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Certified Appraisal of 1988 Gulfstream GIV-1159C
N01TB Serial Number 0001

Prepared for Valued Client of Aircraft Appraisers International

CERTIFICATIONS
Aircraft Appraisal Report – N01TB
Conducted in Conformity with the
Uniform Standards Of Professional Appraisal Practice

I certify that to the best of my knowledge and belief:

- A. The statement of facts contained in this report is true and correct.
- B. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analysis, opinions, and conclusions.
- C. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- D. I have no bias with respect to the property that is the subject of this report or to the parties involved with the assignment.
- E. My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- F. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal report.
- G. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the current edition of the Uniform Standards of Professional Appraisal Practice.
- H. I have made an inspection of the property that is the subject of this report.
- I. No one provided significant professional or personal property appraisal assistance to the person signing this certification and report.
- J. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.

William S. Costa, NSCA
Senior Certified Appraiser
Member National Aircraft Appraisers Association
Aircraft Appraisers International

Aircraft Appraisers International
AIRCRAFT APPRAISAL REPORT

Client: Valued Client National Bank

Attention: John Doe
Phone: 561-3795-6261

Address: Main Street
U.S.A. 33478

This appraisal report is intended to be used by:

Valued Client National Bank

This appraisal report is to be held strictly confidential and should not be disseminated to anyone other than the intended users without the client's permission.

The purpose of this appraisal report is to form an opinion of the Market Value of the subject aircraft in U.S. Dollars for financing purposes. For the purposes of this aircraft appraisal report the aircraft is considered to be free and clear of all liens and encumbrances, unless noted within the report.

This aircraft appraisal report is intended to be used by the client for the purpose(s) noted. It should not be used for any other purpose, nor should it be considered valid after the effective date expressed in the report. The entire appraisal is based on this appraiser's visual inspection of the aircraft and its records on the effective date of this report.

This report is not intended to be an evaluation of the mechanical condition of the aircraft, nor is any of the data herein intended to be used for evaluating the mechanical condition of the aircraft. This appraiser urges the client and/or purchaser of this aircraft to engage an FAA licensed Airframe & Powerplant mechanic who has knowledge of the aircraft make and model to inspect the aircraft for mechanical defects prior to completing the purchase.

The scope of work for this assignment included:

- A. A physical inspection of the subject aircraft identified in the Aircraft Identification Section of this report.**
- B. A physical inspection of the aircraft's logbooks and records.**
- C. Determination whether the Sales Comparison, Cost, or Income approach is relevant to the subject aircraft. The Cost and Income approaches were deemed to lack relevance with regard to this aircraft as this type of aircraft is priced based on market activity.**
- D. Determination of Market Value of the subject aircraft.**
- E. The appropriate research that included many sources such as aircraft advertised for sale, published value information, and the use of proprietary databases.**
- F. The preparation of this Appraisal Report.**
- G. The registered owner of the aircraft was established using the aircraft's registration and FAA records as verification. It appears that the ownership does not have a bearing on the value of this aircraft. The registered owner is assumed to have full and legal title to the aircraft, and it is further assumed that the registered owner has the unconditional power to dispose of the property as it sees fit.**

Aircraft Identification

Make: GULFSTREAM AEROSPACE

Model: G-1159C G-IV

Serial No: 0001

Reg. No: N01TB

Yr. Mfg.: 1988

Type of Aircraft: Multi Engine Turbo Jet

Airframe Total Time: 8315 Hrs.

Time Life Limited Systems: Yes **Cycle Life Limited Systems:** Yes

Airframe Total Time Detail Of Calculation: The aircraft total time, engine total time and cycles, and the Auxiliary Power Unit (or APU), have all been tracked in aircraft flight logbooks and the Gulfstream CMP computerized maintenance program since the aircraft first entered into service.

