



# PLANEPHD

## *How do most people purchase their aircraft?*

Quite simply, they hire a trusted broker. Brokers provide a valuable service because a broker uses their experience to help you identify, evaluate, negotiate, and execute the purchase of your future aircraft.

## *Sounds great. What could be better?*

A better broker? Most people find their broker from a local referral. It would be impossible for you to compare the hundreds of brokers, and so you settle for one that's local and convenient. They were probably referred by a friend who also settled on local and convenient. Local and convenient is good—but is it optimal?

## *Better how?*

Finding an Aircraft: Your broker is your source of information; information is the key to success. If brokers could manage to be everywhere and watch everything, over several years they would find themselves trying to make sense of hundreds of thousands of advertised aircraft. But that's humanly impossible. What makes it even worse is that what's advertised may not be the plane in reality, and do you really want to travel a thousand miles to find out? Brokers are human and, just like you, are going to lean towards local and convenient in sourcing an aircraft. If only someone had a way to



track all those aircraft and find a way to make sense of all that data, we could widen our aircraft net.

Evaluating an Aircraft: In an ideal world, you have access to all that aircraft data and can pull together many sources, cross reference them, and then watch all the aircraft for sale to flag the ones where the advertised specs don't match previous history (or perhaps highlight what they failed to mention). We see these strategic exclusions from listings all the time and can save you the pain of discovering these issues the old-fashioned way: after the transaction has begun or worse—completed.

Now you've found a better aircraft and saved a lot of time, energy, and money by avoiding a few dead ends. But what should you pay for that aircraft?

Negotiation: Depending on the make/model and the market, this can be the hardest question to answer. There's only one thing to do; look in the rearview mirror at transactions that happened months ago. (Ok, just kidding. That's the old way of doing things.) In a fast market, prices could be higher or lower by 10% in no time. PlanePhD's proprietary valuation system, also known as "PAPI", tracks what's happening to prices on thousands of aircraft in real-time. By watching how prices and inventory levels change, and cross-referencing demand and supply across models, our system can see things that are happening now that others won't realize for months. When everyone is looking at the past, how much would knowing the future be worth?

Execution: Yes, we do that too! We have been working to streamline our execution process to give you a better experience. Let's see how below.



## Welcome to the future of aircraft acquisitions.

### Onboarding

Regardless of where you are in your aircraft acquisition journey, it's never too early to engage in our program: whether you're fresh out of flight school, a professional who's flown all their life, looking to expand your charter operation, or ready for your next business jet, we have the tools to get you to the finish line in the right plane, at the right price, with the least amount of risk and time wasted. Engagement begins with a straight-forward survey that will help us understand you and your needs.

With the survey complete, one of our aircraft acquisition experts will contact you directly to begin the process. Our team of experts use our data tool sets, experiences, and aircraft re-sale market knowledge to help match your mission to the ideal aircraft make and model (M&M).

To start off, we will use our tools to show you some options, we'll provide you with operational cost metrics, like those shown below, so you are prepared for every scenario.

Total Fixed Cost	\$7,204.32	Total Variable Cost*	\$11,450.95
Annual inspection cost:	\$1,020.00	Fuel cost per hour:	\$51.30
Storage:	\$840.00	Oil cost per hour:	\$3.19
Weather service:	\$604.89	Overhaul reserves:	\$10.18
Insurance:	\$1,662.62	Hourly maintenance:	\$15.30
Refurbishing and modernization:	\$360.75	Landing, parking, and supplies:	\$8.80
Depreciation:	\$2,716.06	<i>*Average hours flown annually</i>	129.0
Annual Ownership Cost:		\$18,655.27	



If you already know exactly what you want, our team will help you to narrow down a list of planes that are active and actionable on the market today.

### List Ranking

The next stage in the process involves providing you a curated selection of available aircraft that meet your criteria. Our database is updated daily from the top transactional spaces across the world, so you'll always be on top of the competition. The table below is an example list a customer might receive, including links back to our site where we have detailed sales histories and damage reports from the FAA, NTSB, and other sources. You will then rank the provided list to filter down to the prime candidates.

The PlanePhD proprietary valuation algorithm is called the Precision Aircraft Pricing Index or PAPI for short and is based on tens of thousands of historical aircraft listings. PAPI will give you a metric for which planes are overvalued and which are undervalued by their sellers providing you with unmatched market value insight.

