



JET TRANSACTIONS

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BOMBARDIER MARKET UPDATE Q4 • 2018

2018 continued its upward trend and ended the year with both new and used deliveries and orders up over 2017. However, the big-bang Q4, that so many projected, seemed to be over by mid-November aided by an increasingly caustic political environment, slowing GDP (worldwide), wild stock market gyrations and finally the threat of a Government shut down that materialized by the end of the Qtr. It wasn't a bad quarter, it just wasn't a great quarter as buyer caution outweighed the tax benefit fueled activity, which we began seeing in Q2 & Q3. The caution was also evident in aircraft activity which on a whole was down 0.5% Year over Year according to flight tracking data from Argus International.

The future remains exciting nonetheless. We saw new certifications in 2018 of the G500 and Global 7500. 2019 will celebrate more exciting aircraft with the G600, Global 5500/6500 and Embraer Praetor 400/500 all due for certification. We expect 2019 to be a tougher growth year as new models will be in low ramp up production rates and the inventory of later model pre-owned aircraft remain low.

**How does this affect the Bombardier pre-owned market?** Bombardier products ended the year on a high note, with overall inventory levels down nearly 11% year over year across all tracked models and pre-owned sales rose 30% over the previous quarter. Q4 saw substantial jumps in new units delivered as well compared to Q3-18, though up just 1 unit from last year's close. Most of the market remains at healthy levels, with only the GL5000 Classic and Vision models inching above 10% of the fleet for sale, respectively. With the GL7500 now approved by both the American and Canadian aviation authorities, 2019 should prove to be a continual improving year for the OEM.

Brant Dahlfors



Quarter 4  
2018

Challenger 300	2
Challenger 350	3
Challenger 604	4
Challenger 605	5
Global 5000 Classic	6
Global 5000 Vision	7
Global Express	8
Global XRS	9
Global 6000	10





# CL300 MARKET UPDATE Q4 • 2018

## Market Summary

Activity in the pre-owned Challenger 300 market jumped significantly, more than doubling the number of units sold in Q4-18 to 15 this quarter. Available inventory saw a decline to 15 units or just 3.3% of the fleet for sale. Prices are holding firm, with average quarterly Ask Prices on the rise for the second consecutive quarter, something not seen in at least two years. The Challenger 300 remains a strong stable pre-owned market.

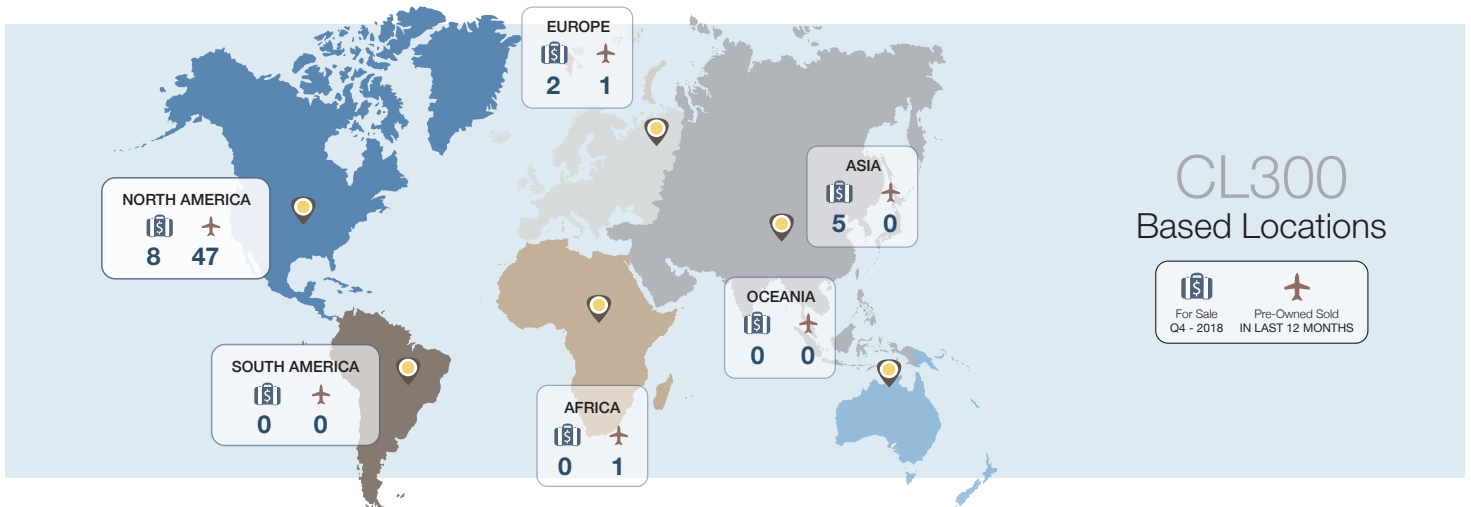
## Current Market

Currently for Sale	15
Ask Price Range	\$6.3M - \$12.4M
% of Active Fleet	3.3%
In Operation	454

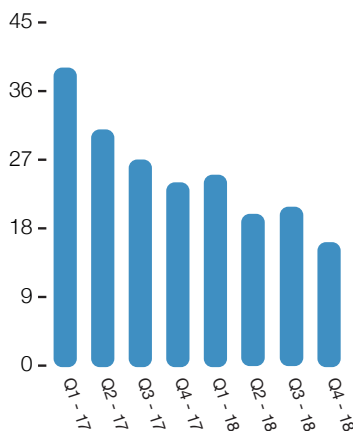
## Market History

24 MONTH AVERAGE

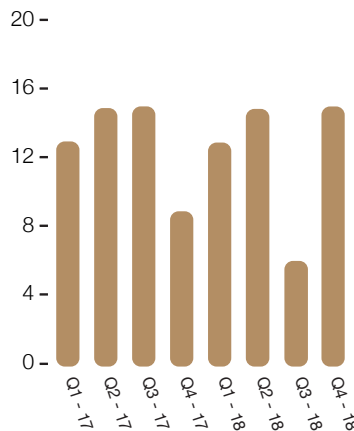
Inventory High	41
Inventory Low	15
Avg. Sales Price	\$8.9M
Avg. Ask Price	\$9.3M
Avg. Days on Market	258
North American Sales	94%



