**PRIVATE AVIATION SPOTLIGHT**

**Hawthorne Airport: LAX’s Fifth Runway**

It has been a while since you have been to Hawthorne Airport, you will likely be surprised at the many improvements that have been made. If the two new hangars totaling 43,200 sq. ft. nearing completion are any indication, something interesting is happening. Once exclusively used by small plane owners and the Northrop Corporation, it is now just as common to see top of the line G650’s and Falcon 7x’s on the runway or parked in front of Jet Center. A group of individuals formed Hawthorne Airport LLC to assume the master lease on the airport in 2005, and since then the airport has been in a constant state of rapid improvement and growth.

Hawthorne Municipal Airport (KHHR) has been Los Angeles’s best-kept aviation secret. More and more people are taking advantage of this conveniently located airport each day. Hawthorne Airport is the closest airport to downtown Los Angeles, West Los Angeles, University of Southern California, and the Los Angeles International Airport (LAX). Located along the I-105, the Crenshaw Boulevard exit is just a quarter mile from the Hawthorne Airport’s driveway.

Built in 1939, Hawthorne Airport was named after Jack Northrop and was used as a flight-test site for Northrop Aircraft. During World War II, the airport was used by the US Army Air Forces as an aircraft modification center and Air Transport Command to ferry new aircraft to operational units. Since then, Hawthorne Airport has undergone many substantial changes. Recently, an entirely new energy has enveloped the airport, leading to increase in momentum. Today, Hawthorne Airport is home to many thriving businesses such as Advanced Air and SurfAir for folks who are looking for something better than the state of air travel at nearby LAX. To avoid the crowds, security lines, parking hassles, and costs of flying through LAX, people are beginning to flock to Hawthorne Airport for individualized service. Discontented by the high cost and inconvenience of flying into LAX, many business aircraft operators and pilots seem to have also found refuge at KHHR. Also, unlike many surrounding airports, Hawthorne Airport has no curfew or ATC delays. Planes fly out of KHHR 24 hours a day.

With a convenient conference room, state of the art theater room, pilot briefing room, relaxing lobby, superior customer service, and an ISBAH registered accreditation, Jet Center Los Angeles is setting a new standard. Jet Center is also the home to one of the best restaurants in Los Angeles: Eureka! Tasting Kitchen. With outstanding reviews on both Yelp and Trip Advisor, Eureka! is frequented by the staff of SpaceX and the design team at TESLA, both of which are Jet Center’s neighbors.

“Eureka! features an elevated American selection of craft beer, small-batch whiskey, regional wine, and locally sourced ingredients. The restaurant offers handpicked music, televised sports and weekly events such as Meal The Glass and live music. Exceptional hospitality and unique environments create a value driven experience that Eureka! defines as ‘EATertainment!’” said Alexia Penna, Eureka’s PR and marketing manager. Eureka’s Restaurant Group’s headquarters are located on the second floor of Jet Center.

The transformation of the airport started when the Hawthorne Airport LLC partners signed the master lease on the airport in 2005. There has been a constant stream of improvements since then, with the most recent being the two new hangars under construction. According to Donny Sandusky, Jet Center’s General Manager, there will be 43,200 sq. ft. of new hangar space and 9,000 sq. ft. of new office space. There are also 10 acres of additional undeveloped land and 16 hangars to be built on the north side of the airport in 2016. Hawthorne Airport gives any tenant the opportunity for a long term lease at an airport that welcomes general aviation, and in a city that welcomes new business. Regardless of why customers come to Jet Center, whether it be current issues out at Santa Monica Airport or a possible new future football stadium in Los Angeles, Jet Center welcomes all with open arms.

“We are looking forward to all of the new tenants and clients this expansion is going to bring to KHHR,” said Sandusky. In addition, these two brand new hangars were carefully built with direct input from the film industry. From easy access to often requested elements to facilitate set-up and production, filming requirements were built in. Hawthorne Airport has been the set of many major motion pictures, television episodes, commercials, and music videos. Jet Center has also been the venue of many significant events, such as, most recently, the unveiling of Tesla’s new model S Dual Motor.

