

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

ACQUISITION EXPENSES (based on 5 year ownership)	
Purchase Price of Aircraft	\$795,000.00
Estimated Resale Value	\$700,000.00
Refurbishment Cost (Paint and Interior)	\$85,000.00
TOTAL Per Hour ASSET Expense	\$180.00

FIXED ANNUAL EXPENSES	
Hangar Rental (\$450 per month for 12 Months)	\$5,400.00
Insurance - Hull	\$12,000.00
Insurance - Liability	\$4,500.00
Flight Crew - Pilot	\$65,000.00
Copilot	\$0.00
Recurrent Pilot Training	\$6,000.00
TOTAL Per Hour FIXED Expense	\$464.50

VARIABLE COSTS (per hour)	
Fuel (120 gallon per hour at \$4 per gallon)	\$480.00
Inspection and Maintenance (\$35000 per year divided by 200)	\$175.00
Engine Overhaul and Reserves ((\$275000 times 2) divided by 3600)	\$152.78
Propeller Overhaul ((\$8000 times 2) divided by 3600)	\$4.44
Avionics Maintenance	\$20.00
TOTAL Per Hour VARIABLE Expense	\$832.22

TOTAL OPERATIONAL COST PER HOUR	\$1,476.72
TOTAL MILES PER YEAR (310 miles per hour)	62,000
OPERATIONAL COST PER MILE	\$4.76
OPERATIONAL COST PER SEAT PER HOUR (10 seats)	\$147.67
OPERATIONAL COST PER SEAT PER MILE (10 seats)	\$0.48

REMARKS	
These calculations are based on 5 years of ownership and 200 hrs per year.	