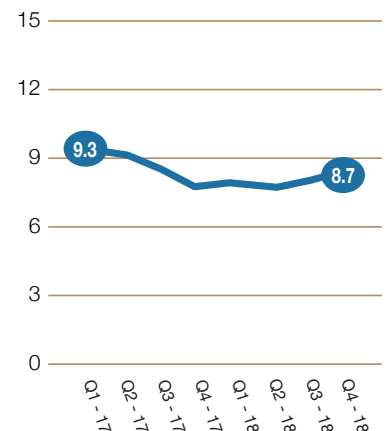
Avg Pre-Owned For Sale



Pre-Owned Sold



Avg Ask Price in Millions





# CL350 MARKET UPDATE Q4 • 2018

## Market Summary

As early aircraft are coming out of warranty, the inventory levels grew substantially for the Challenger 350 pre-owned market, up 75% to 7 units for sale. Given the strong fleet growth in 2018, the percentage of fleet for sale is still a very healthy (low) 2.6%. Our 24-month rolling Average Ask Price and Sold Prices remain unchanged in Q4. The in-operation fleet grew significantly, to 267 units. The quarter also marks a record of new unit deliveries for the proceeding 24 months at 11 units.

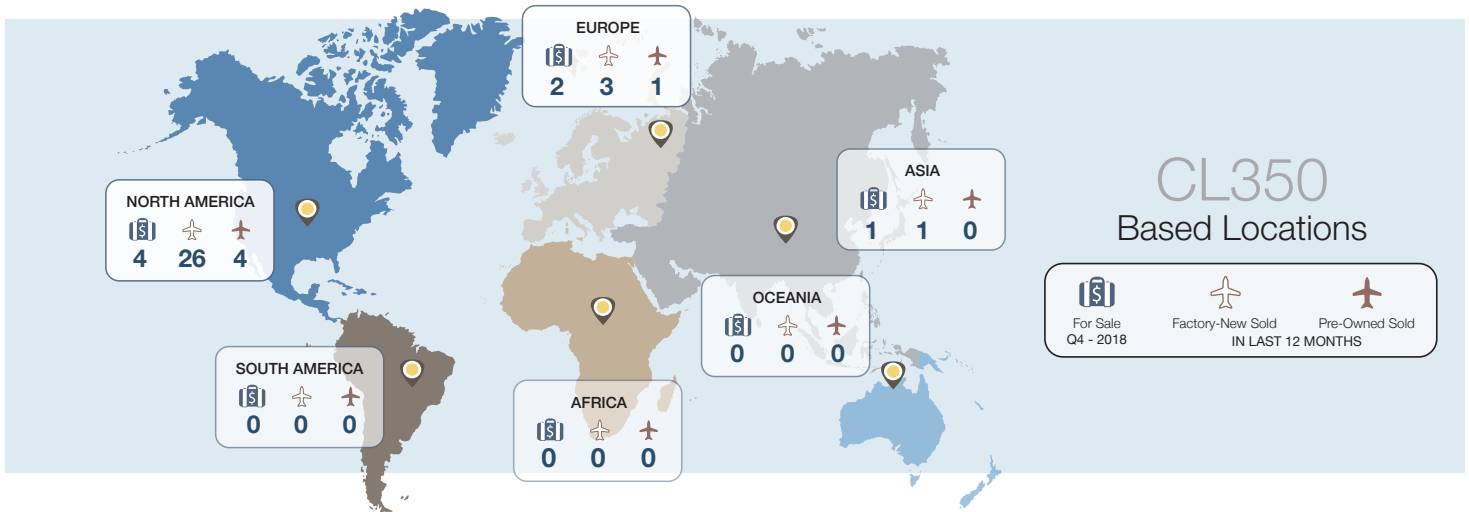
## Current Market

Currently for Sale	7
Ask Price Range	\$15.5M - \$17.5M
% of Active Fleet	2.6%
In Operation	267

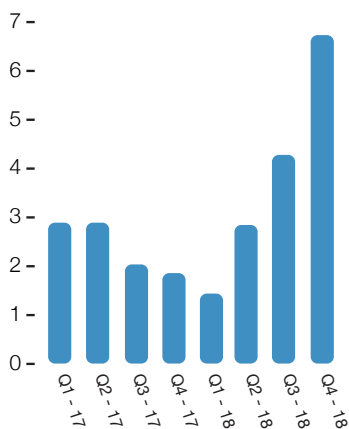
## Market History

24 MONTH AVERAGE

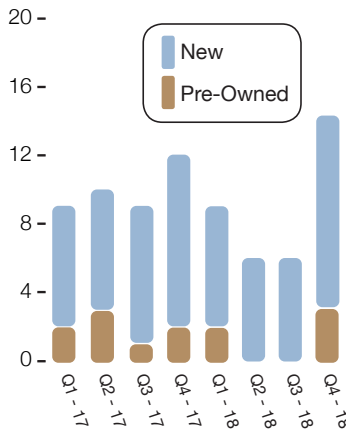
Inventory High	7
Inventory Low	1
Avg. Sales Price	\$16.2M
Avg. Ask Price	\$16.6M
Avg. Days on Market	210
North American Sales	83%



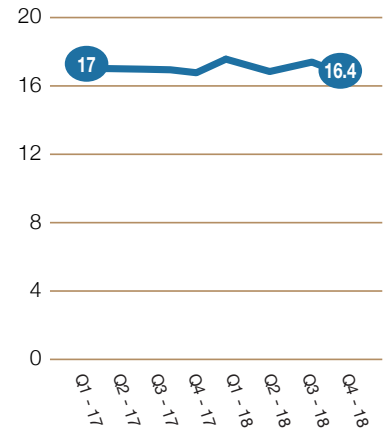
Avg Pre-Owned For Sale



Pre-Owned & New Sold



Avg Ask Price in Millions





# CL604 MARKET UPDATE Q4 • 2018

## Market Summary

Once again, the CL604 market proved to be strong, and ended the year up nearly 31% in pre-owned sales compared to 2017. Available inventory remained unchanged and 13 units traded hands this quarter, solidifying a steady balance of supply and demand for this popular model. Days on Market edged lower, as did the 24-month Average Ask and Sold Prices. The in-service fleet dropped slightly by 1 unit, which was donated to a Swiss air museum from an air ambulance operator.