Advanced Air, an FAA Certified Air Carrier, began at Hawthorne Airport in 2006 and continues to grow exponentially. Advanced Air, which started with one King Air 350, is now a full service charter and aircraft management company that operates a fleet of King Air 350’s and Pilatus PC-12’s. Safety, above all, has always been Advanced Air’s focus. Advanced Air is IS-BAO certified, which means the company follows a code deemed by the International Business Aviation Council to be the best practices designed for achieving high levels of safety and professionalism. Advanced Air’s President Lev Stockton is a board continued on page 32
Answering the Call

One call to Avjet sets in motion the talent and resources to achieve your private air travel objectives. More than just a brokerage firm or charter company, Avjet delivers integrated aviation solutions with heroic, superhuman responsiveness.
Irrational Markets: What Is Your Aircraft Really Worth and Who Do You Believe?

What's it worth? Your car, your house, your stocks, or any other asset from fine watches to artwork. The 2008-2009 financial panic and ensuing global meltdown washed away more financial value than any other crisis since the 1929 stock market crash. Six years into the nascent recovery and signs are appearing that housing is close to reaching a bottom, financial assets have rebounded, and business activity has regained momentum, albeit at a slow pace, with economic issues still plaguing some parts of the world like China and Europe.

The general business aviation market was one of the hardest hit during the crisis. In addition to weathering the worst economic downturn in over fifty years, business aviation had to weather a social image crisis as well due to its perceived alignment with the 1% and Wall Street. Recent statistics show a drastic improvement from 18% of the entire private business jet fleet for sale at the height of the crisis to numbers now below 10% of the fleet. But aviation experts point out that the reduction in inventory has come at a huge cost in the form of plunging prices and unpredictable values.

At a recent business aviation forum in Teterboro, New Jersey, several industry experts lamented the “irrational” nature of the pre-owned aircraft markets and the complexities of determining aircraft values since the crisis. A few weeks earlier, at another private jet symposium in New York, a well renowned aircraft broker complained that current pricing guides for aircraft values were out of date by the time they reached the industry, and that if these so called “experts” couldn’t forecast residual values, it would be impossible to calculate what your aircraft is worth. All these so-called experts and industry pundits claim that falling prices and constant volatility are a result of a complex market, which bears little resemblance to the fundamentals. “Irrational” is the oft-used term to explain today’s market forces in the pre-owned jet segment. However, it could be argued that today’s pre-owned private jet market is completely “irrational” and actually provides a clear signal that both supply of aircraft and pricing prior to the financial crash was “irrational”. Economists like to use the term “overshooting” when describing markets, which tend to correct either to the downside or upside in rapid fashion. When this occurs, the market over corrects due to the rapid pace of price adjustments. Prior to the 2008-2009 crises, the private jet market was clearly “out of whack.” Imagine if you bought a new BMW, drove the car off the lot, and after six months sold it to your neighbor for an additional $8,000 premium. That’s exactly what occurred in the excesses of the pre-owned jet market in 2005-2008. Supply and demand were completely out of balance and prices paid for both new and pre-owned aircraft bore little resemblance to any sort of rational pricing. Stories of newly minted Russian oligarch’s offering $10,000,000 over fair market value in the days leading up to the crash were commonplace as was buying a new aircraft with no intention of taking delivery and planning to flip the contract at a huge premium to someone else.

Bankers complain that their “4% a year” depreciation models no longer work due to today’s “irrational” market movements. This from the same bankers...
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Castle & Cooke Aviation is a small chain of FBOs serving the Western United States for over 34 years with locations in Van Nuys California, Everett, Washington, and Honolulu, Hawaii. Castle & Cooke started in 1981 with a single 20,000 sq. ft. hangar and 1,000 sq. ft. of office space in Van Nuys and has now grown to have nearly ten times the size of the initial facility.

