



QS PARTNERS

INSIGHT

STATE OF THE MARKET

2021 Q2

PRE-OWNED BUSINESS JETS

Market Overview

Active Fleet	14,057
For Sale/Lease	694 ↓
% for Sale	4.9% ↓
Sold Year-to-Date	777
Sold Prior Year	419
Absorption Rate	5.4 Months

Market Rankings

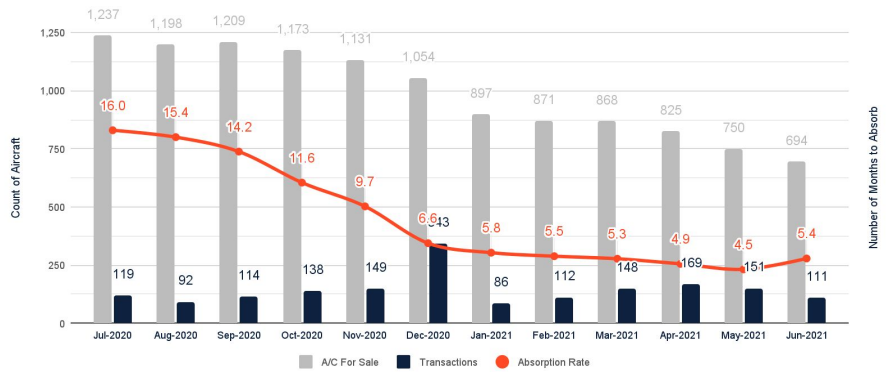
Excel	1	H850XP	31
H800XP	2	GL6000	32
Mustang	3	CJ1+	33
CJ3	4	Legacy 450	34
CJ4	5	CJ2	35
Phenom 100	6	CL605	36
G550	7	G280	37
Phenom 300	8	GL5000	38
Citation X	9	GV	39
M2	10	G200	40
Latitude	11	900EXEAsy	41
IVSP	12	900LX	42
CJ3+	13	Premier I	43
XLS+	14	Legacy 650	44
Lear 45	15	Encore	45
Legacy 600	16	CJ1	46
H900XP	17	Lear 60	47
CL 300	18	Lear 45XR	48
CL 350	19	G150	49
2000EXEAsy	20	Lear 60XR	50
G450	21	Encore+	51
XLS	22	Lear 75	52
CJ2+	23	Premier IA	53
Sovereign	24	900EX	54
G650ER	25	Sovereign+	55
CL604	26	Falcon 2000	56
CL650	27	7X	57
Legacy 500	28	GL EXP	58
2000LX	29	GL XRS	59
G650	30	2000EX	60

*Competitive Market Rank is a measure of each model's market performance in key metrics relative to the average of the top 60 modern business jet markets, and is based on current month market and the last 6 months of transaction data.

Market Highlights

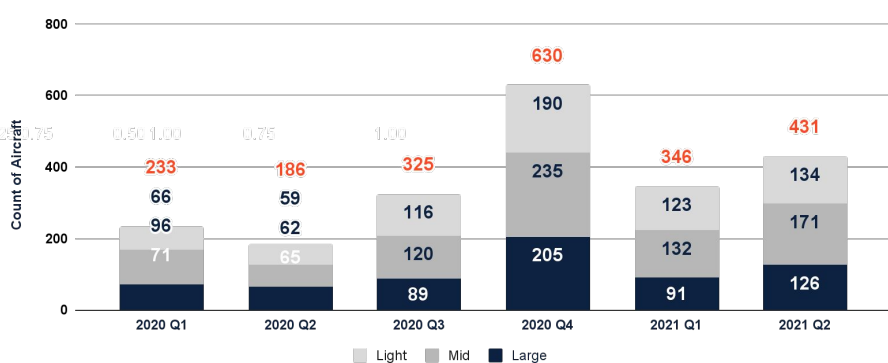
- Unprecedented demand and record Q2 transaction volume has reduced inventory levels across all market segments to the lowest levels ever recorded.
- Late-model, current generation aircraft have been the biggest beneficiaries of the resurgence in new aircraft orders, with values up significantly and inventory levels of less than 3.5%.
- Record aircraft utilization, historic charter demand, and first-time buyers continue to fuel the markets. Absent a systemic shock, values will continue to trend higher as inventory remains constrained.