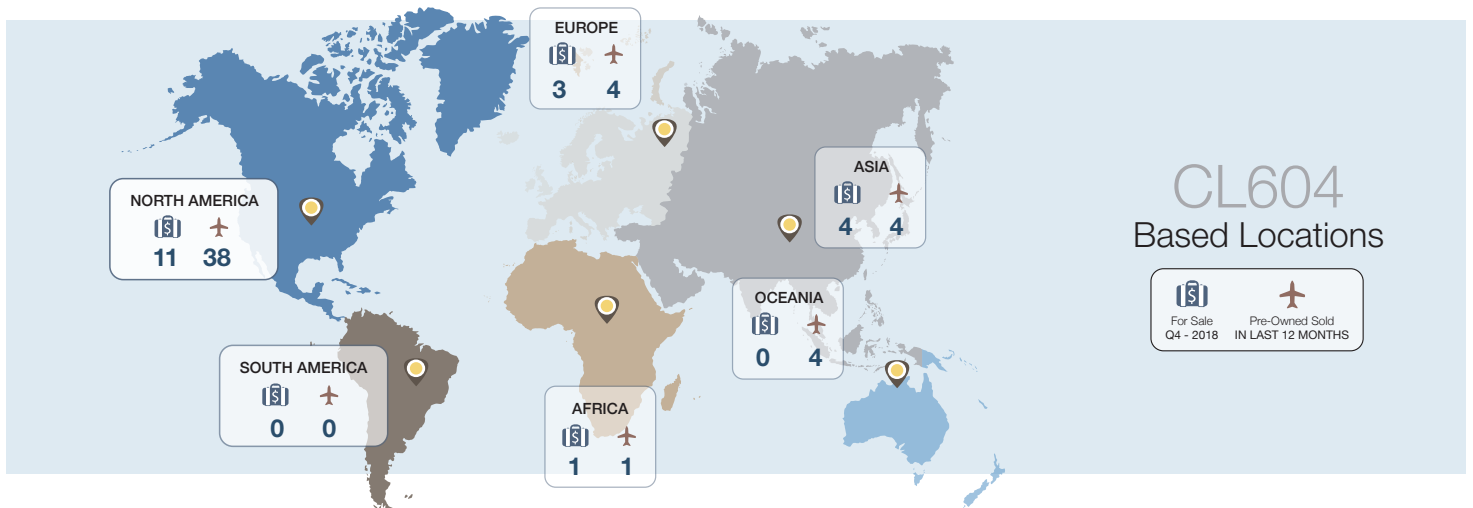
## Current Market

Currently for Sale	19
Ask Price Range	\$3.9M - \$5.5M
% of Active Fleet	5.3%
In Operation	359

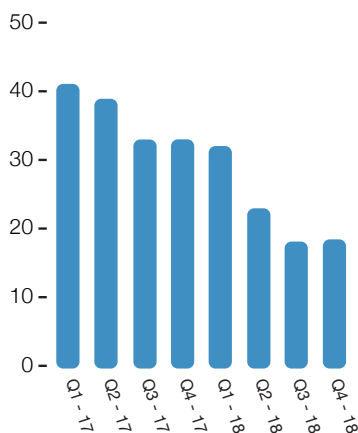
## Market History

24 MONTH AVERAGE

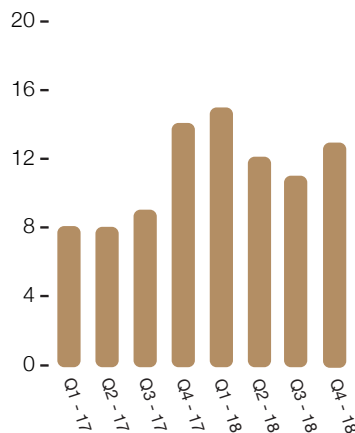
Inventory High	42
Inventory Low	16
Avg. Sales Price	\$4.5M
Avg. Ask Price	\$5.0M
Avg. Days on Market	233
North American Sales	80%



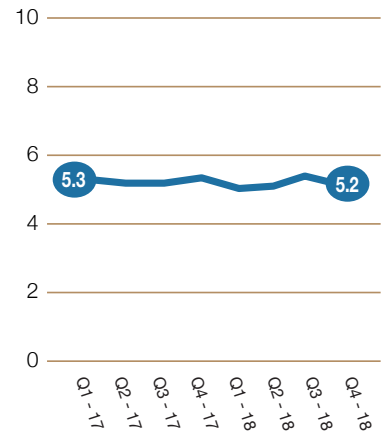
Avg Pre-Owned For Sale



Pre-Owned Sold



Avg Ask Price in Millions





# CL605 MARKET UPDATE Q4 • 2018

## Market Summary

After a strong start to the year that saw the highest number of pre-owned units sold in Q2, the final quarter was a bit lackluster for the CL605 market with just 3 units being sold. Average ask prices dropped by nearly 4%, but still remains above the overall average for 2017. The 605 remains as one of the most popular pre-owned Challenger models abroad, with just 64% of sales occurring in North America, compared to 80% for the 604.