Airframe Condition: Good

Comments On Visual Inspection: The aircraft presents very well. When I viewed the aircraft the exterior was clean and there were no visible fluid leaks. Overall the paint scheme was nice and was devoid of any large or otherwise noticeable defects. Furthermore, the cabin door, exterior access panels, inspection plates and doorways including the engine cowling all fit snugly and properly. The interior is well appointed with very lush seating arrangements and cabinetry were finished with a dark walnut veneer. The aircraft does not show its age from either the exterior or the interior of the aircraft.

Log Books in Aircraft Appear: Original

Airframe Logbook Inventory and Comments: The aircraft airframe log books consisted of two rust colored three-ring binders from the manufacturer Gulfstream. The engine log books totaled two large blue three-ring binders of the style provided by Rolls Royce when the engines were first entered into service. A large amount of the aircraft's historical records were contained in eight large plastic storage boxes:

1. CMP 1992-1996 ATA codes 5-80
2. CMP 1997-1998 ATA codes 6-80
3. CMP 1990-1998 & Flight Logs 1989-2003
4. 1991-1996 Gulfstream Savannah maintenance records, burn certificates, and parts tags.
5. CMP 2000-2002
6. Work Orders 2008-2009
7. Mod diagrams
8. Work Orders 2009-2011

One black binder contained the F.A.A. form 337s, the weight and balance info, the equipment list and other historical information. On board the aircraft there was a weight and balance manual, RVSM manual and a supplemental manual. There is one APU logbook issued from the manufacturer and there are numerous work order packages contained in large 9x12 manila and white business envelopes.

#1 airframe logbook: The beginning entries coincide with the production test flights starting in 11/21/1988. The last entry for this logbook was for an inspection on 03/22/1999.

#2 airframe logbook: Begins in 1999 and is the current airframe log book in use.

Aircraft Registered To: John Doe LLC
Address: 00 Riverview Dr.
City, State, Zip: Danbury, CT 06810-6268

Date of Registration: 06/27/2011

Registration Expiration Date: 06/30/2014

Location of Registration And Airworthiness Certificates: Both the Aircraft Registration and the Aircraft Airworthiness Certificates were located on the forward face of the cockpit partition on the captain's side of the aircraft. The aircraft Radio Station license was also collocated with the other two documents.

Location of Pilot's Operating Handbook (POH):

Location of Weight and Balance, FAA 337 Forms, Equipment List: The location of the F.A.A. Form 337 was in a black three-ring binder located with the rest of the aircraft records.

Maintenance Status

Maintenance Inspection Date: 05/01/2013

Comments: The aircraft is currently being operated under Part 91 and the manufacturer's approved maintenance program. When the aircraft was first put into service the aircraft maintenance was an operator-approved program from a large corporate flight department that had its own program which was approved by the local F.A.A. FSDO office, in a letter dated 01/07/1999.

From the records reviewed, the aircraft has received on-going and concurrent maintenance from the time it was put into service until present day. There were a couple of periods where the aircraft was not flying and potentially was for sale. The records did make mention of storage procedures.

2/24/36-month inspections completed last year at General Dynamics Dallas, TX. 72-month was last completed in 10/2011.

The gear overhaul is due at 5000 cycles, leaving 859 cycles remaining, therefore a deduction.

The waterline ribbon heater upgrade was accomplished by Pentastar Aviation at aircraft total time of 8314.6/4141 cycles on 12/08/2012.

The aircraft Empty Weight C.G., as a percentage of MAC, is 44.35. The weight is 41,133.50 at C.G. 461.43 with a moment of 18,980,060.10. This is the corrected recording as of 02/14/2005.

Historically the aircraft did have some reports of corrosion, at the forward floor beams located at station FLR-15- FLR-16 at FS133. On 03/15/2002 at Aircraft Total Time of 5986.6/ 2950 Total Cycles, the upper aft skin of the torque box had corrosion requiring the replacement of P/N 1159B2170703-43B and lower fuselage panel P/N 1159B21702-11. All items were corrected in accordance to Gulfstream maintenance and no current defects were noted.

