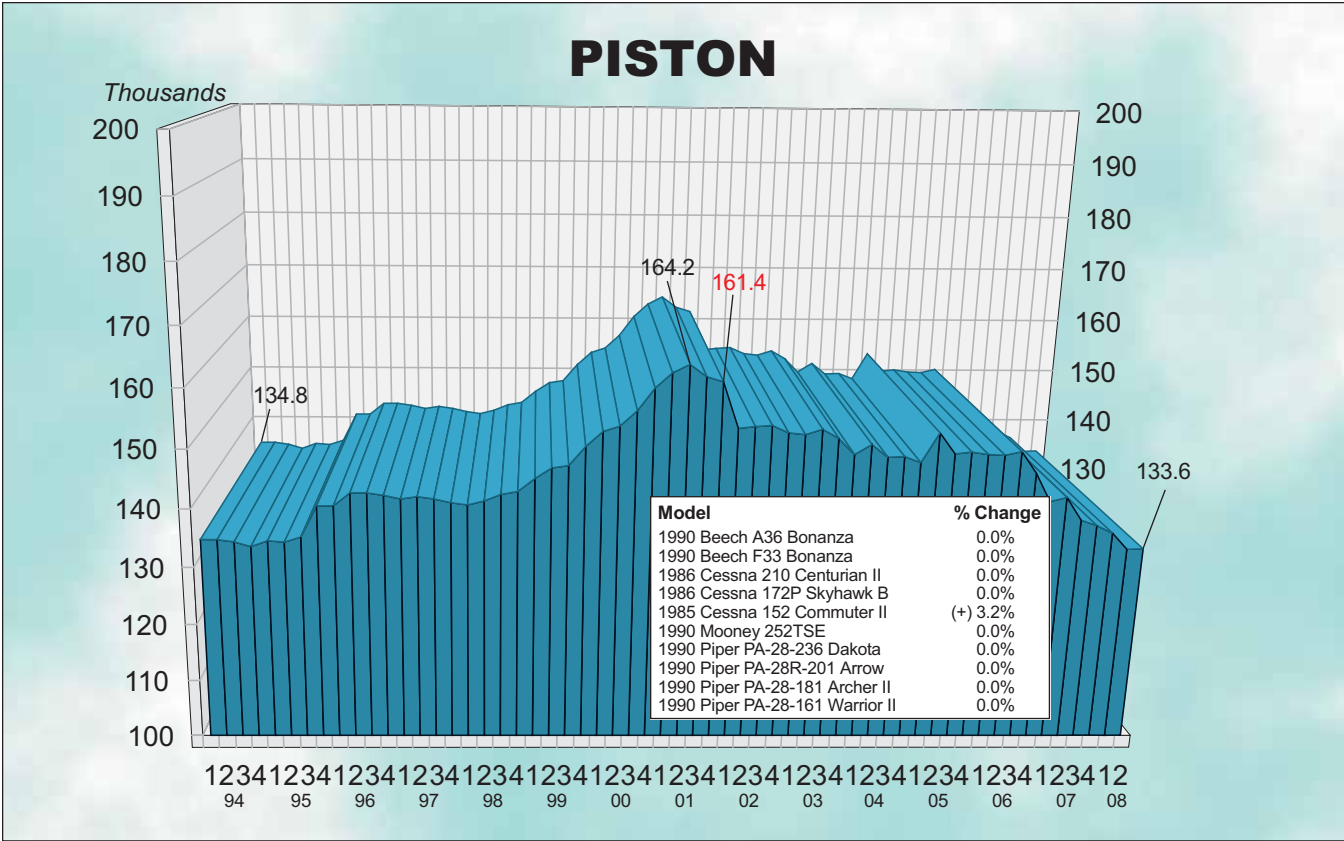


Turboprop. The turboprop chart depicts the average price (in thousands) of a 1985, 1986 and four 1990 turboprops listed in the box.