With the latest development of a 38,000 square foot hangar and 11,000 square foot of office and shop space attached as well as an additional two acre ramp conveniently located just north of the Air Traffic Control Tower, Castle & Cooke Aviation – Van Nuys is well prepared for the increase of both domestic and international traffic. The recent opening of Customs and Border Protection at the airport has allowed private flights to clear US Customs when arriving from anywhere in the world. With Castle & Cooke’s ramp expansion located midfield, taxi or towing from the new CBP facility is just a few minutes away. Including these new additions, the VNY complex now offers 188,000 square feet of hangar, along with 43,000 square feet of office & shop, and 205,000 square feet of ramp space.

In addition to the recent developments at the Van Nuys facility, Castle & Cooke Aviation maintains first-class FBO operations in both Everett, Washington (PAE) just North of Seattle and in Honolulu, Hawaii at the Honolulu International Airport (PHNL) on the beautiful Island of Oahu. Similar to VNY, these FBOs are first class facilities and are staffed by experienced professionals who are dedicated to exceptional service in every facet of aviation. Each FBO has unique service capabilities tailored to their customer base and transient traffic requirements. In Everett and Arlington Washington (PAE) and (AWO), Castle & Cooke is supporting the Aviation community and continually looking for development opportunities to expand and grow by providing a full range of services to all class of aircraft ranging from light GA aircraft operations through all class of business jets to the even the more complex handling of cargo aircraft such as the Antonov-124 and all Boeing 7 series aircraft. Located directly adjacent to Boeing’s production facility, Castle & Cooke Aviation has capabilities of all measures.

Castle & Cooke Aviation’s Honolulu, HI (PHNL) location has magnificent views of Diamond Head from their lobby and conference room. Customs and agriculture support services are available on site along with many other client and crew amenities. With Hawaii being a gateway to Australia, Asia and the Pacific Rim, Castle’s Honolulu FBO is the perfect stop. Outbound to countries further west or when returning to the US mainland, there is no better place to find excellent service and care for passengers, crew and aircraft. The year-round ideal weather makes technical stops a breeze – you’ll only wish you could stay longer.

This full-service FBO boutique-style chain continues to grow. Castle & Cooke Aviation is home to several Fortune 500 flight departments as well as many private aircraft ranging from small light jets to the newest state of the art Gulfstream G6550 and Bombardier Global Series. In addition, they handle many private and charter flights from all over the country and now worldwide at all of their locations. Aircraft large or small, Castle & Cooke provides excellent service and elegant facilities.

David H. Murdock, Castle’s Chief Executive Officer and owner, has been operating at Van Nuys Airport since 1975 and built his first hangar there in 1981. Mr. Murdock’s Lear 25 was the seventh jet to be based at VNY in 1977. Today, his flight department shares hangar and offices with aircraft owned by the region’s top corporations and business leaders.

For more information about Castle & Cooke, visit www.castlecookeaviation.com
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The most experienced operator of private jets in the world.
New U.S. Customs Facility at Van Nuys Airport is on Fast Track to Operational Success

The newly opened Van Nuys Airport U.S. Customs and Border Protection (CBP) facility provides clearance services for arriving international flights that will benefit business travelers, fuel the local economy and reduce airspace congestion in the Southern California region.

As one of the world’s busiest general aviation airports, Van Nuys Airport (VNY) has been without CBP officers since 2006 when on-call customs clearance services were suspended at all airports within the Los Angeles basin except at Los Angeles International Airport. Over the past six years, VNY management has worked in close collaboration with airport tenants and key stakeholder groups to reestablish CBP services at the general aviation airport.

