



>>> Citation Operator

Market Report
Third Quarter 2015



THE CESSNA CITATION MARKET

The used Citation market is still unsteady just like majority of other turbine aircraft. The Mustang and CJ series of aircraft are holding firm with some decline in interest and overall values. The larger Citations are seeing their values drop. A good domestic Citation still sells fairly quickly and, in some models, is hard to find. There are still a lot of opportunities overseas. The financial issues in Europe are making for some very good buys if you want to take the risk and challenge of getting through a prebuy at a remote location.

The Citation Latitude is Certified

Cessna's newest jet, the Latitude, is now certified and starting deliveries. The big difference with this Citation is the cabin. The flat floor is a first for Cessna. The cabin width and height are noticeably increased over any other Citation jet. The Latitude will be another winner in the Citation line.

As a Citation expert at Elliott Jets, I would be happy to assist you with any questions you may have or help you with your next aircraft purchase. Contact me for more information.

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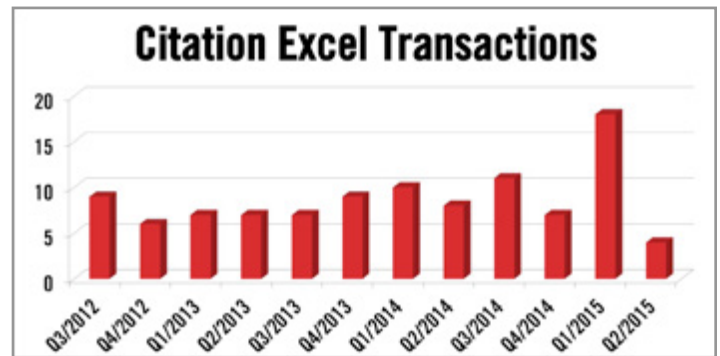


Market Snapshot for the Citation Excel

On Market: 17
 Fleet Size: 370
 % on market: 4.6
 Average asking price:\$2.8MM
 Avg. Days on Market (sold in 2015): 324
 Average TT of aircraft currently for sale: 5200
 Transactions in 2015:22
 Transactions in Q2: 4

Current State of the Cessna Citation Excel Market

The Excel market is still continuing to have a good level of activity. Currently, there are 17 Excels available for sale. That is 4.6% of the aircraft produced. Eight of those aircraft are located outside of North America. There have been 21 retail sales transactions since the first of the year. The retail transactions for 2015 are on a pace to have a slight increase over the total 2014 numbers and sales prices seem to have stabilized over the last two quarters. It is hard to say if this trend will continue. There are still a few ex-fractional Excels for sale with over 6,000 hours on the airframe. At the right market price, these aircraft do sell. The Excel market can be summarized as being consistent. The demand rating for the Excel is A-.



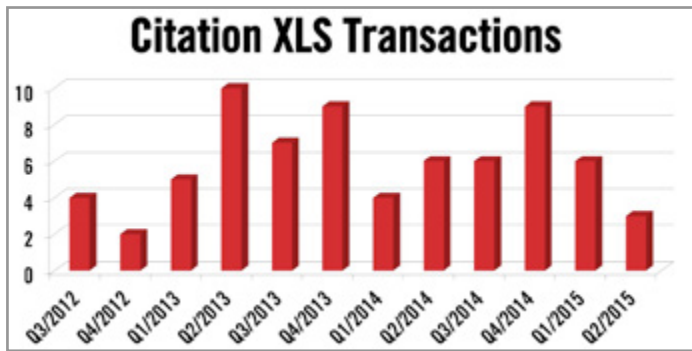
Range (NM):	1,839
Seating:	2/7
Cabin Volume (CuFt):	422
Max Speed (Kts):	433
Cruise Speed (Kts):	433
Rate of climb (f/s):	3,790
Balanced field length/Landing (feet):	4,060/2,950
Baggage:	10/80
Ceiling (feet):	45,000
Direct Operating Cost (per hour)	\$2,418
Direct Operating Cost (per NM)	\$6.11

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Market Snapshot for the Citation XLS

On Market: 19
 Fleet Size: 328
 % on market: 5.8
 Average asking price: \$5.1MM
 Avg. Days on Market (sold in 2015): 263
 Average TT of aircraft currently for sale: 2900
 Transactions in 2015:9
 Transactions in Q2: 3



Current State of the Cessna Citation XLS Market

Sales activity on the Citation XLS has been about the same in 2015 compared to 2014. There have been nine retail transactions since the first of the year; last year, 30 XLS aircraft changed ownership. Currently there are 19 XLS aircraft for sale, which is just under 6% of the XLS aircraft manufactured. Twelve of the available XLS inventory are based outside of North America. Buying a foreign registered aircraft will typically have a price advantage over a domestic XLS, but the cost of the prebuy inspections and ferry flight back to the US do add up as additional costs. However, there are some very good aircraft opportunities available overseas. Citation XLS sale prices have remained fairly steady over the last few quarters. The demand rating for the XLS is a B-.