Known Airframe Maintenance Issues: The aircraft is in maintenance, currently in preparation for a pre-buy inspection. The aircraft was flown on Monday February 3 while I was reviewing the aircraft records. At this time there are some open maintenance items.

Estimated Cost To Repair: N/A

Time Life Limited Systems: Yes **Cycle Life Limited Systems:** Yes

Transponder/Encoder Recertification Date: 05/21/2013

ELT Battery Due Date: 03/05/2015

Service Bulletin Status: The aircraft has a high level of service bulletin compliance.

ADs Complied With: Yes **Estimated Cost for ADs Compliance:** N/A

Tires Condition: Good **Anti-Skid:** Yes

Exterior Paint Condition: Very Good

Repaint Date: 01/01/2012 **Repainted By:** Duncan Aviation

Paint Comments: General: Matterhorn white w/steel blue, fawn & medium gray striping. Matterhorn White 840-103 Sherman & Williams, Steel Blue 10586 Sherman & Williams, Fawn 10657 Sherman & Williams, Medium Grey 00067 Sherman & Williams. The paint coverage is excellent and the surface full of luster. There were no visible areas of large chips in the paint. When I looked at the exterior of the aircraft I did not see any pooling, sagging, or drips in the paint evident on the fuselage or wing and flight control surfaces. On very close examination some fasteners had some paint spydery in the areas of attached antenna, and some control surfaces.

Interior Condition: Very Good **Cabin Configuration:** Passenger **Panel Layout:** Good

Pressurized Cabin: Yes **Window Condition:** Good



Interior Comments: In the front of the cabin, when walking in the front entry door, there is a galley finished with a polished high gloss dark veneer. The galley is on the left side of the aircraft or on your right as you walk farther into the cabin, and the forward crew lavatory is on the right side of the aircraft opposite the entry door. The galley cabinetry and forward lavatory are finished in a high gloss dark wood veneer. After the galley the aircraft interior consists of a forward four-place club seating arrangement covered in saddle tan leather. The club arrangement has folding side tables both left and right covered in a high gloss dark wood veneer. These club seats and the seats after the club seating are berth-able and were installed in 2004. Walking

towards the aft of the cabin the front club seating is followed by one seat on either side, which are berth-able and also with folding side tables covered in a high gloss dark veneer. Continuing towards the aft of the cabin the next section is accessed when you pass a divider with the matching veneer wood found in the forward part of the cabin. This aft section has a three-place berth-able divan on the left, opposite a two-place club seating arrangement in the saddle tan leather and with a wood veneer covered side table. All of the cabin and lavatory accessories are finished with gold plating.

There are two video monitors located in the cabin which are located aft and at the mid-cabin. Both monitors are 17" LCD monitors. A DVD/CD/MP3 player with individual headsets located at each individual seat, is also available.

The interior sidewalls were refurbished in 2006. The interior lighting was upgraded.



The cabin interior did have some defects. Most, but not all, were only noticeable on close scrutiny. These blemishes or defects include one chip in the wood veneer just inside the doorway on the left as you walk back and is located about 3/4 of the way down from the top of the cabinetry. Just aft of the cockpit on the upper right hand side the wood veneer has what appears to be a small area where a gouge in the veneer has been burnished or repaired. The folding tables show signs of normal use with light scratches that should be able to be buffed out. In the galley area it is common to find wear marks and this one is no exception with some light scratches located just forward of the forward lavatory midway from the top.

The headliner was very clean and devoid of any visible marks, rips, tears or discolorations on the day I looked at the aircraft.

The window dado panels were in very good condition with one exception being on the right hand side of the aircraft between the third and fourth cabin windows. At that location the window dado panel was discolored (see picture).



The leather seating was in excellent condition with no stains, tears, rips or loose stitching, with one exception located towards the bottom left side of the vertical cushion on the aft left-hand seat, which has a noticeable mark in the leather.

Where the furnishings have gold plating there is some wear evident in the areas receiving the most use, such as the seat belt hardware. Otherwise, the plating was very complimentary to the overall interior.