The dedicated 1,528 square-foot clearance facility officially opened on May 21, 2015 under the federal User Fee Airport Program, which reimburses CBP for all operating costs with fees collected from arriving aircraft. Housed at Signature Flight Support, it has successfully cleared over 100 international flights since its opening.

VNY is assigned a full-time Customs agent to process arriving international aircraft, passengers and cargo. Signature Flight Support, which advanced approximately $248,000 to construct a dedicated clearance facility, is responsible for collecting user fees and making payments to LAWA that are then submitted to CBP for staffing and operational costs.

VNY’s proximity to downtown Los Angeles, Hollywood and LAX, combined with the addition of CBP services, makes it the ideal destination for business travelers. Located on the 730-acre airport, VNY’s three Fixed Based Operators offer a full range of services and amenities including modern passenger lounges, fueling services, maintenance support, and airport hangar and tie-down areas.

As a world-class general aviation airport that plays a critical role in Southern California air transportation, having U.S. Customs and Border Protection services available onsite makes the airport much more convenient for international travelers,” said Deborah Ale Flint, executive director for Los Angeles World Airports. “Working with our partners, Signature Flight Support and other major airport tenants, Los Angeles’ business airport continues to make enhancements to provide world-class facilities and service.”

VNY is one of three airports owned and operated by Los Angeles World Airports (LAWA), a self-supporting branch of the City of Los Angeles, governed by a seven-member Board of Airport Commissioners who are appointed by the Mayor and approved by the Los Angeles City Council.

One of the world’s busiest general aviation airports, VNY serves as a valued San Fernando Valley resource, providing ongoing leadership in general aviation, business and community service. Dedicated to noncommercial air travel, VNY had over 238,000 operations in 2014.

Annually, the airport contributes approximately $1.3 billion to the Southern California economy and supports over 12,000 jobs. In addition, VNY provides programs to benefit local residents, along with educational initiatives and aviation-related career and training opportunities.

For more information, visit lawa.org/vny, like us on Facebook at Facebook.com/LAWOFOFFICIAL, follow us on Twitter at twitter.com/LAWA每日经济, or like us on Instagram at Instagram.com/vannyairport.

NBAA’s New Guidelines Help Operators Fly Quietly

The National Business Aviation Association (NBAA) this summer released its much-anticipated and updated Noise Abatement Program (NAP), which provides business aviation operators, as well as airport authorities, with recommended guidelines for reducing aircraft noise and protecting communities surrounding the nation’s airports. The safe, standardized and straightforward operating procedures were developed for today’s business jet aircraft, which are quieter, climb faster and often operate at altitudes that are far lower than when the NAP was first launched in 1967.

“NBAA is proud to offer the business aviation community – and the many airports across the country which have recommended use of our NAP over the years – a completely updated program that is the result of several years of hard work,” said Gilley.

The revised NAP also includes recommendations for approach and landing procedures (VFR and IFR). As with the departure procedure, updated safety information and data on best practices is presented. “NBAA’s Safety Committee played a significant role in helping to update the entire Noise Abatement Program,” said Andino.

Jeff Gilley, NBAA’s director of airports and ground infrastructure, noted that the revised NAP includes relevant best practices information not just for aircraft operators, but for airport and air traffic control authorities as well. “It’s in the best interests of all stakeholders for aircraft to be flown as quietly and neighborly as possible,” said Gilley. “NBAA’s new NAP materials say, ‘quiet flying is good business.’”

Gilley said that in the coming months, NBAA would be working closely with airport operators around the country to distribute the revised NAP and inform all stakeholders of the updated noise abatement procedure guidelines.

Founded in 1947 and based in Washington, DC, the National Business Aviation Association (NBAA) is the leading organization for companies that rely on general aviation aircraft to help make their businesses more efficient, productive and successful. The Association represents more than 10,000 companies and provides more than 100 products and services to the business aviation community, including NBAA’s Business Aviation Convention & Exhibition, the world’s largest civil aviation trade show. Learn more about NBAA at www.nbaa.org.
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Creating L.A.’s Most Exclusive Aviation Complex

Clay Lacy Aviation’s $13 million development at Van Nuys Airport offers ultimate privacy and security

In 1964 when legendary aviator Clay Lacy landed the first Learjet at Los Angeles’ Van Nuys Airport, he began laying the foundations of what would become one of the largest and most diverse fleets of business aircraft available today.