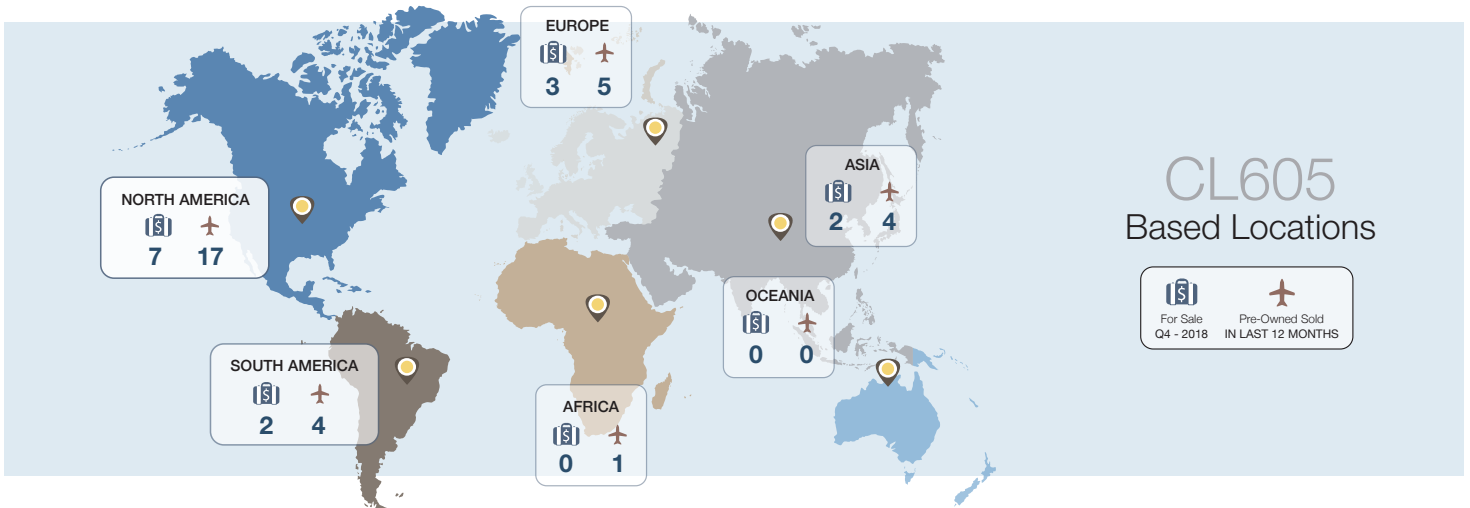
## Current Market

Currently for Sale	14
Ask Price Range	\$9.7M - \$15.5M
% of Active Fleet	4.9%
In Operation	286

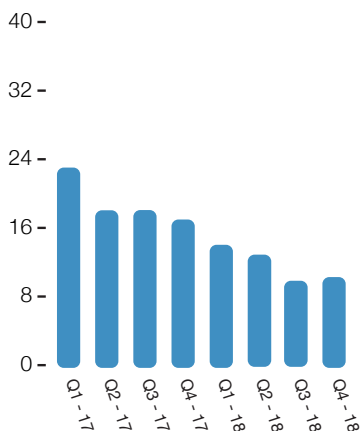
## Market History

24 MONTH AVERAGE

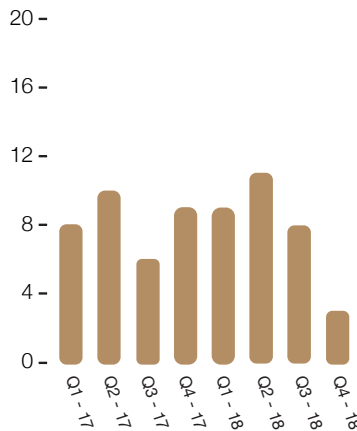
Inventory High	25
Inventory Low	6
Avg. Sales Price	\$10.3M
Avg. Ask Price	\$11.2M
Avg. Days on Market	215
North American Sales	64%



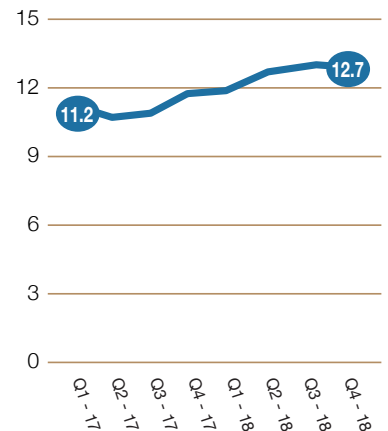
Avg Pre-Owned For Sale



Pre-Owned Sold



Avg Ask Price in Millions





# GL5000 CLASSIC MARKET UPDATE Q4 • 2018

## Market Summary

The Global 5000 Classic started the year off bullish, with 6 units changing hands in the first quarter, more so than any time in the previous two years. Since then pre-owned sales levels have settled at a more predictable 2 units sold per quarter, about average for the model. Inventory further climbed to 13 units or 10.5% of the fleet for sale, matched only by the GL5000 Vision in being the only tracked Bombardier model to climb back above the 10% threshold.