Airframe Modifications

Date of Modification: 01/01/00

Modification: Long range oxygen

Date of Modification: 11/17/2007

Modification: Cabin network accelerator HD-710HSD installed per the 337 dated 11/17/2007

Date of Modification: 10/16/07

Modification: Snow ski rack installation per STC SA02090AT and drawing 2007-087-101

Date of Modification: 2007

Modification: Secure Plane Camera installed

Damage History

Current Damage: None Listed

Historical Damage: None Listed

Engine(s)

Engine Manufacturer: Rolls Royce

Model: TAY MK611-8

Engine Type: Turbo Jet

Engine Fire Detection: Yes

Engine Fire Bottles: Yes

Thrust Reversers: Yes

Logbook Inventory and Comments: The engine logbooks were in the customary blue manufacturer's binders provided when the aircraft engines were new. There is one logbook each currently for the two engines. Both of the engine logbooks begin in December of 1988 when they were first placed into service. Both engine logbooks currently reflect the last entry in September 2013, with Engine Total Time since new for number 1 engine of 8037.3 and 4022 cycles. Number 2 engine at that time had 7543.3 hours since new and 3747 cycles since new.

Engine Serial No: 16280

Engine Total Time: 8030 Hrs.

Time Since Major Overhaul: 456.8 Hrs.

Engine Overhauled By: Dallas Airmotive

Recommended TBO: 8000 Hrs.

Engine Comments: The aircraft engines are enrolled on Rolls Royce Corporate Care Engine Maintenance Program.

Engine Serial No: 16278

Engine Total Time: 7536 Hrs.

Time Since Major Overhaul: 456.8 Hrs. **Engine Overhauled By:** The engines were overhauled by Dallas Airmotive.

Recommended TBO: 8000 Hrs.

Engine Comments: The engines were overhauled by Dallas Airmotive, one of the more respected engine overhaul facilities.



Engine Modifications

None Known or Reported.

Known Engine(s) Issues: There are no current or known engine maintenance items. The engines are enrolled in Rolls Royce Corporate Care.

Estimated Cost to Repair: N/A

Instrumentation

Dual Panel: Yes

Panel Configuration: Average

Panel Condition: Average

IFR Equipped: Yes

EFIS Equipped: Yes

Comments: This aircraft suite of avionics is very well equipped, which is expected with this category, and manufacture of aircraft. The instrumentation did not have any visible signs of chips or cracked cases. The instrument markings that were available for me to see with limited power being applied were clearly visible and no cloudy, cracked, or distorted glass was evident. The pitot static system was last tested and certified 22 May 2013 and will be due again next 31 May 2015. The transponders were last checked and certified 21 May 2013 and will be due again next 31 May 2015. The aircraft is enrolled on the Honeywell HAPP avionics maintenance program.



Avionics

Type of Avionic: AIRBORNE FLIGHT INFORMATION SYSTEM/AFIS

Mfg: HONEYWELL/SPERRY

Model: AFIS SAT

Quantity: 1

Type of Avionic: ELT (TURBINE AIRPLANES)