Four years later in 1968, he founded the first jet charter company west of the Mississippi, pioneering a new era of incredible mobility. For the five decades since, Clay Lacy Aviation has managed, maintained and globally operated jet aircraft from every major manufacturer.

Clay Lacy Aviation now employs more than 500 people and operates a fleet of over 75 aircraft, earning distinction as the world’s most experienced operator of private jets. It operates a second full-service private aviation facility at Seattle’s Boeing Field, with regional offices and aircraft operations in 10 other U.S. cities.

For nearly half a century, Clay Lacy Aviation has served the personalized needs of travelers across the globe. It delivers a full spectrum of private aviation services and amenities under one roof including aircraft management, charter, sales, acquisitions, maintenance, avionics, interior completions and ground support.

“Our employees are the reason for our success,” said Clay Lacy Aviation President and CEO Brian Kirkdoffer. “Togetherness, teamwork and passion for excellence are at the heart of everything we do.”

Expanding into the Future

In February 2015, Clay Lacy Aviation broke ground on a $13 million expansion and refurbishment of its Van Nuys Airport headquarters facility, designed to be Los Angeles’ most secure and private corporate aviation complex.

Come in 2016, the South Campus project will feature:

- 63,000 square feet of hangar space to house long-range aircraft
- 21,000 square feet of new office, training and meeting space to accommodate corporate flight departments and private events
- An indoor event space featuring the display of Clay Lacy’s iconic Lear 24, the first business jet to land at Van Nuys Airport in 1964
- 3.5 acres of aircraft ramp space

The new development combined with Clay Lacy Aviation’s current leasehold will encompass 14 total acres, 149,000 square feet of hangar space and 35,000 square feet of office, training and meeting space. The physical orientation of the new buildings combined with the refurbishment of existing facilities is intended to keep travelers out of view from the surrounding street and aircraft ramp areas, providing the most private and secure location on the airport.

Once completed, the new and existing facilities will generate significant and positive economic impacts. These include more than $11 million in revenue to Los Angeles World Airports and $2.4 million in property taxes over 30 years. The development will also create about 25 new maintenance, line service and ground support jobs with an annual pay roll of more than $2 million.

“We are excited to create the ultimate private aviation facility in Los Angeles,” Kirkdoffer said. “Every detail of our new South Campus has been designed with the privacy, comfort and convenience of our clients in mind.”

Serving a Resurgent Market

A growing number of clients continue to select Clay Lacy Aviation as their preferred aircraft management company. During 2015, the company welcomed seven new planes to its charter and managed fleet, indicating a resurgent corporate aviation market.

These new aircraft exemplify a diverse offering from Gulfstream, Bombardier, Embraer, Hawker and Falcon Jet—enabling Clay Lacy Aviation to accommodate any domestic or international mission. The new additions include a Global Express, Falcon 2000, Learjet 75, Hawker 800XP and two Gulfstream G550s in Los Angeles, plus a Falcon 7X and Learjet 60 in Orange County.

“Our clients are showing renewed excitement about owning and flying business aircraft,” said Kirkdoffer. “We combine global partnerships, strong buying power and unequalled experience to deliver our clients maximum flexibility, control and value.”

Today, Clay Lacy Aviation’s vision remains the same as it was in 1968—great people, providing an exceptional aviation experience. From being L.A.’s original aircraft services company to assembling the most experienced team of professionals in the industry, its achievements are unsurpassed in the world of aviation.