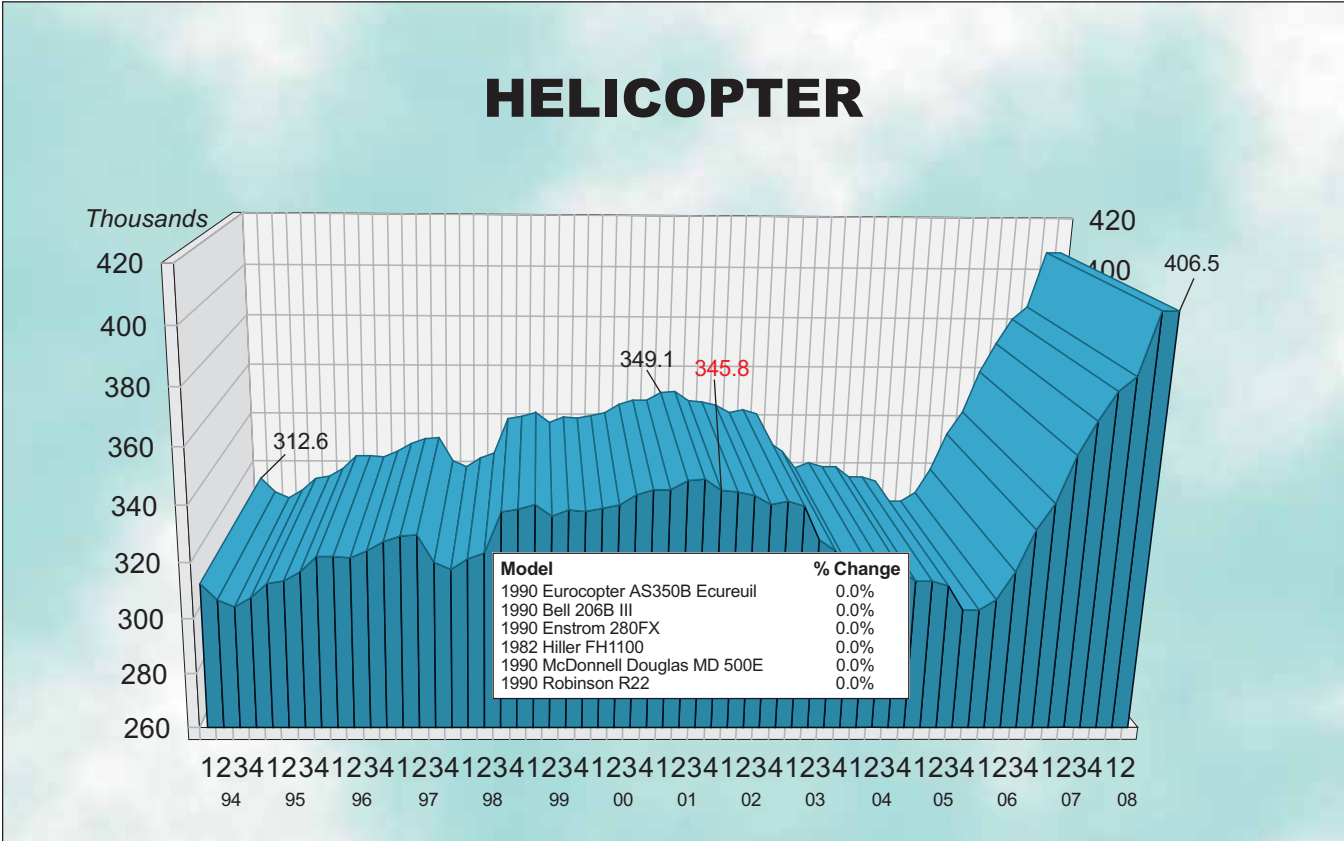
MULTI



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.