Mfg: ARTEX

Model: C406-N

Quantity: 1

Type of Avionic: FLIGHT DATA RECORDERS

Mfg: FAIRCHILD/LORAL

Model: F 100

Quantity: 1

Type of Avionic: FLIGHT MANAGEMENT SYSTEMS

Mfg: HONEYWELL/SPERRY

Model: FMZ 2000

Quantity: 2

Type of Avionic: INERTIAL NAVIGATION SYSTEM

Mfg: HONEYWELL/SPERRY

Model: LASEREF II

Quantity: 2

Type of Avionic: INTEGRATED FLIGHT CONTROL SYSTEMS

Mfg: HONEYWELL/SPERRY

Model: PRIMUS 1000 3 TUBE

Quantity: 1

Mfg: HONEYWELL/SPERRY

Model: SPZ 8000

Quantity: 1

Type of Avionic: NAV/COMM

Mfg: COLLINS/ROCKWELL/ROCKWELL COLLINS

Model: VHF 422B

Quantity: 2

Mfg: COLLINS/ROCKWELL/ROCKWELL COLLINS

Model: VIR 432

Quantity: 2

Type of Avionic: SATELLITE DATA COMMUNICATIONS SYSTEM/SATCOM

Mfg: UNIVERSAL/THRANE & THRANE

Model: AERO 1

Quantity: 1

Type of Avionic: SELECTIVE CALLING SYSTEM/SECAL

Mfg: MOTOROLA

Model: SELCAL

Quantity: 1

Type of Avionic: TAWS

Mfg: ACSS (L3 COMMUNICATIONS)

Model: TAWS 8000

Quantity: 1

Type of Avionic: TCAS

Mfg: HONEYWELL/SPERRY

Model: TCAS II W/CHANGE 7

Quantity: 1

Type of Avionic: TRANSPONDERS

Mfg: COLLINS/ROCKWELL/ROCKWELL COLLINS

Model: TDR 94D

Quantity: 2

Type of Avionic: WEATHER RADAR

Mfg: HONEYWELL/SPERRY/RCA

Model: PRIMUS 880

Quantity: 1

The avionics installed in this aircraft are considered to be Average when compared to other aircraft of the same make, model, and year.

Additional Equipment

Dual Controls: Yes

Type: Yoke

Stall Warning System: Yes

Stick Shaker: Yes

Rotating Beacon: Yes

Strobe Light: Yes

Taxi Lights: Yes

Navigation Lights: Yes

Toilet (Y/N): Yes

Cabinetry (Y/N): Yes

Other Equipment: The aircraft is equipped with long range oxygen, and upgraded cabin lighting.

De-Icing Systems

Known Ice System: Yes

Ice Lights: Yes

Type of De-Ice: Heated Wing

Pitot Heat: Yes

Windshield De-Ice: Yes

Windshield Wipers: Yes

Comments: All of the leading edge surfaces were polished and no areas were visible to indicate any issues in the past.

Aircraft Appraiser's Comments

The aircraft was issued a Standard Airworthiness Certificate on 12/19/1988. At that time it had total production flight time of 9 hours and 17 minutes. The aircraft had its first post delivery flight beginning in 1988 as N00A in the service of a large U.S. based corporate flight department for John Doe Resources. They placed the aircraft on their own F.A.A.-approved maintenance program shortly after taking delivery and it remained with this company for several years. An Export Certificate of Airworthiness was issued at aircraft total time of 7995.6 and total airframe cycles of 3972, on 24 July 2007. The aircraft was eventually sold or leased and entered into service on the foreign registry of Isle of Man as M-TBTB on 24 August 2007. The aircraft records provided for review were well documented, orderly and legible. The aircraft records indicate concurrent maintenance through the years and entries for storage procedures if the aircraft was idle, as in January 2011, at aircraft total time of 8298.1 and total airframe cycles of 4346. In June of 2011 the aircraft was ferried back to the U.S. where it underwent a series of inspections and was re-registered as N01TB, its current registration during my review of the aircraft. The new Standard Certificate of Airworthiness was issued 21 April 2012 at aircraft total time of 8309.3 and aircraft total cycles of 4136.

My research for this make and model indicates, for the preceding calendar year of 2013, that there were eleven retail transactions out of a total of 26 transactions for the year, which include lease transactions, dealer to dealer transactions and finance institution transactions selling to dealers and then to an end user. During the past twelve months the average asking price was \$6,195,000. The average aircraft had 8820 total hours and represented a 1989 model year aircraft, one year newer than the subject aircraft. The average days on market were 212. The high asking price over the same time period was \$6,495,000, and represented a 1990 model year G-IV aircraft, or two years newer than the subject aircraft. The low asking price was \$5,895,000 and represented a 1986 model year aircraft, which was two years older than the subject aircraft.

