



QS PARTNERS

# INSIGHT

STATE OF THE MARKET

Q1 2022

PRE-OWNED BUSINESS JETS

### Market Overview

Active Fleet	14,245	
For Sale/Lease	307	↓
% for Sale	2.2%	↓
Sold Year-to-Date	322	
Sold Prior Year	1,880	
Absorption Rate	2.0	↓

### Market Rankings

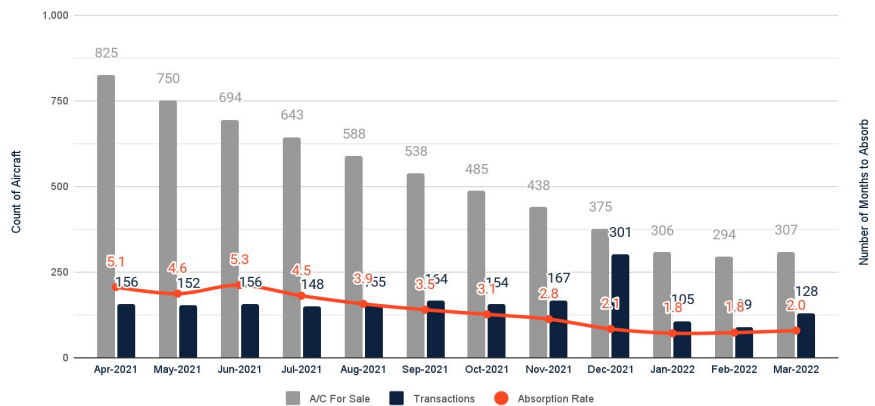
G550	1	CL605	31
Excel	2	H800XP	32
CJ3	3	CJ4	33
IVSP	4	XLS	34
Phenom 300	5	Sovereign+	35
7X	6	G650ER	36
GL6000	7	Lear 45XR	37
Citation X	8	CJ2+	38
Sovereign	9	Phenom 100	39
H900XP	10	900LX	40
Encore	11	Mustang	41
900EX	12	900EXEASy	42
G280	13	Legacy 650	43
G450	14	M2	44
XLS+	15	Legacy 500	45
2000LX	16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

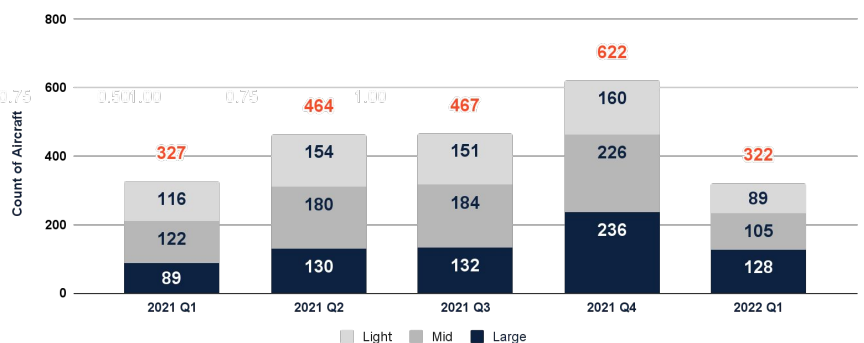
- For the first time in 18 months, March experienced an increase in modern pre-owned jet inventory, up 13 aircraft versus February.
- The recent increase in supply, a considerable portion from aspiration Sellers looking to exit at the perceived "top" of the market, and in most cases their inability to achieve their desired values, has created a temporary plateau in aircraft values. This pause in value appreciation provides many Buyers – most of whom have been waiting for some semblance of normalcy to return to the markets – with the confidence to execute a transaction.
- Broad-based statements regarding market condition are more challenging as some markets, especially those that saw the greatest appreciation as a result of significant charter-fueled demand, are softening with increased inventory and more muted retail demand.

### 12 MONTH MARKET TREND

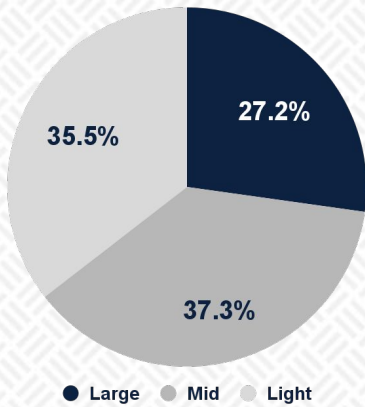


YTD	Inventory	Transactions	Absorption Rate
2021	868	327	5.5
2022	307 ↓65%	322 ↓2%	2.0 ↓64%

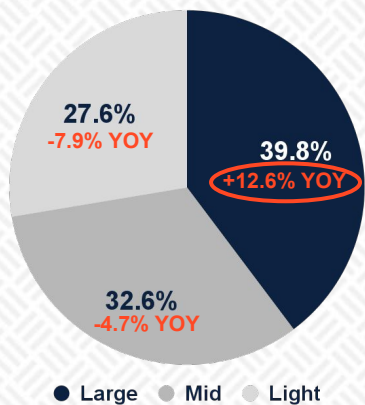
### TRANSACTIONS BY QUARTER AND CABIN CLASS



TRANSACTIONS BY CABIN CLASS (2021)



TRANSACTIONS BY CABIN CLASS (2022)