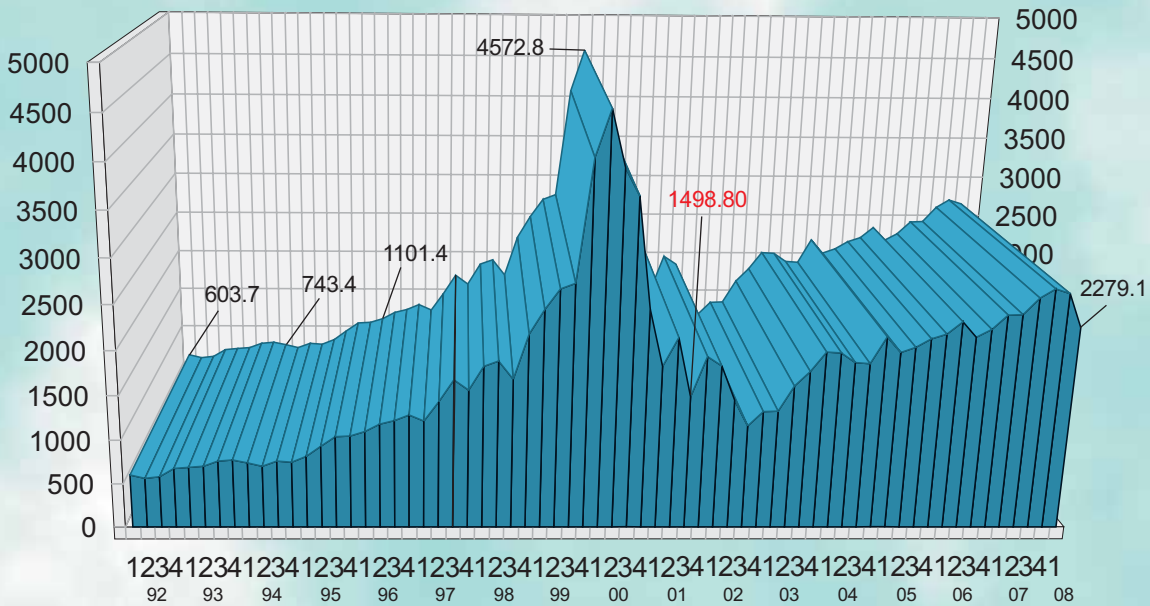


Piston. The piston chart depicts the average price (in thousands) of the 10 pistons listed in the box. Each model's year will precede the name of the aircraft.



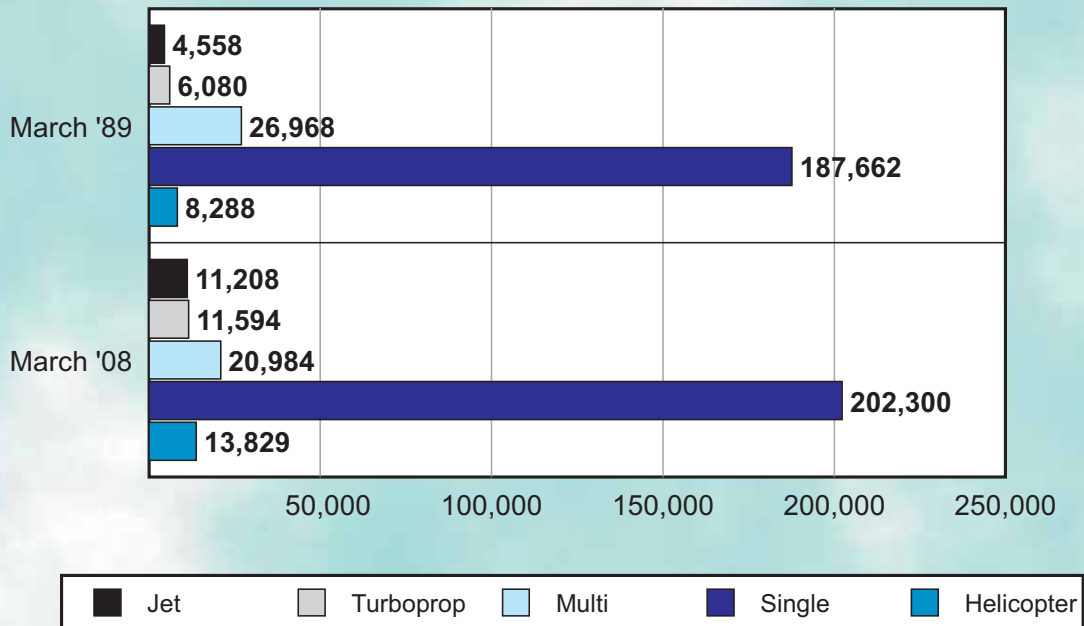
Helicopter. The helicopter chart depicts the average price (in thousands) of the six helicopters listed in the box. Each model's year will precede the name of the aircraft.

