

( Per Hour Estimates Based on 150 Hours of Use Per Year )

<b>ACQUISITION EXPENSES ( based on 3 year ownership )</b>	
Purchase Price of Aircraft	\$125,000.00
Estimated Resale Value	\$120,000.00
Refurbishment Cost ( Paint and Interior )	\$15,000.00
<b>TOTAL Per Hour ASSET Expense</b>	<b>\$44.44</b>

<b>FIXED ANNUAL EXPENSES</b>	
Hangar Rental ( \$250 per month for 12 Months )	\$3,000.00
Insurance - Hull	\$4,000.00
Insurance - Liability	\$2,000.00
Flight Crew - Pilot	\$0.00
Copilot	
Recurrent Pilot Training	\$3,500.00
<b>TOTAL Per Hour FIXED Expense</b>	<b>\$83.33</b>

<b>VARIABLE COSTS ( per hour )</b>	
Fuel ( 37 gallon per hour at \$3.25 per gallon )	\$120.25
Inspection and Maintenance ( \$15000 per year divided by 150 )	\$100.00
Engine Overhaul and Reserves ( ( \$50000 times 2 ) divided by 1400 )	\$71.43
Propeller Overhaul ( ( \$6000 times 2 ) divided by 2000 )	\$6.00
Avionics Maintenance	\$10.00
<b>TOTAL Per Hour VARIABLE Expense</b>	<b>\$307.68</b>

<b>TOTAL OPERATIONAL COST PER HOUR</b>	<b>\$435.46</b>
<b>TOTAL MILES PER YEAR ( 235 miles per hour )</b>	<b>35,250</b>
<b>OPERATIONAL COST PER MILE</b>	<b>\$1.85</b>
<b>OPERATIONAL COST PER SEAT PER HOUR ( 8 seats )</b>	<b>\$54.43</b>
<b>OPERATIONAL COST PER SEAT PER MILE ( 8 seats )</b>	<b>\$0.23</b>

<b>REMARKS</b>