



# INSIGHT

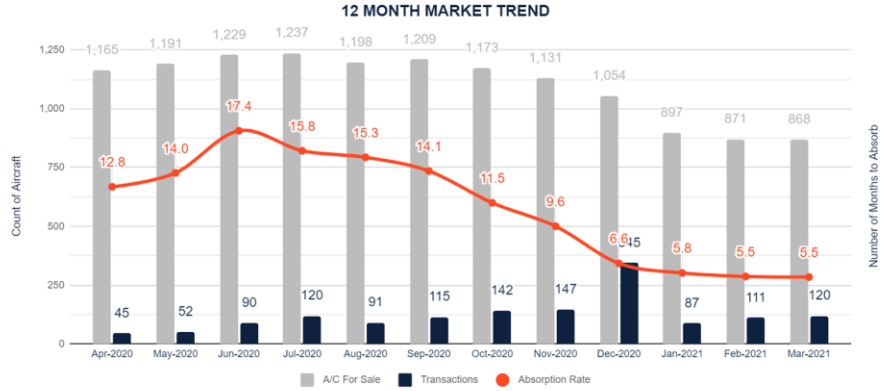
*STATE OF THE MARKET*

*Q1 2021*

*PRE-OWNED BUSINESS JETS*

### Market Overview

Active Fleet	13,995	
For Sale/Lease	868	↓
% for Sale	6.2%	↓
Sold Year-to-Date	353	
Sold Prior Year	236	
Absorption Rate	5.5	↓

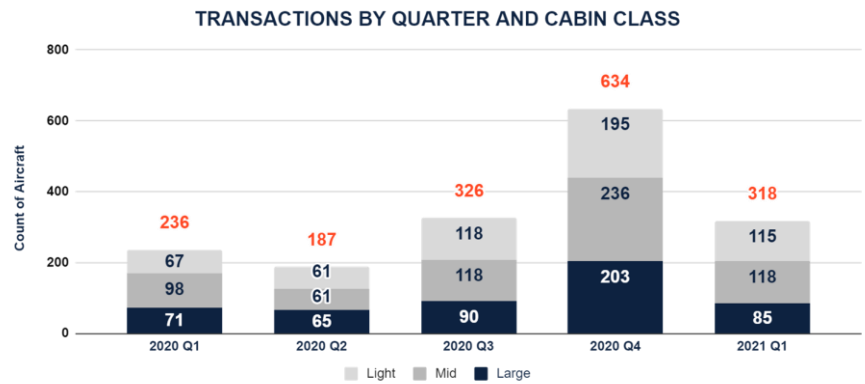


### Market Rankings

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

YTD	Inventory	Transactions	Absorption Rate
2020	1107	236	10.7
2021	868	318	5.5

↓22%     ↑35%     ↓49%

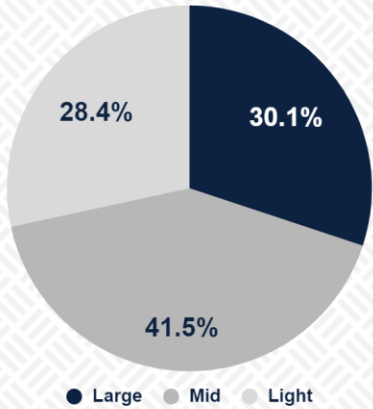


### Market Highlights

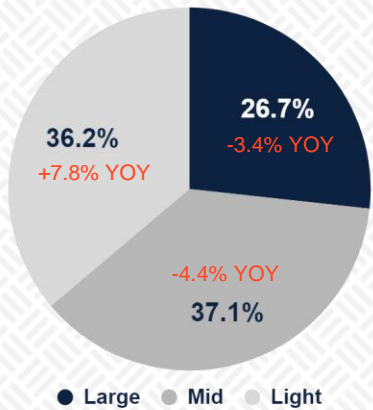
- Q1 transactions are up 35% year-over-year. In a market defined by low supply and modestly increasing values, the continued strength of demand across all segments has alleviated the concerns that the industry’s record setting Q4 transaction volume was a CARES Act driven anomaly.
- With supply down 28% over the past 6 months, the transaction activity in most modern, pre-owned business jet markets is constrained by a lack of quality supply rather than by a lack of prospective buyers.

\*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.