NASDAQ



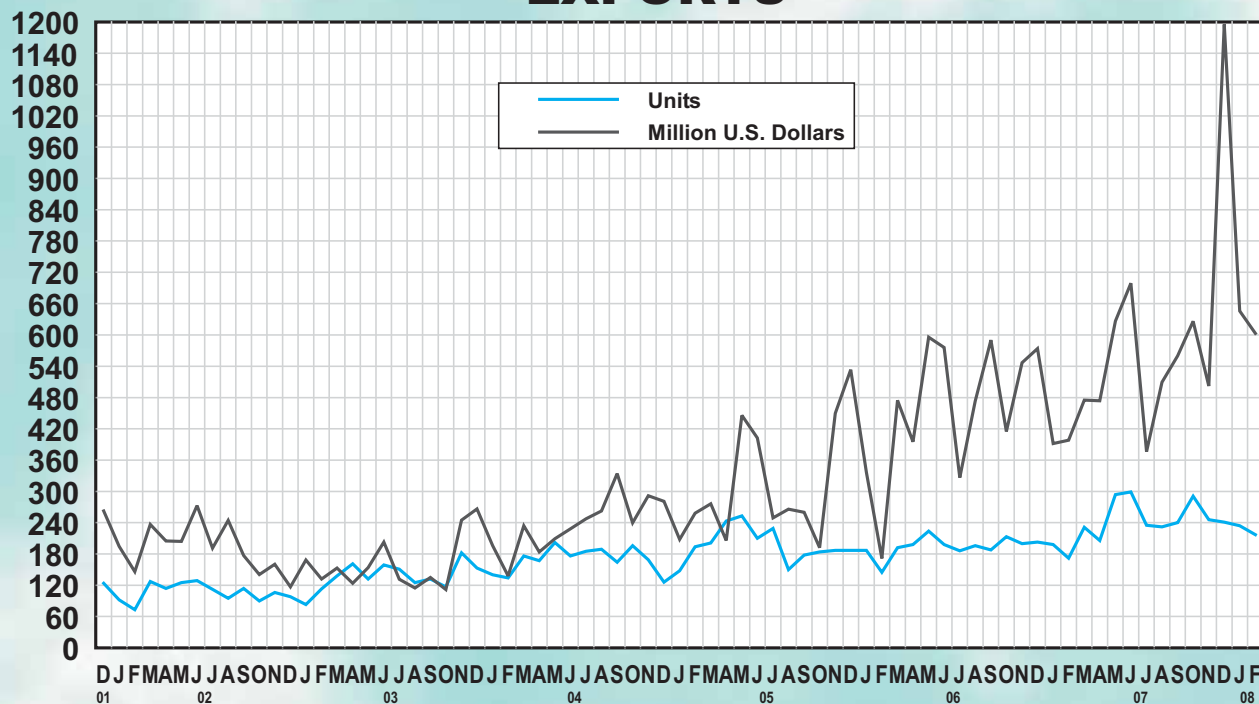
NASDAQ: This ratio scale chart depicts the change for the NASDAQ daily average from quarter to quarter beginning at the end of the first quarter of 1992. Each data point represents the closing daily average on the last trading day of each quarter. This study originates in the first quarter of 1971.