The total airframes currently in the fleet are 189. Currently, the number of airframes known to be available for sale on the worldwide market is 21. This represents 11.1 percent of the total fleet. Generally when 10 percent of the fleet or greater is available for sale, the market pricing will further degrade to the extent the percentage of available airframes continues to increase to an amount beyond 10 percent. An additional factor, which will impact values of this make and model going forward, is a rotation out of the older Gulfstream models to the new Gulfstream 650. Deliveries of this new model have just begun, and many current owners of the older models will be buyers of the new 650, adding additional inventory to the pre-owned marketplace as these new owners take delivery of their newer aircraft.

Specific to this aircraft is a lower time turnkey aircraft with very nice paint and an appealing interior. Additionally, it has a good suite of avionics and upgraded data capabilities along with consistent and professional maintenance history.

I have selected two aircraft which are somewhat similar to the Subject Aircraft for comparison purposes. Both of the comparable aircraft were sold within the past 60 days. Both comparison aircraft also have forward and aft lavatories just as the subject aircraft has. The reader should keep in mind and note that details and data regarding the aircraft used for comparison purposes in this report came from third party sources, such as sale flyers and third party databases. I did

not see the comparison aircraft or their actual records; therefore the information presented herein **does not** constitute appraisals of those aircraft. The information provided within the report is strictly for comparison to the Subject Aircraft.

The first aircraft used for comparison purposes is one year newer than the subject aircraft. This aircraft has slightly more aircraft total time than the subject aircraft. The engines on this aircraft were not enrolled on the Rolls Royce Corporate Care program, and therefore the engine residual value is based on actual hours since overhaul, or in this case 2150/2181 respectively. The avionics in this aircraft were valued at an amount slightly less than the avionics value found in the Subject Aircraft.

The second aircraft used for comparison purposes, is also one year newer than the subject aircraft. This second aircraft and the subject aircraft both had new interiors in 2006. The engines on this aircraft were not enrolled on the Rolls Royce Corporate Care program, and therefore the engine residual value is based on actual hours since overhaul, or in this case 226/493 respectively. This aircraft and the Subject Aircraft have virtually the same aircraft total time and are within 250 hours of each other. The mid-life engine inspections are also due on both aircraft in 2017.

The pages which follow contain the value information including information pertaining to the comparable aircraft utilized for this report.

The market exposure for this model aircraft has fluctuated with the general economy whereby in 2011 the median days on market was 225 days, in 2012 it was 97 days and in 2013 it was 253 days. The trend from 2013 is continuing to increase in 2014. No one can predict the future with certainty, so I estimate the exposure time to be a few more days than was experienced in 2013 at 255 days. Additional trends include the last quarter. According to V-Ref Online, this model experienced a 9.3% reduction in value and for the calendar year 2013 the value decreased 17.02% YOY.

The value arrived at is based on the aircraft's use as a personal, corporate, or charter aircraft transporting passengers, which was the manufacturer's original intent.

This aircraft, N01TB, was personally inspected on February 3, 2014 by William Costa, member of the National Aircraft Appraisers Association, at Oakland Pontiac International Airport, located at Pontiac, MI, Oakland County.

The information contained in this report is private, confidential, and may be protected by appraiser/client/work-product privilege. It is intended only for the use of the individual named above and the privileges are not waived by virtue of this having been sent by mail. If the person actually receiving this report or any other reader of the report is not the named recipient or the employee or agent responsible to deliver it to the named recipient, any use, dissemination, distribution, or copying of the communication is strictly prohibited. If you have received this communication in error, please immediately notify us by return e-mail and/or telephone and then destroy this original report.