12 MONTH MARKET TREND

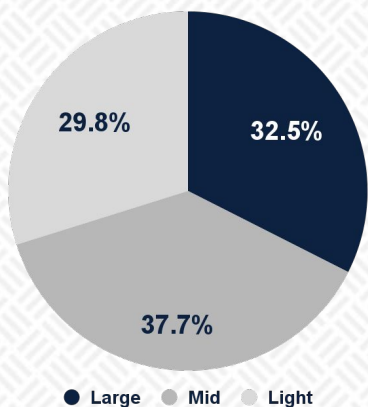


YTD	Inventory	Transactions	Absorption Rate
2020	1229	419	17.6
2021	694 ↓ -44%	777 ↑ 85%	5.4 ↓ -70%

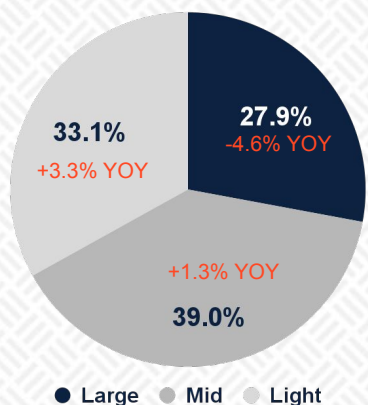
TRANSACTIONS BY QUARTER AND CABIN CLASS



TRANSACTIONS BY CABIN CLASS (2020)



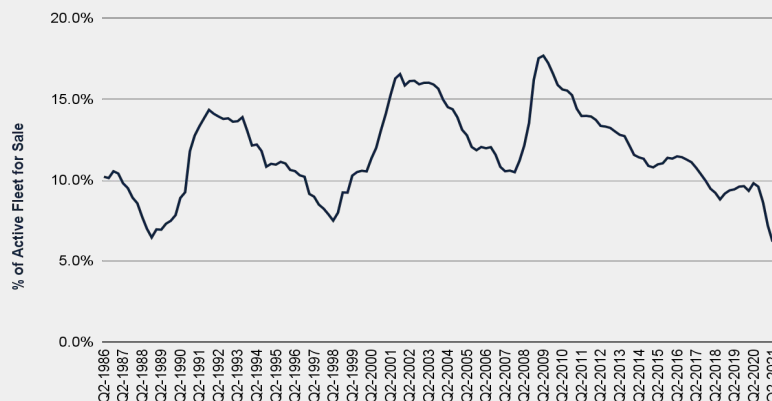
TRANSACTIONS BY CABIN CLASS (2021)



Market Values

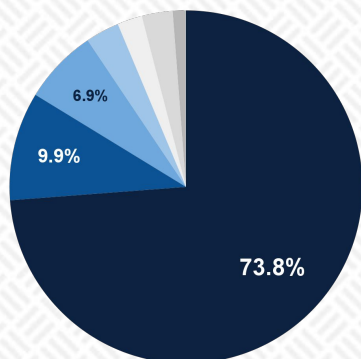
- Aircraft values are up approximately 10% across all market segments YTD, with some markets up as much as 8% in the past 90 days.
- Thanks to a dramatic increase in new aircraft orders and the resultant OEM backlogs, many of which extend well into 2022, late model (less than 5 years old) aircraft have experienced the strongest increase in values, with some markets up over 13% YTD.
- Rising values show no signs of slowing thanks to continued strong demand and limited North American and European inventory.