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.

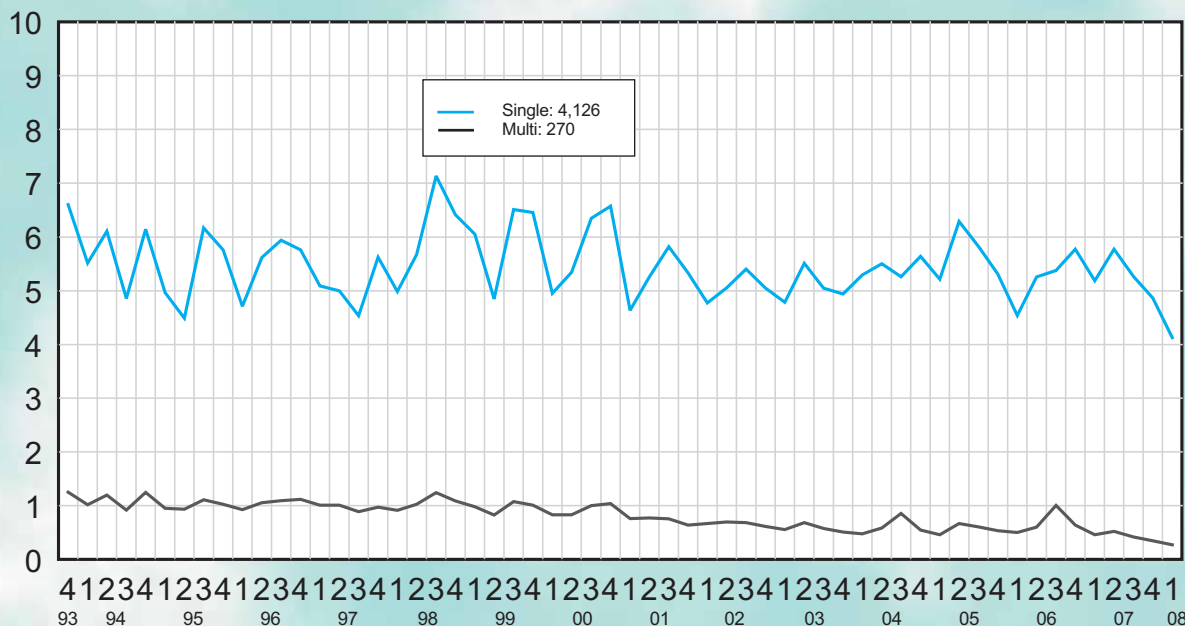
EXPORTS



Export Data. These numbers include both airplanes and helicopters. The numbers do not include aircraft that have empty weights in excess of 33,069 lbs.