Aircraft Comparison Chart Based on NAAA Data

(This information is for comparison purposes only)

Make: GULFSTREAM AEROSPACE

	Aircraft #1	Aircraft #2	Subject A/C
Year	1989	1989	1988
Model	Gulfstream G-IV	Gulfstream G-IV	G-1159C G-IV
Serial Number	1099	1123	0001
Asking Price	\$SOLD \$4.95MM	\$SOLD	
Airframe Time	10295	8557	8315
Engine(s) SMOH	2150/2181	226/493	446/446
Engine(s) TBO(Hrs.)	8000	8000	8000
Days Listed For Sale	Unknown	Unknown	874
Avionics	Less than subject AC	Better than subject AC	
 Adjust For:			
Airframe Time*	\$0	\$0	
Engine(s) SMOH**	\$433,100	\$71,900	
Avionics***	\$196,235	\$-120,407	
 Approximate NAAA	 \$4,272,784	 \$4,937,126	
Market Value			
Subject Aircraft			\$4,766,192
Appraised Value			

* For N.A.A.A. purposes all three aircraft fall within a normal range for this model year aircraft.

** Neither of the two comparable aircraft engines was enrolled in Rolls Royce Corporate Care engine maintenance program. The #1 Aircraft has 2150/2181 total hours since overhaul. A positive number is applied to equate to the Subject aircraft, which receives full residual engine values based on enrollment in the Rolls Royce Corporate Care program. #2 aircraft has 226/493 total hours since overhaul. A positive number has been applied as previously described.

*** Adjustments were made to adjust the avionics more like the subject aircraft's avionics for comparison.

Aircraft V-REF Comparison Chart

(See Above Chart For Aircraft Details)

(This information is for comparison purposes only)

	Aircraft 1	Aircraft 2	Subject A/C
V-REF Online Average Value	\$4,200,000	\$4,200,000	\$3,900,000
Airframe Time Calculation*	\$-80,290	\$27,466	\$58,300
Engine Time**	\$458,625	\$910,125	\$888,500
Avionics***	\$27,033	\$210,000	\$58,633
Book Value:	\$4,605,368	\$5,347,591	\$4,905,433

V-REF Online Value

* #1 comp has a slightly higher total time than the V-Ref base aircraft average for this make and model aircraft, therefore a deduction was applied. #2 comp aircraft has a slightly lower total time than the V-Ref base aircraft average for this model aircraft, therefore an addition to value. The subject aircraft also has a lower average total time than the V-Ref base aircraft average for this year and model aircraft, therefore an add-on to value is applied in this chart.

** All three aircraft have less engine total time since overhaul than the V-Ref base aircraft for this model aircraft, therefore an add-on to values was applied.

*** All three aircraft have a superior avionic suite than the V-Ref base aircraft and therefore all three aircraft received added values in this chart.

Appraisal Computation

Average Green Airframe Value* **\$1,681,750**

Additions

Add for Airframe Condition	\$114,359
Add for Airframe Low Total Time	\$0
Add for Annual and Mandatory Inspection	\$652
Add for Exterior Paint Value	\$56,000
Add for Interior Value	\$462,500
Add for Airframe & Engine Modifications	\$0
Add for Engine(s) Residual Value	\$1,600,000
Add for Propeller(s) Residual Value	\$0
Add for Time-Limited Components	\$0
Add for Avionics Value	\$949,391
Add for De-Ice Systems Value	\$0
Add for Additional Equipment	\$0
	=====
Total Additions	\$3,182,902

Deductions

Deduct for Airframe Condition	\$0
Deduct for Airframe High Total Time	\$0
Deduct for Damage History	\$0
Deduct for Airframe/Engine Maintenance Items	\$0
Deduct for Gear prorate	\$-98,460
Deduct for Exterior Paint Value	\$0
Deduct for Interior Value	\$0
Deduct for ADs Estimated Cost for AD Compliance	\$0
Deduct for Estimated Cost to Repair Avionics	\$0
	=====
Total Deductions	\$-98,460

Based on the above, the Market Value of N01TB is: \$4,766,192

*See Definitions

DEFINITIONS*

APPRAISAL: The act or process of developing an opinion of value.

APPRAISER: One who is expected to perform valuation services competently and in a manner that is independent, impartial, and objective.