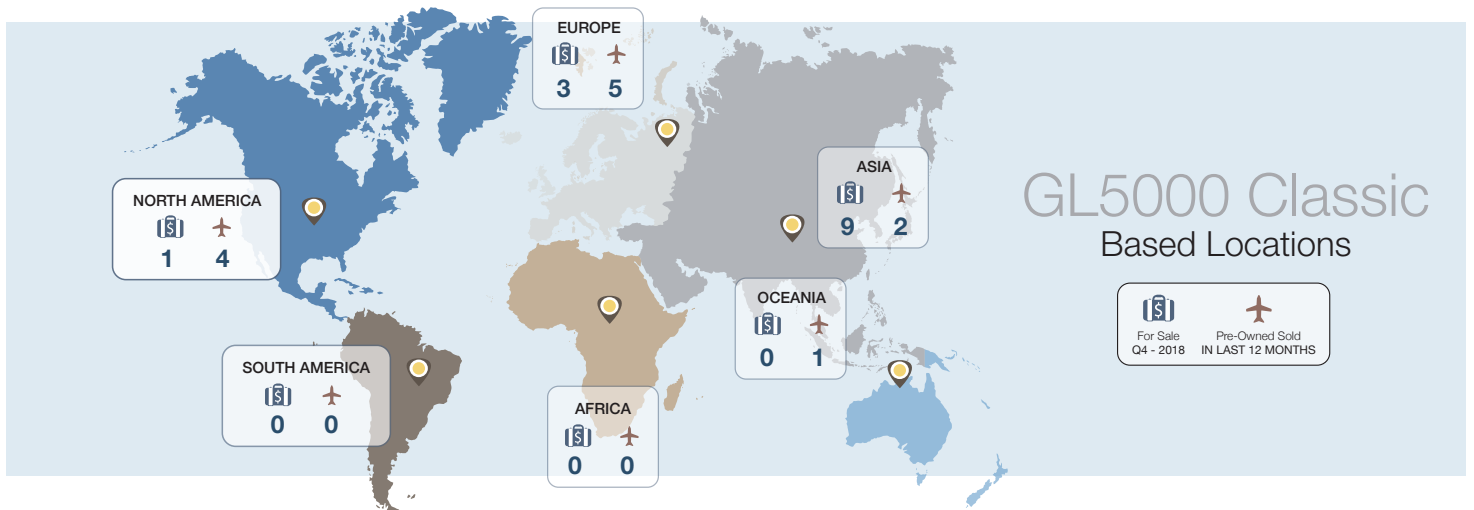
## Current Market

Currently for Sale	13
Ask Price Range	\$11.9M - \$17.0M
% of Active Fleet	10.5%
In Operation	124

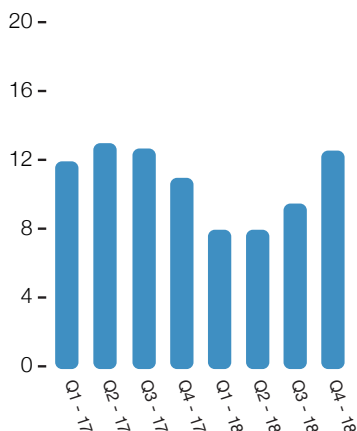
## Market History

24 MONTH AVERAGE

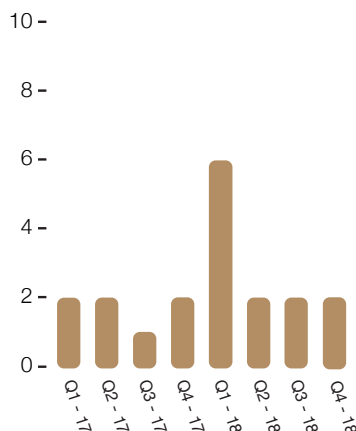
Inventory High	14
Inventory Low	7
Avg. Sales Price	\$12.2M
Avg. Ask Price	\$14.0M
Avg. Days on Market	411
North American Sales	42%



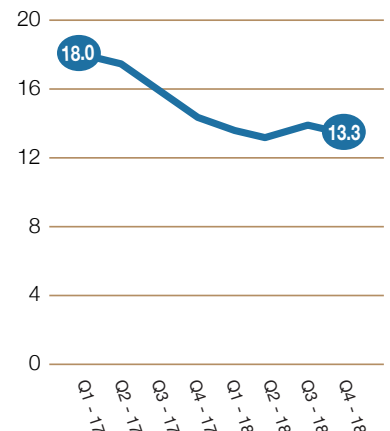
Avg Pre-Owned For Sale



Pre-Owned Sold



Avg Ask Price in Millions





# GL5000 VISION MARKET UPDATE Q4 • 2018

## Market Summary

A large influx of GL5000 Visions became available this quarter, with the majority coming on in the final few weeks of the year. This now represents a two year high for available inventory. This could be partially attributed to owners preparing to trade up into the soon to be delivered Global 7500. New unit deliveries ended on a high note, and 2018 sales quadrupled those of 2017.

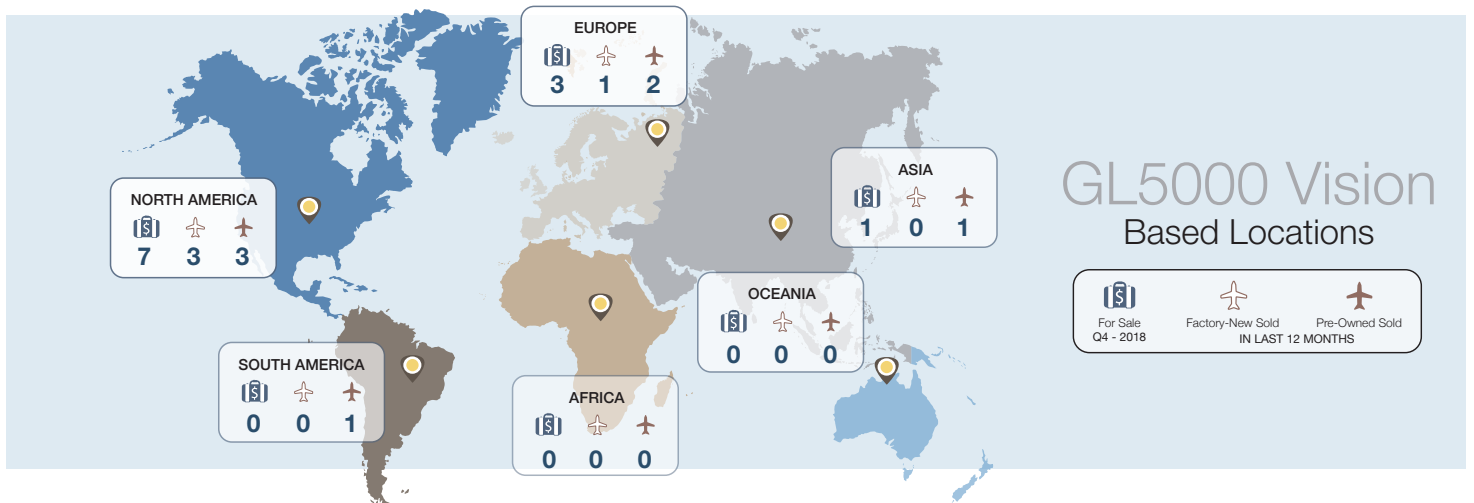
## Current Market

Currently for Sale	11
Ask Price Range	\$22.9M - \$31.9M
% of Active Fleet	10.9%
In Operation	101