For more information visit claylacy.com or call (818) 989-2900

In the Cockpit: How to Get Started as the Pilot

No matter what your ultimate goal in aviation is - be it recreational flying or a more advanced training program - you must start by getting a private pilot’s license. (Word to the wise: technically, pilots hold “certifi cates,” not licenses, to fly, although hardly anyone except the FAA calls them that.) This private license allows a pilot to fly a single-engine airplane under visual flight rules (VFR), meaning visibility of at least three miles, as well as night. A private pilot may carry passengers but may not be paid for doing so, although the pilot can share operational expenses with non-passengers.

Once you have earned a private license, you can work toward other certificates: a commercial certificate allows you to be paid for your flying, a flight instructor certificate enables you to teach others, and an airline transport certificate permits you to fly an airliner. You can also add various ratings that allow you pilot multi-engine airplanes, navigate using instruments in bad weather, and fly different aircraft like seaplanes, gliders, helicopters, and balloons. But before you even think about doing that, you must get your basic private license.

The prerequisites for a pilot’s license are simple enough that almost anyone can earn one:

- Medical examination. You must pass the basic medical exam that all applicants are required to undergo, certifying that you meet the medical standards for safely operating an aircraft. This medical exam is so important, that we’ve devoted the entire next step to it. So cheat and skip ahead, click here.
- Language. Applicants for the private license have to be able to read, speak, and understand English (the international language of aviation).
- Age. The FAA says you must be at least 16 years old to fly solo with a student pilot certificate, and 17 years old to get a pilot’s license. There is no upper age limit, provided that you are healthy enough to pass the basic medical exam discussed above. Time. A private license requires a mini mum of 40 hours of flight time, with most student pilots logging closer to 60-80 hours before their final check ride, as well as extra time for study on the ground in preparation for an FAA written test. The length of your training depends in part on whether you want to study full or part-time. Intensive full-time programs can be completed in as few as two weeks or a month, while a part-time student typically takes between four and six months of flying several times a week.
- Money. Learning to fly is an investment that takes some money as well as time. While flying is certainly not restricted to the fabulously wealthy-you can learn to fly on a budget - it nevertheless is not an inexpensive endeavor. If you train part-time at a local airport, for example, plan on investing in the range of $3,000 to $5,000, with costs varying widely by region. It is a good idea to consider whether you have the funds to start toward and reach your goal within a reasonable time period. Keep in mind that you do not need to pay for all of your flight training up front. Most training programs let you pay as you go, although you might get a price break by paying for a block of lessons in advance.
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- Contributes more than $1.3 billion annually to the region’s economy
- Supports over 12,300 direct/indirect jobs
- Serves as a center for aviation-related career and training opportunities, with resources for future industry leaders

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whose business models marked-to-market trillion of dollars in “crap” real estate loans which were worthless long before the crash ensued. The rapid price declines and volatility in today’s pre-owned aircraft markets represent a “cleansing” or correction in the marketplace and is completely rational. Those who say values are moving too quickly and too unpredictably are missing the point. The aircraft market values real time transparency, just like any other market, and today’s corrections in pricing, which occur daily and weekly, will help balance out supply and demand issues moving forward. Imagine if you had to wait several days or even a week to check the value of your Facebook stock and then realized the value was already out of date. Inability of prices being able to adjust on a daily or weekly basis isn’t beneficial but a sign of illiquidity. That makes absolutely no sense at all.

Today’s pre-owned market is a model of transparency with buyers being much more educated about pricing. Sellers who employ knowledgeable brokers to assist in selling their aircraft have the same information. Money is rarely left on the table these days, and prices reflect true supply and demand conditions. The fact that prices continue to plunge is a result of oversupply of aircraft and not anything tied to “irrational” behavior. Employing the use of a seasoned aircraft broker who understands the market in real time is paramount to helping buyers and sellers value their aircraft and transact strong deals.

Information for this article was provided by Avjet Corporation. For more information, visit www.avjet.com