



INSIGHT

STATE OF THE MARKET

Q2 2022

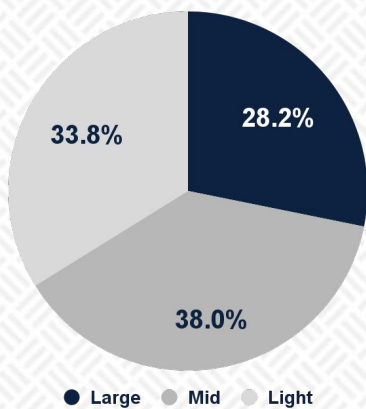
PRE-OWNED BUSINESS JETS

Market Overview

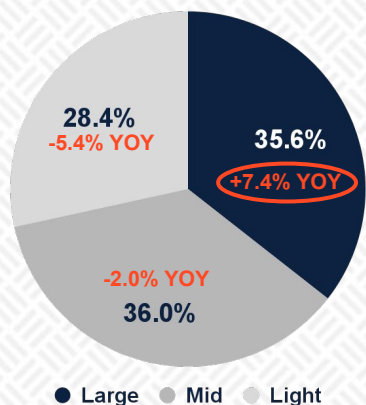
Active Fleet	14,271	
For Sale/Lease	390	↑
% for Sale	2.7%	↑
Sold Year-to-Date	714	
Sold Prior Year	1,882	
Absorption Rate	3.3	↑

Pre-Owned Market	Low	Current	Change
Citation CJ3	2	9	350%
Challenger 300	5	18	260%
Falcon 7X	1	14	1300%
G550	5	14	180%

TRANSACTIONS BY CABIN CLASS (2021)



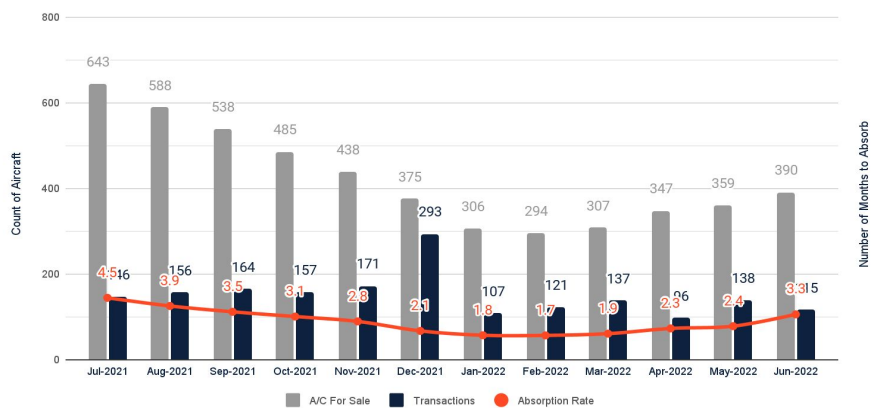
TRANSACTIONS BY CABIN CLASS (2022)



Market Highlights

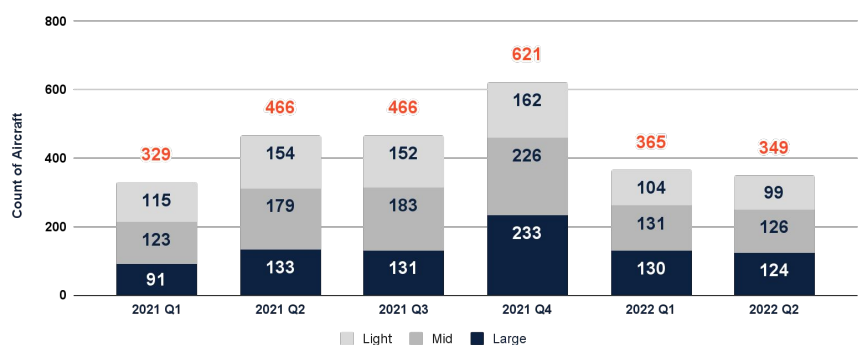
- The modern pre-owned jet market has experienced a steady, upward trend in available aircraft inventory, now at 2.7% of the active fleet available for sale. Inventory is up 33% from its all-time low in February, but remains far below the 8-10% of fleet availability that has historically been indicative of a balanced market.
- As noted in the table to the left, some popular pre-owned markets have seen available inventory more than triple in the past 120 days. This rapid increase in inventory has created values to plateau, and in some cases, decline slightly as aircraft Buyers have options for the first time this year.
- The pre-owned markets continue to experience unprecedented demand, strong transaction volume, and limited inventory; all of which have allowed the markets to power through the macroeconomic headwinds that would have historically had a much more profound impact on transaction volume and values.