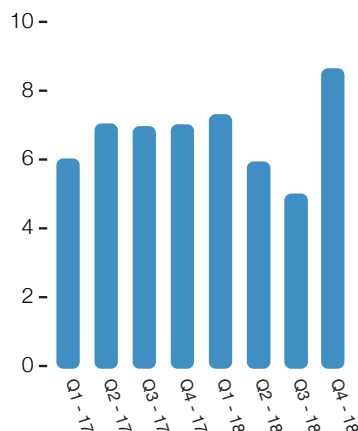
## Market History

24 MONTH AVERAGE

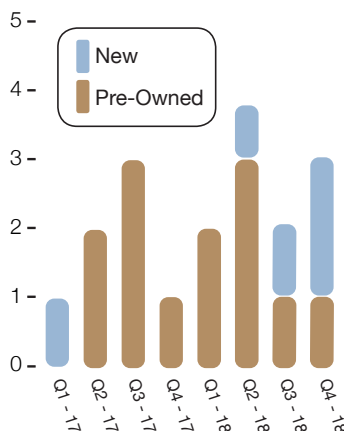
Inventory High	11
Inventory Low	5
Avg. Sales Price	\$25.3M
Avg. Ask Price	\$27.0M
Avg. Days on Market	254
North American Sales	67%



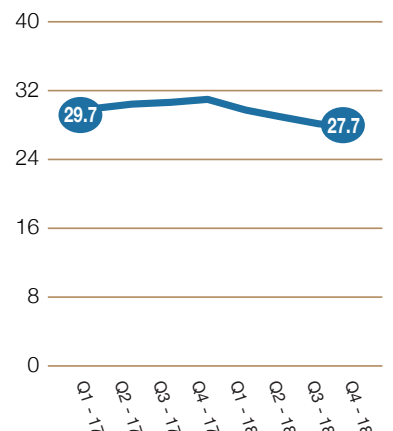
Avg Pre-Owned For Sale



Pre-Owned & New Sold



Avg Ask Price in Millions





# GL EXP MARKET UPDATE Q4 • 2018

## Market Summary

Inventory levels for the Global Express remain unchanged, though another 5 units changed hands this quarter, helping bring the average quarterly sales for the year to 4.25 units. The 24-month Average Sold Price rose slightly by 1.1%, but still remaining below \$10M; a lot of plane for that price! The fleet shrunk by 1 unit, which was damaged several years ago in a hangar collapse and was officially retired in 2018.

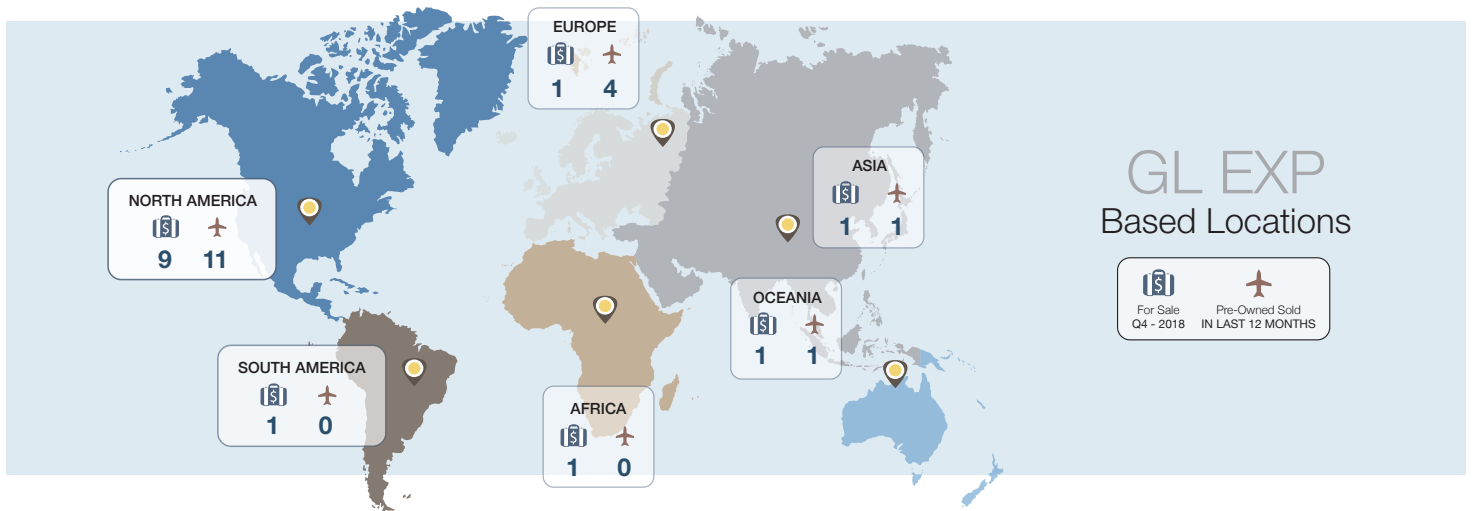
## Current Market

Currently for Sale	14
Ask Price Range	\$6.5M - \$10.7M
% of Active Fleet	9.5%
In Operation	147

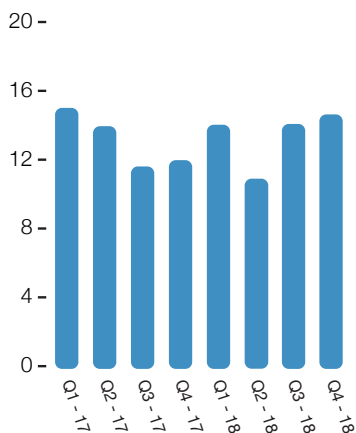
## Market History

24 MONTH AVERAGE

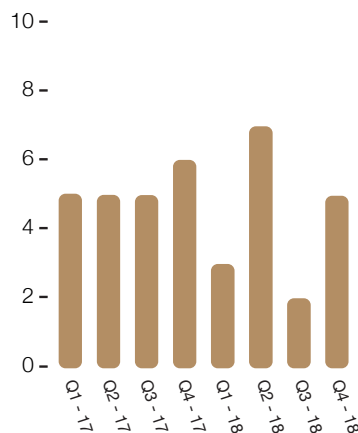
Inventory High	16
Inventory Low	10
Avg. Sales Price	\$9.6M
Avg. Ask Price	\$10.2M
Avg. Days on Market	316
North American Sales	63%