ASSUMPTION: That which is taken to be true.

CLIENT: The party or parties who engage, by employment or contract, an appraiser in a specific assignment.

CONFIDENTIAL INFORMATION: Information that is either; identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or classified as confidential or private by applicable law or regulation.

EXPOSURE TIME: Estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

EXTRAORDINARY ASSUMPTION: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

HYPOTHETICAL CONDITION: A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

GREEN AIRFRAME VALUE: A credible value of the basic airframe with no components considered on an aircraft being traded in the retail aircraft market whole and in an airworthy condition or with airworthiness issues that are specified and considered with regards to their effect on value. On some aircraft the Green Airframe Value may be a negative number which signifies that the airframe has less value than the logical sum of its major components.

INTENDED USE: The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

INTENDED USER: The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best

interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

SCOPE OF WORK: The type and extent of research and analysis in an assignment.

USPAP Endorsed: The term “USPAP Endorsed” indicates that the National Aircraft Appraisers Association member has taken the appropriate USPAP training course, passed the testing required by the NAAA, and by virtue of that has become qualified to write aircraft appraisals using the Uniform Standard of Professional Appraisal Practice. The use of the term “USPAP Endorsed” is not intended to signify that the Appraisal Foundation or any of its officers or committees has “certified” or “endorsed” the member to write these reports.

*Definitions from the 2012-2013 edition of USPAP except the definition of Market Value are from Freddie Mac, and the definition of Green Airframe Value is from NAAA.

Statement of Assumptions and Limiting Conditions

The information herein has been prepared from many sources and believed to be correct. Aircraft Appraisers International does not warrant the accuracy of the source material.

An inspection and inventory was conducted by a physical examination of the external surfaces of the aircraft, cockpit and passenger cabin. It includes an inventory and assessment of general condition of avionics, instrumentation and aircraft systems. No inspection plates were removed for internal inspection. Further, the log books and other records were carefully examined for compliance with FAA regulations relating to damage and maintenance history, along with other required inspections.

All opinions of value presented in this report are the appraiser's professional opinion.

No equipment was operated nor was any power applied to the aircraft by the appraiser.

The following extraordinary assumptions were made:

1. All aircraft records were assumed to be authentic and unaltered unless specific comments indicate otherwise. Signatures attesting to, and inspections detailed therein, were assumed to be entered by persons designated and appropriately licensed to make such entries.
2. The subject aircraft is assumed to be airworthy to FAA standards and capable of being operated and flown on the effective date of the report under FAR Parts 91, 121, or 135 unless the appraiser has reason to believe that it is not. In that case an explanation is included within the report.
3. AD compliance was attested to by referencing the date of last annual inspection or other appropriate inspections.
4. Components that were removed from the aircraft at the time of the appraisal will be reinstalled and in airworthy condition.

No hypothetical conclusions were made within this report.

The appraiser hereby certifies that he has no personal interest in the aircraft identified in this appraisal, nor any bias toward any of the parties who may be involved in the resulting transaction coincident to this report. The appraiser's fee is not contingent upon a predetermined value being reported or a percentage of the value being reported.

All values expressed in this report are in U.S. Dollars unless otherwise stated.

The effective date of this report is 02/03/2014. The report was completed on 02/08/2014.

The appraiser is not responsible for the source material used in this report. The material was supplied by the client, aircraft owner, operator or some other person familiar with the aircraft. Chain of custody through the life of the aircraft has not been established. Therefore, the party supplying the records has the full responsibility for their content.

The writer of this report reserves the right to recall all copies of this report to correct any omission or error.

In the event of error or omission, the liability of Aircraft Appraisers International, if any, is limited and may not, in any event, exceed the amount paid for the appraisal. Further, Aircraft Appraisers International accepts no responsibility for usage of this report unless signed by an officer of the company.

William S. Costa, NSCA
Senior Certified Appraiser*
Member National Aircraft Appraisers Association
Aircraft Appraisers International

***See Definitions**