12 MONTH MARKET TREND



YTD	Inventory	Transactions	Absorption Rate
2021	694	795	5.2
2022	390 ↓44%	714 ↓10%	3.3 ↓37%

TRANSACTIONS BY QUARTER AND CABIN CLASS

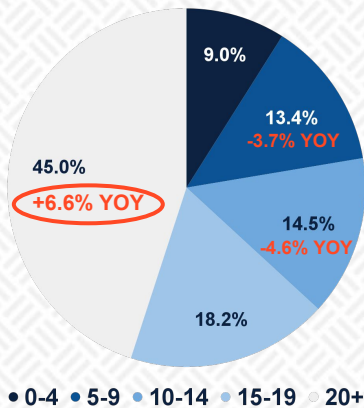


Seller Market Rankings

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

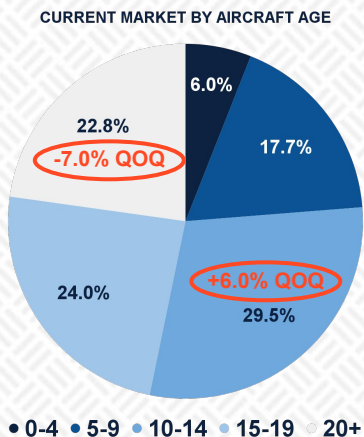
RETAIL SALES BY AIRCRAFT AGE (2022)



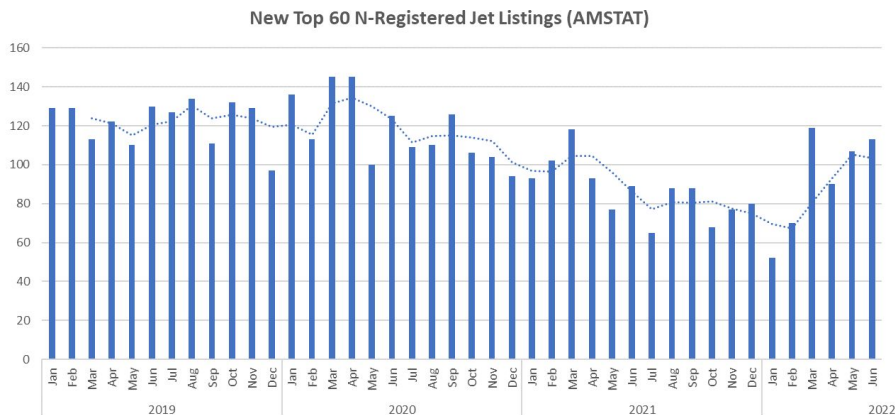
Market Value Trends

- Aircraft values have increased by an average of 45% YOY across the most popular pre-owned jet markets, with some models increasing by as much as 65% since the start of the pandemic.
- After the value hysteria of the past two quarters, values plateaued in Q2 as inventory rose and the market finally took note of macro-economic pressures.
- We expect values to trend down nominally in Q3 as inventory builds, Buyers have more selection, and Sellers execute transactions so as to not miss the potential "top" of the market.