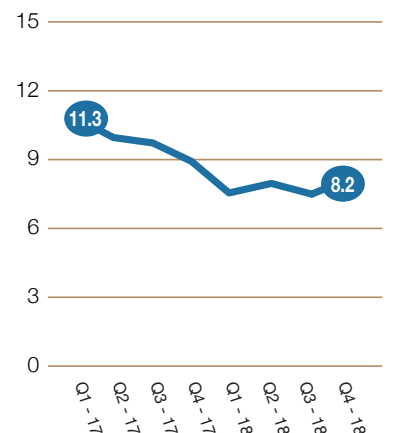
Avg Pre-Owned For Sale



Pre-Owned Sold



Avg Ask Price in Millions







# GL XRS MARKET UPDATE Q4 • 2018

## Market Summary

Pre-owned transaction activity YTD remained on par Y/Y with 2017, ending the year with a cumulative 14 units changing hands. Nearly two thirds of that activity was centered on North America, up slightly from the previous quarter. Alongside the steady flow of pre-owned sales, inventory climbed by 4 units to 8.8% of the fleet for sale. Looking at historical sales trends and average inventory levels, this isn't of much concern to prospective XRS market participants as we are still below 10% of the fleet for sale.

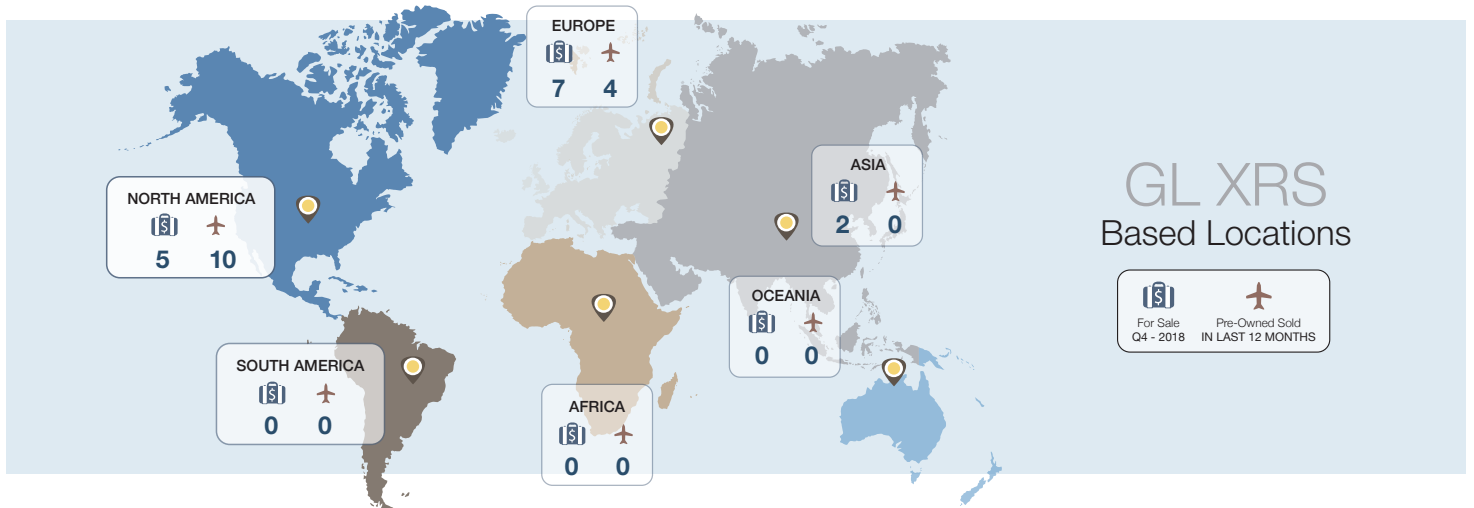
## Current Market

Currently for Sale	14
Ask Price Range	\$18.1M - \$19.3M
% of Active Fleet	8.8%
In Operation	159

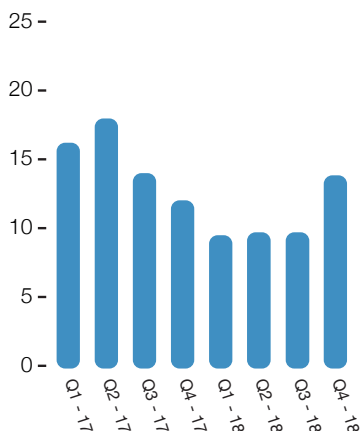
## Market History

24 MONTH AVERAGE

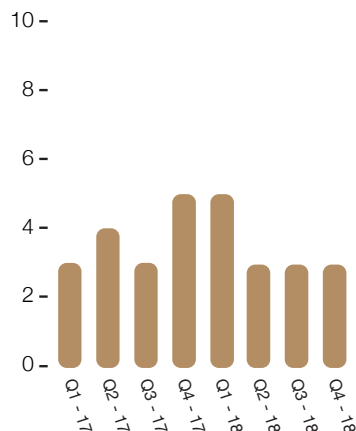
Inventory High	18
Inventory Low	9
Avg. Sales Price	\$18.4M
Avg. Ask Price	\$20.1M
Avg. Days on Market	332
North American Sales	66%



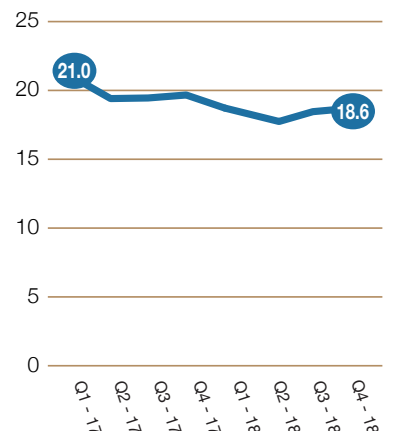
Avg Pre-Owned For Sale



Pre-Owned Sold



Avg Ask Price in Millions





# GL6000 MARKET UPDATE Q4 • 2018

## Market Summary

Global 6000 owners should be happy to see average inventory levels at their lowest in two years, averaging just 8 units for sale in Q4-18. New deliveries were up to 6 units to end out the year, though below 2017 deliveries; not unexpected as Bombardier prepares to launch the new Global 7500 alongside the recently announced GL5500 and GL6500 with additional range increases. Just half of all pre-owned and new sales for the preceding 24 months occurred in North America, a trend prevalent among the large cabin Global family.

