

Aircraft Purchase Considerations

Casey Aviation, Inc.

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	Explanation of Aviation Terms	1980 A36 Bonanza	1975 Baron 58	PC-12	King Air B200
General information		IO520	(2) IO470	-67 Turbine	PT6-42 Engines
Average purchase cost (well equipped, avg time)		\$155,000	\$125,000	\$1,700,000	\$1,200,000
Cruise speed: Average KTAS		170	180	270	270
Range		900	798	1469	1500
Max seats		5+ Pilot	5+ Pilot	9+Pilot	9+ Pilot
Annual Real Expenses					
Hangar	Average at KJSO.	\$3,000	\$3,000	\$6,000	\$6,000
Insurance	Average cost, usually commensurate with Hull Value	\$4,000	\$4,000	\$17,000	\$13,000
Annual/Phase Inspection Base Rate	Base rate only...does NOT include "findings" that can soar if a crappy airplane is purchased.	\$3,500	\$3,000	\$16,000	\$14,000
Pilot Training	Initial training only	\$0	\$0	\$8,000	\$6,000
		\$10,500	\$10,000	\$47,000	\$39,000
Variable Hourly Real Expenses					
Fuel	\$4/hour jet; \$5/hr Avgas...all averages	\$80	\$150	\$260	\$400
Maintenance (0.3 turbine or 0.5 piston rate x fuel)	The most ambiguous # on the page... includes tires, oil change, wear and tear.	\$40	\$150	\$78	\$240
Total Annual Reserve Expenses					
Airframe Reserve (as provided by VRef)	The value of excess hours on the airframe	\$5	\$3	\$30	\$19
Engine Reserve	Engine overhaul divided by TBO	\$25	\$44	\$114	\$139
HSI/TOH Reserve	Engine Hot Section divided by TBO	\$7	\$13	\$20	\$17
		\$157	\$360	\$502	\$815
Cost per hour (at 60,000 miles/year)	This value minus the fuel costs equals the probable value that each partner (if applicable) should pay per flight hour.	\$187	\$390	\$714	\$990
Cost per NM	Probably the most telling # on the page	\$1.10	\$2.17	\$2.64	\$3.67
Operational dollar output/year (60,000miles)	Total cost of ownership annually (not including aircraft management/pilot fee)	\$65,829	\$130,111	\$158,619	\$220,012
Hours flown to get 60,000k miles	60k miles divided by cruise speed	353	333	222	222
Known variables					
Engine overhaul cost	Value from VRef, FRMAN	\$42,000	\$33,000	\$400,000	\$250,000
Engine TBO	Value from engine manufacturer	1700	1,500	3,500	3,600
HSI/TOH Cost	A VERY ambiguous number, I placed LOW values in this block.	\$12,000	\$10,000	\$70,000	\$30,000
Cruise Fuel Burn	Average values	16	30	65	100