Segment	Market	Change YOY	Change QOQ	Change since Q4 2019
Large	CL605	89.4%	22.3%	37.2%
Mid	H850XP	83.8%	16.3%	47.1%
Mid	Sovereign	76.8%	-5.7%	54.8%
Large	CL604	75.1%	19.8%	65.1%
Mid	CL300	64.8%	22.4%	45.5%
Mid	H900XP	64.4%	6.4%	47.5%
Mid	G200	63.0%	7.1%	44.2%
Light	CJ3	61.4%	11.3%	62.5%
Large	CL650	58.9%	6.7%	28.5%
Mid	XLS+	55.5%	25.9%	41.3%
Large	G450	44.1%	-0.3%	11.3%
Light	Phenom 300	43.4%	-1.4%	32.4%
Light	CJ3+	43.3%	16.5%	38.0%
Mid	CL350	38.1%	0.2%	28.0%
Light	CJ4	37.2%	8.9%	41.6%
Mid	XLS	37.2%	23.2%	47.9%
Large	G550	35.3%	12.8%	7.4%
Large	900EX EASy	34.9%	8.9%	16.7%
Mid	Excel	31.6%	7.7%	45.6%
Large	Global 6000	29.0%	1.4%	8.1%
Large	Global 5000	25.1%	4.2%	-6.5%
Light	M2	24.6%	6.8%	22.5%
Large	2000EX EASy	23.2%	14.3%	23.6%
Large	7X	22.1%	15.9%	9.6%
Mid	Latitude	17.7%	3.1%	13.9%
Mid	G280	16.0%	2.4%	10.8%
Large	G650/ER	15.2%	3.3%	-5.7%
Total	Total	44.9%	9.6%	28.1%

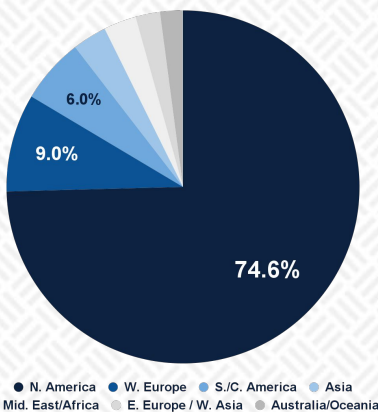


New Aircraft Listings

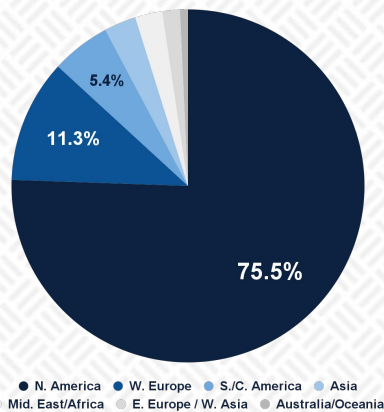


- As noted above, Q2 experienced the largest increase in pre-owned aircraft supply since Q3 of 2020. Notably, many of the most popular aircraft models have experienced the most dramatic increases in supply over the past 90 days.
- 77% of the aircraft available for sale are based in either N. America or W. Europe, up from 64% in the market lows in February. This rise in high quality, historically better maintained aircraft than those coming out of SE Asia or China, has provided Buyers with options from which to choose.

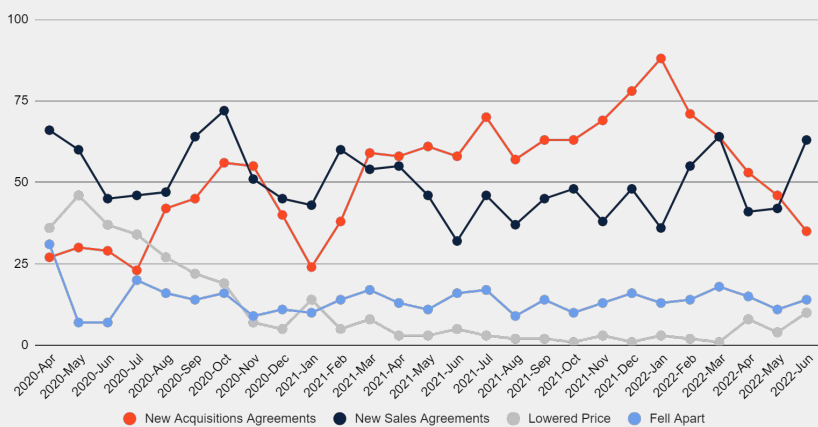
TRANSACTIONS BY BUYER REGION (2022)



TRANSACTIONS BY SELLER REGION (2022)



IADA Broker/Dealer Activity



- The above chart includes data provided by the International Aircraft Dealers Association, an association of the 60 largest dealers/brokers in the world.
- Importantly, June was the first month since February 2021 that newly signed sales agreements exceeded newly signed acquisition agreements. While we expect most of the new inventory to be quickly absorbed by Buyers who have been waiting patiently, this is a trend that will begin impacting values more dramatically in future quarters.