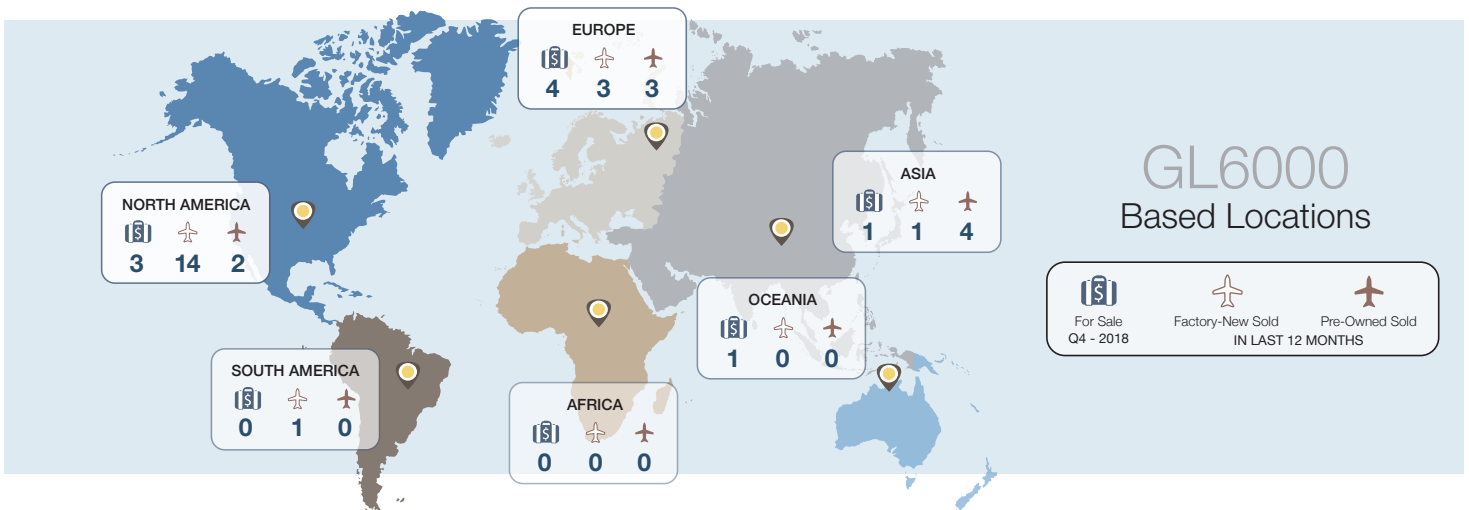
## Current Market

Currently for Sale	9
Ask Price Range	\$29.5M - \$40.5M
% of Active Fleet	3.1%
In Operation	287

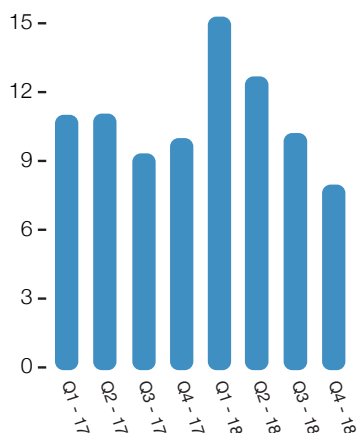
## Market History

24 MONTH AVERAGE

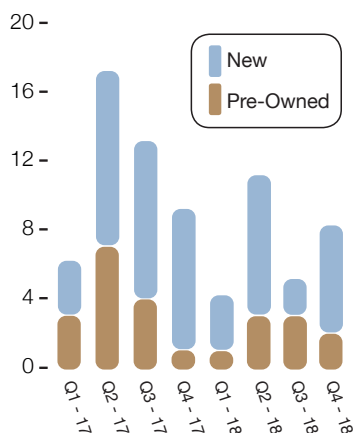
Inventory High	16
Inventory Low	7
Avg. Sales Price	\$35.1M
Avg. Ask Price	\$38.9M
Avg. Days on Market	214
North American Sales	51%



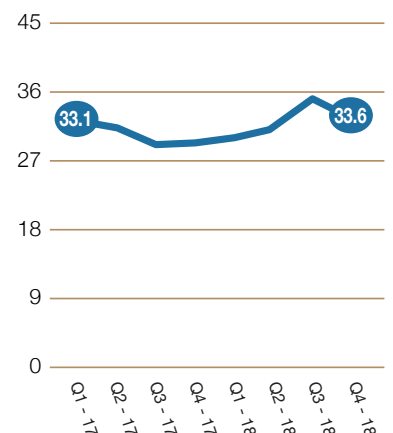
Avg Pre-Owned For Sale



Pre-Owned & New Sold



Avg Ask Price in Millions





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*Brant Dahlfors, Co-founder*

Brant Dahlfors' business aviation career spans some 35 years, most recently, with Bombardier Aerospace where he led their new aircraft sales division within North America. During his 19-year tenure at Bombardier, Brant and his sales team were responsible for the sale of over 1,000 new and pre-owned business jets, and he saw the development of the Challenger and Global series of business aircraft. Prior to joining Bombardier Brant launched the TBM 700 program for TBM North America and led sales and marketing for Mooney Aircraft following the start of his aviation career with Beech Aircraft in 1979. Brant is a multi-rated commercial pilot, who graduated from Wright State University and currently serves on the NBAA BAM Committee.

At Jet Transactions, Brant and Co-founder Mark Bloomer lead by example, having established reputations for perceptive market intelligence, trusted industry relationships, and personalized customer service. Their combined record of over 1600 new and pre-owned business jet transactions completed around the globe, supports the firm's prominent position in today's evolving aviation marketplace.

Mark, Brant and the Jet Transactions Team deliver a state-of-the-art portfolio of products and services designed to support all aspects of a worldwide business jet transaction.

Brant Dahlfors (949) 439-8663 **NEWPORT BEACH**



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