

(Per Hour Estimates Based on 300 Hours of Use Per Year)

ACQUISITION EXPENSES (based on 5 year ownership)	
Purchase Price of Aircraft	\$1,500,000.00
Estimated Resale Value	\$1,350,000.00
Refurbishment Cost (Paint and Interior)	\$75,000.00
TOTAL Per Hour ASSET Expense	\$150.00

FIXED ANNUAL EXPENSES	
Hangar Rental (\$900 per month for 12 Months)	\$10,800.00
Insurance - Hull	\$18,000.00
Insurance - Liability	\$6,500.00
Flight Crew - Pilot	\$70,000.00
Copilot	\$0.00
Recurrent Pilot Training	\$5,000.00
TOTAL Per Hour FIXED Expense	\$367.67

VARIABLE COSTS (per hour)	
Fuel (90 gallon per hour at \$4.85 per gallon)	\$436.50
Inspection and Maintenance (\$35000 per year divided by 300)	\$116.67
Engine Overhaul and Reserves ((\$350000 times 2) divided by 3600)	\$194.44
Propeller Overhaul ((\$12500 times 2) divided by 3600)	\$6.94
Avionics Maintenance	\$10.00
TOTAL Per Hour VARIABLE Expense	\$764.56

TOTAL OPERATIONAL COST PER HOUR	\$1,282.22
TOTAL MILES PER YEAR (330 miles per hour)	99,000
OPERATIONAL COST PER MILE	\$3.89
OPERATIONAL COST PER SEAT PER HOUR (8 seats)	\$160.28
OPERATIONAL COST PER SEAT PER MILE (8 seats)	\$0.49

REMARKS	
100,000 miles travel per year	