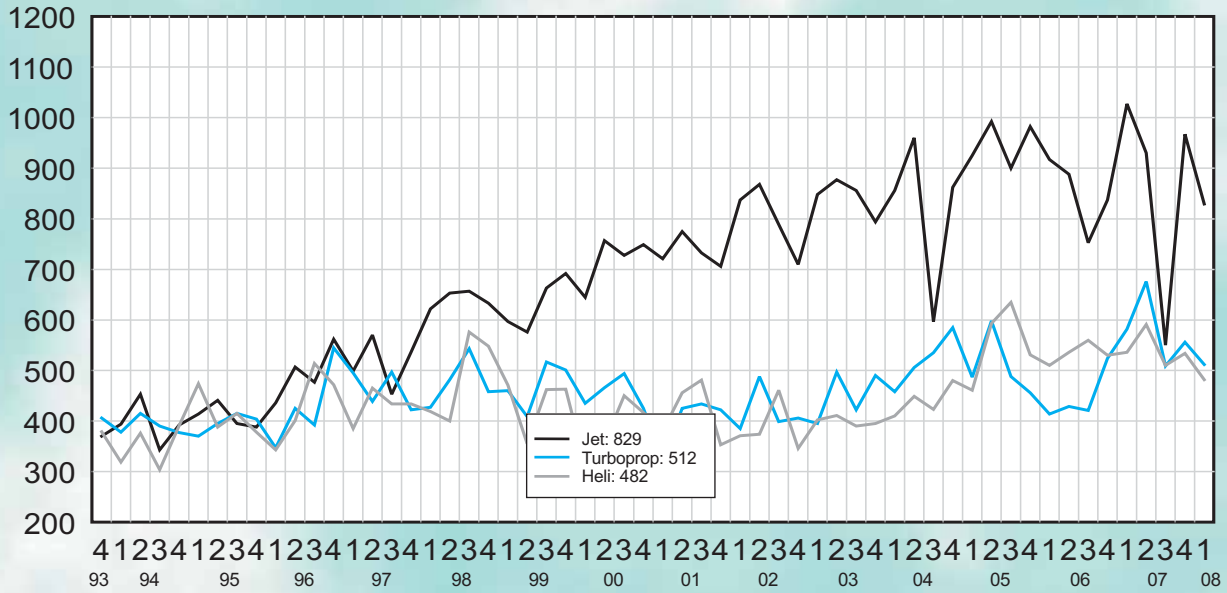
CHANGE-OF-OWNERSHIP SINGLE • MULTI

Thousands



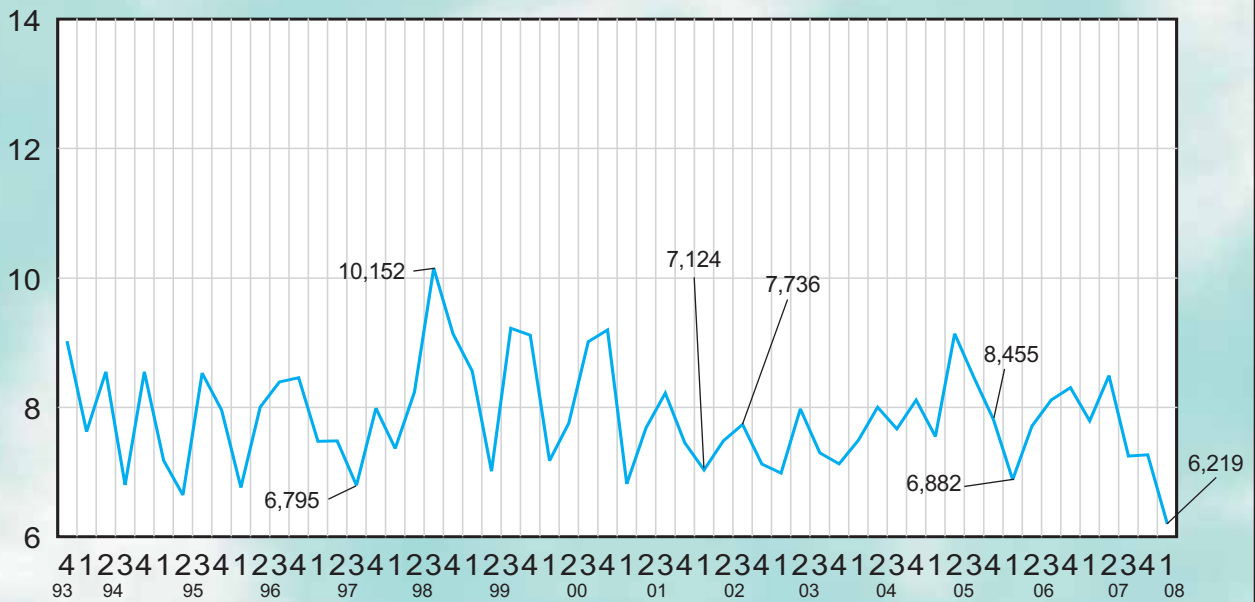
Single/Multi. The blue line in the Single • Multi chart depicts change-of-ownership data for singles. The black line represents multis.

CHANGE-OF-OWNERSHIP 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-OWNERSHIP 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.