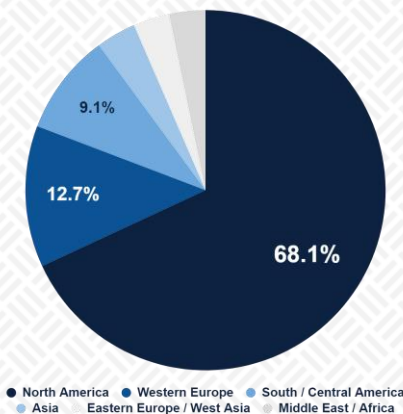
TRANSACTIONS BY CABIN CLASS (2020)



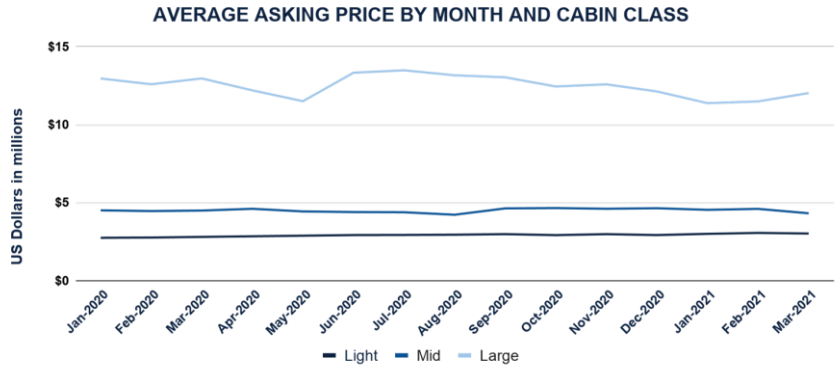
TRANSACTIONS BY CABIN CLASS (2021)



TRANSACTIONS BY BUYER REGION (2021)

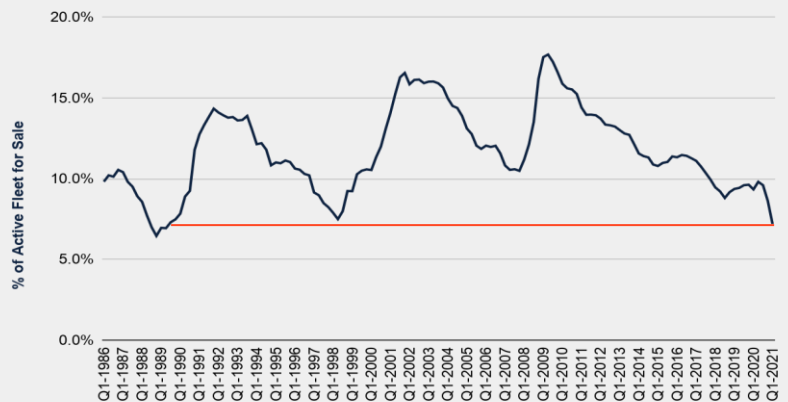


Market Values



- Large-cabin market values, down an average of 16% in the last half of 2020, have also seen the strongest rebound in 2021, with prices up an average of 5% year-to-date.
- Light-cabin market pricing, which was flat throughout 2020, has also increased 2% year-to-date.
- Low supply and strong demand across all market segments is likely to result in stable pricing through the second quarter.

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 7.2% is the lowest percentage in over 30 years.
- Q1, 2021 had the highest retail transaction volume of any Q1 in history and ranks 15th in total retail transaction volume of the 142 quarters ever documented.
- Record low supply, strong demand, and stable pricing have created a very favorable environment for aircraft sellers and one of the most challenging environment for buyers in the past decade.

## QSP 2021 Fee Structure

- Turboprop: \$100,000 or corresponding % based on asset value.
- Helicopter: \$100,000 or corresponding % based on asset value.
- Light(CJ2, CJ3): \$100,000 or corresponding % based on asset value.
- Mid-size (Excel, 800XP): \$125,000 or corresponding % based on asset value.
- Super-mid(F-2000EXy): \$150,000 or corresponding % based on asset value.
- Large-cabin (G-IVSP, G-V): \$200,000 or corresponding % based on asset value.
- **Incentive Program: If a client buys or leases 75 hours or more of shared ownership, the standard fee outlined above will be reduced by 50%.**

## Recent Transition Success

- **Robert Sinnott**--Sold his previously underflown Challenger 604. Less than a 90 day process from listing to closing. Simo sold a 50 Hour CL-650 share.
- **Tim Solso**--In the process of selling his underflown Hawker 850XP. Less than a 90 day process from listing to closing. Sheridan sold a 75 Hour CE-700 share. Brokerage fee concession of 50%.
- **RLR Leasing (Bob Reynolds)**--Acquiring his Hawker 4000 this month as inventory. Retail sale proceeds sharing agreement. Sean Silver sold a 100 hour CE-680 lease.

## 2021 Territory Map

### QSP 2021 Territory Map