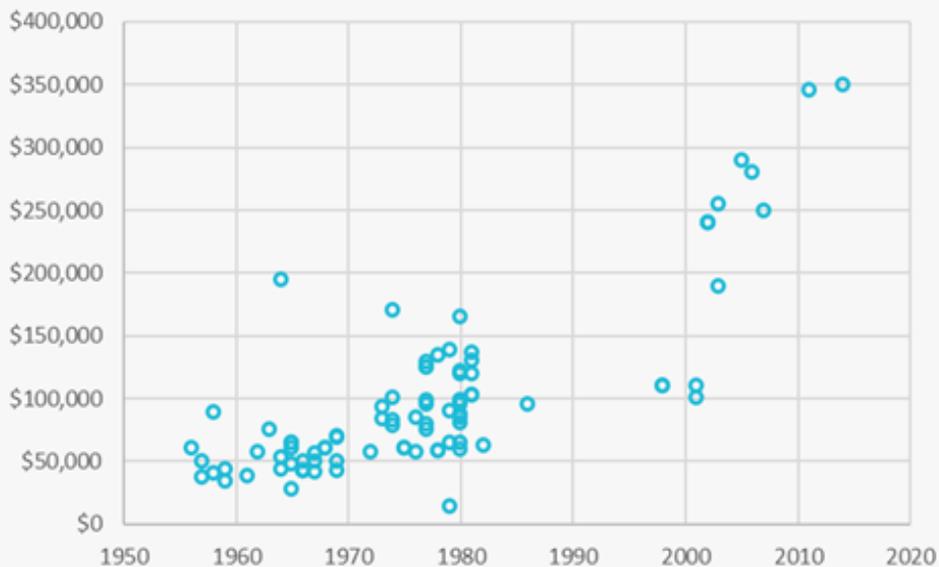
#	My Ranking	Tail #	Year	Make & Model	Asking Price	PAPI Value	Price Delta	TTAF	SMOH	Damage	History
1	★★★★☆ ☆	N216JA	1980	Cessna 172RG	\$121,500	\$99,540	\$21,960	8,327	1273	MINOR (+1)	<a href="#">View (1)</a>
2	★★★★★ ☆	N51733	1981	Cessna 172P	\$103,000	\$115,890	-\$12,890	3,688	1445		
3	★★★★☆ ☆	N6511V	1980	Cessna 172RG	\$59,000	\$71,425	-\$12,425	8,176	2000	SUBS (+1)	<a href="#">View (1)</a>
4	★★★★★ ★	N5393V	1980	Cessna 172RG	\$65,000	\$68,640	-\$3,640	8,678	2029	MINOR	<a href="#">View (1)</a>
5	★★★★☆ ☆	N3238L	1967	Cessna 172H	\$49,900	\$51,220	-\$1,320	4,600	375		<a href="#">View (1)</a>
6	★★★★☆ ☆	N46109	1968	Cessna 172P	\$60,000	\$52,450	\$7,550	7,162	635		<a href="#">View (1)</a>
7	★★★★★ ★	N9632V	1977	Cessna R172K	\$97,900	\$96,500	\$1,400	1,827	657		<a href="#">View (1)</a>
8	★★☆☆☆ ☆	N4308L	1966	Cessna 172G	\$42,900	\$54,985	-\$12,085	4,464	690		<a href="#">View (1)</a>
9	★★★★☆ ☆	N3953F	1958	Cessna 172	\$89,000	\$71,280	\$17,720	5,960	835		<a href="#">View (1)</a>



When you pick an aircraft, we will assist in arranging for an inspection of the aircraft with a qualified technician that is best suited for the Make and Model you have chosen. At this stage a deep inspection of the logbooks will uncover all undisclosed modification history or damage. The challenge with tracking damage history is as soon as the registration number changes on an aircraft, there is no way to find that aircraft in the publicly available databases. At this stage in the process, you've potentially wasted several weeks, and costs related to inspections and travel to and from the aircraft. Our databases have cross referenced all available resources with the history associated with an aircraft serial number eliminating the tail number tracking issue. We find damage where others can't and provide that resource directly in the lists, we provide to you so you can make judgements with more complete information, right at the start.

## Making an Offer

Once we've set on the target, we will use PAPI to analyze the market dynamics.





This PAPI chart shows the power of visual analytics, where our historical data can reveal trends in the market to identify the true value of an acquisition target. Our experts will then use an internal tool set to generate a Letter of Intent (LOI) to be sent to the seller. This LOI will act as an operating agreement between the transacting parties in the case that both sign on. An offer on the aircraft will be included in the document, a figure informed by PlanePhD's PAPI, as well as several buyer protections that reduce risk of seller abuse—like failure to disclose prior damage or maintaining active listings far into the transaction process. The LOI acts as a bridge between the initial buyer / seller contact and an official Purchase Agreement, a document that our experts will create for your final review. Since there are a number of moving parts, our experts can recommend the following third-party services to support completion of the acquisition:

- *Escrow Services*
- *Financing Options*
- *Inspection Locations*
- *Ferry Pilots / CFIs*
- *Legal Reviews*
- *Insurance Agencies*

Remember, if the seller gets cold feet, there is still a list of other strong candidates; once you're in our ecosystem, our experts are committed to bringing you into the pilot's seat in an efficient and cost-effective manner.





## Logistics

By this point there's a signed document and you're well on your way to acquiring a new aircraft—but that doesn't mean you're flying solo again quite yet. Closing with the chosen escrow agency sets off a series of events that involve a number of external parties and paperwork: title search, registration, bill of sale filing, activating insurance, etc. The inspection is another critical moment in the process where a lot will be learned (and hard decisions may need to be made). Our experts can guide you through the options presented and even recommend upgrades and cost savings while your new plane is already in the shop. Once you're happy with what's happening under the hood, you'll have just acquired your next plane!

## Post-Purchase

Once the final payments have cleared and the paperwork has changed hands, we will still be there to support the final post-acquisition elements, such as coordinating delivery of the aircraft to your home base, recommendations on hangaring, and locating necessary schooling (if you still have some training left to do). From dreaming about a new plane to getting behind the yoke for the first time, we're here for you.

*Think you're ready to find your next plane with our expert team?*

*Take our [onboarding survey](#) and experience the future of aircraft acquisitions.*

*Check out our [membership page](#) to see what else PlanePhD has to offer!*