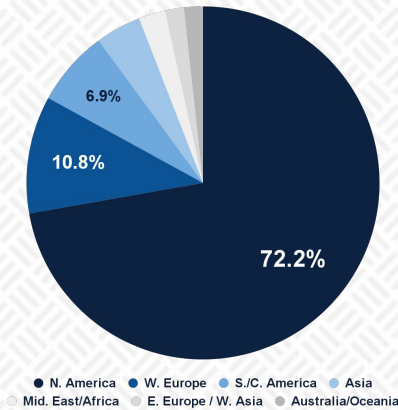


Market Value Trends

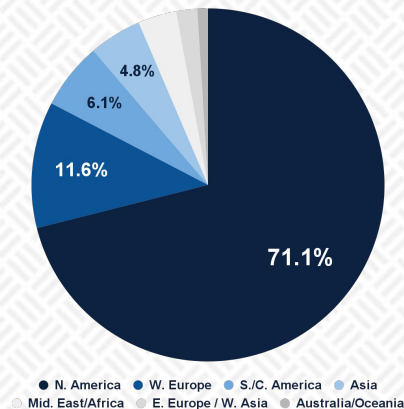
- Aircraft values have increased by an average of 46.5% across the most-in-demand pre-owned jet markets year-over-year, with some popular models having increased by as much as 80%+.
- Therein, some markets have even experienced aircraft value increases of 40%+ over the first quarter of this year alone.

Segment	Market	Change since Q1 2021	Change since Q4 2021
Mid	H850XP	94.5%	43.9%
Large	CL605	83.9%	44.9%
Mid	Sovereign	83.8%	56.8%
Mid	H900XP	64.1%	32.1%
Mid	G200	63.2%	35.9%
Large	CL604	60.4%	15.9%
Light	CJ3	59.2%	19.6%
Mid	CL300	53.7%	17.2%
Light	CJ4	52.5%	13.5%
Mid	Excel	52.2%	33.2%
Mid	XLS	50.5%	20.6%
Large	G450	47.5%	18.9%
Large	900EX EASy	46.1%	26.0%
Light	Phenom 300	45.7%	27.9%
Mid	CL350	38.8%	7.2%
Mid	Latitude	37.4%	7.0%
Large	CL650	36.9%	21.5%
Large	2000EX EASy	36.6%	24.3%
Large	G550	34.0%	18.1%
Light	CJ3+	32.4%	20.0%
Large	Global 6000	30.6%	18.4%
Mid	G280	30.1%	12.7%
Mid	XLS+	29.9%	17.1%
Large	Global 5000	24.4%	7.1%
Large	7X	23.3%	17.8%
Light	M2	22.5%	10.0%
Large	G650(ER)	20.5%	7.3%
<b>Total</b>	<b>Total</b>	<b>46.5%</b>	<b>21.9%</b>

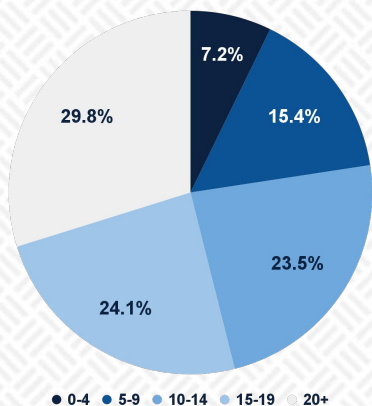
TRANSACTIONS BY BUYER REGION (2022)



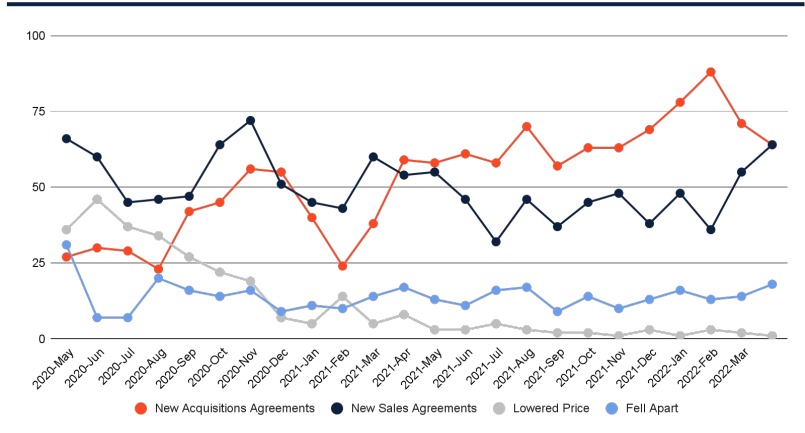
TRANSACTIONS BY SELLER REGION (2022)



CURRENT MARKET BY AIRCRAFT AGE



### IADA Dealer Activity



- The above chart includes data provided by the International Aircraft Dealers Association members regarding their sales-process activity. This data is important because it indicates how supply and demand should react in the near future.
- March was the first month since February 2021 that newly-signed-acquisition agreements did not exceed newly-signed-sale agreements. Consequently, a net-positive 255 acquisition clients signed over the last 13 months now require a continued surplus of inventory to fulfill their aircraft purchases.

### New Delivery Availability

Segment	Make	Model	Next Available
Light	Embraer	Phenom 300E	Q3 2024
Mid	Cessna	Citation Latitude	Q4 2023
Super Mid	Bombardier	Challenger 3500	Q2 2024
Large	Dassault	Falcon 2000LXS	Q2 2024
Long Range	Gulfstream	G600	Q3 2023

- Robust OEM delivery backlogs are now into 2024, which will continue to substantiate strong values for late-model aircraft, thus influencing both supply and demand for in-production fleets.
- Fueled by a record number of first-time Buyers and Corporate America's long-awaited return to the market, the OEMs should enjoy another strong year of both orders and deliveries, despite the ongoing supply chain and human capital challenges that limit total production.