A Historic Pre-Owned Jet Market



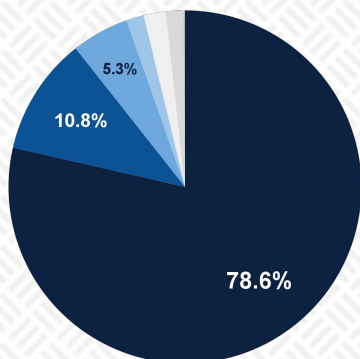
- The above graph shows pre-owned business jet inventory as a percentage of fleet availability since 1986. Today's total jet inventory availability of 6.2% is the lowest percentage on record.
- Q2, 2021 had the highest jet retail transaction volume of any Q2 in history and ranks 2nd in total retail transaction volume of the 143 quarters ever documented, behind only Q4 of 2020.
- Record low supply, strong demand, and increases in pricing have created a very favorable environment for aircraft sellers and one of the most challenging environment for buyers in the past 13 years.

TRANSACTIONS BY BUYER REGION (2021)



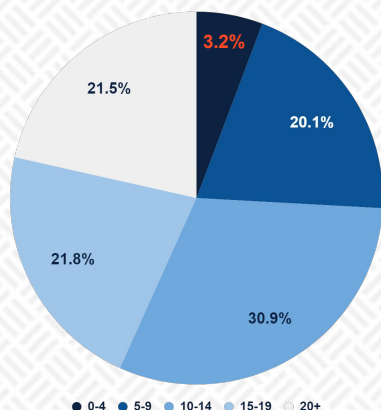
● N. America ● W. Europe ● S./C. America ● E. Europe / W. Asia
 ● Mid. East/Africa ● Asia ● Australia/Oceania

TRANSACTIONS BY SELLER REGION (2021)



● N. America ● W. Europe ● S./C. America ● E. Europe / W. Asia
 ● Mid. East/Africa ● Asia ● Australia/Oceania

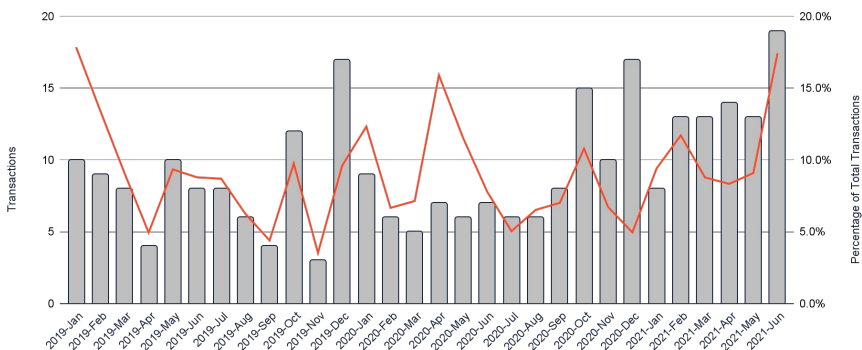
CURRENT MARKET BY AIRCRAFT AGE



● 0-4 ● 5-9 ● 10-14 ● 15-19 ● 20+

A Struggling European Market

W. European Seller Jet Transactions



- Loosening travel restrictions, coupled with lack of US-based inventory, have caused North American buyers to expand their searches to include Western European aircraft.
- 80 aircraft have been sold by Western European owners YTD, which is an increase of 100% compared to 2020, or a 63% increase compared to a more standard year in 2019.
- A slow recovery, both economically and from the pandemic, has turned Western Europe into one of the few “buying opportunities” in the current market.

Aircraft Age

Sold Aircraft Age Bracket (years old at sale)

Year	0-4	5-9	10-14	15-19	20+
2019	8.7%	32.1%	26.0%	23.3%	9.9%
2020	8.2%	27.3%	27.7%	25.6%	11.2%
2021	6.0%	25.3%	27.9%	24.1%	16.8%

- Pre-owned inventory of aircraft between 0 and 4 years old is at record lows; with only 32 aircraft, or 3.2%, of all aircraft currently available for sale. Considering that aircraft in this age range make up 13.1% of the total fleet, this limited supply is rapidly, and positively, impacting values.
- Strong charter demand continues to fuel legacy aircraft markets, with the 20+ year old aircraft such as the Hawker 800XP, Citation Excel, Gulfstream IVSP, and Citation X being the primary beneficiaries.