

( Per Hour Estimates Based on 200 Hours of Use Per Year )

<b>ACQUISITION EXPENSES ( based on 5 year ownership )</b>	
Purchase Price of Aircraft	\$495,000.00
Estimated Resale Value	\$450,000.00
Refurbishment Cost ( Paint and Interior )	\$25,000.00
<b>TOTAL Per Hour ASSET Expense</b>	<b>\$70.00</b>

<b>FIXED ANNUAL EXPENSES</b>	
Hangar Rental ( \$400 per month for 12 Months )	\$4,800.00
Insurance - Hull	\$3,000.00
Insurance - Liability	\$1,500.00
Flight Crew - Pilot	\$0.00
Copilot	\$0.00
Recurrent Pilot Training	\$0.00
<b>TOTAL Per Hour FIXED Expense</b>	<b>\$46.50</b>

<b>VARIABLE COSTS ( per hour )</b>	
Fuel ( 42 gallon per hour at \$5 per gallon )	\$210.00
Inspection and Maintenance ( \$15000 per year divided by 200 )	\$75.00
Engine Overhaul and Reserves ( ( \$65000 times 2 ) divided by 1600 )	\$81.25
Propeller Overhaul ( ( \$12000 times 2 ) divided by 1600 )	\$15.00
Avionics Maintenance	\$20.00
<b>TOTAL Per Hour VARIABLE Expense</b>	<b>\$401.25</b>

<b>TOTAL OPERATIONAL COST PER HOUR</b>	<b>\$517.75</b>
<b>TOTAL MILES PER YEAR ( 228 miles per hour )</b>	<b>45,600</b>
<b>OPERATIONAL COST PER MILE</b>	<b>\$2.27</b>
<b>OPERATIONAL COST PER SEAT PER HOUR ( 8 seats )</b>	<b>\$64.72</b>
<b>OPERATIONAL COST PER SEAT PER MILE ( 8 seats )</b>	<b>\$0.28</b>

<b>REMARKS</b>
This is based on calculations used for actual real time. The numbers are based on high quality facilities and spar no expense.