Citation XLS Performance

Range (NM):	1,989
Seating:	2/8
Cabin Volume (CuFt):	422
Max Speed (Kts):	433
Cruise Speed (Kts):	433
Rate of climb (f/s):	3,500
Balanced field length/Landing (feet):	3,910/2,843
Baggage:	10/80
Ceiling (feet):	45,000
Direct Operating Cost (per hour)	\$2,345
Direct Operating Cost (per NM)	\$5.81

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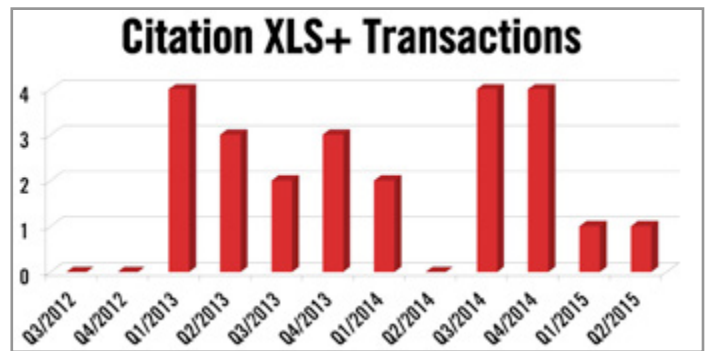
CITATION XLS+

Market Snapshot for the Citation XLS+

On Market: 8
 Fleet Size: 182
 % on market: 4.4
 Average asking price: \$8.6MM
 Avg. Days on Market (sold in 2015): 126
 Average TT of aircraft currently for sale: 750
 Transactions in 2015: 2
 Transactions in Q2: 1

Current State of the Cessna Citation XLS+ Market

The XLS+ market is the slowest of the 560XL models over the last few quarters. Currently there are eight used XLS+ aircraft for sale. That is just over 4% of the XLS+ aircraft production. Seven of these XLS+ aircraft available for sale are based overseas. There have been two retail transactions since the first of the year, not a very active market compared to the Excel and XLS. With the limited demand for the XLS+, you will continue to see the sales prices drop. The demand rating for the XLS+ is a C-.



Range (NM):	1,976
Seating:	2/8
Cabin Volume (CuFt):	422
Max Speed (Kts):	440
Cruise Speed (Kts):	440
Rate of climb (f/s):	3,500
Balanced field length/Landing (feet):	3,910/2,843
Baggage:	10/80
Ceiling (feet):	45,000
Direct Operating Cost (per hour)	\$2,305
Direct Operating Cost (per NM)	\$5.71

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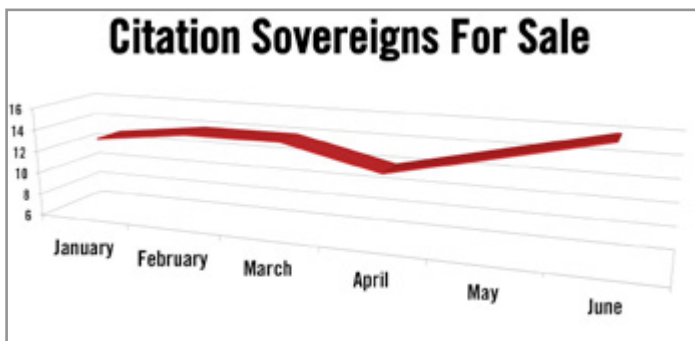
Market Snapshot for the Citation Sovereign

On Market: 15
 Fleet Size: 349
 % on market: 4.3
 Average asking price: \$8.2MM
 Avg. Days on Market (sold in 2015): 501
 Average TT of aircraft currently for sale: 2600
 Transactions in 2015: 10
 Transactions in Q2: 3



Current State of the Cessna Citation Sovereign Market

The Sovereign sales activity has slowed over the last two quarters. For most of 2014, the Sovereign was a very active market. Since the first of this year, 10 Sovereigns have changed ownership. Last year, 36 aircraft changed hands and there has been a definite slow down from the 2014 activity. Today, there are 16 Sovereigns available for sale, which is 5.5% of the Sovereigns produced with 15 based overseas. If you have US based Sovereign, it will get a lot of interest. Sales prices have seen a downward change from the 2014 values. The demand for the Sovereign is a B.



Citation Sovereign Performance

Range (NM):	3,010
Seating:	25/9
Cabin Volume (CuFt):	571
Max Speed (Kts):	459
Cruise Speed (Kts):	459
Rate of climb (f/s):	4,016
Balanced field length/Landing (feet):	3,810/2,320
Baggage:	35/100
Ceiling (feet):	47,000
Direct Operating Cost (per hour)	\$2,795
Direct Operating Cost (per NM)	\$6.75

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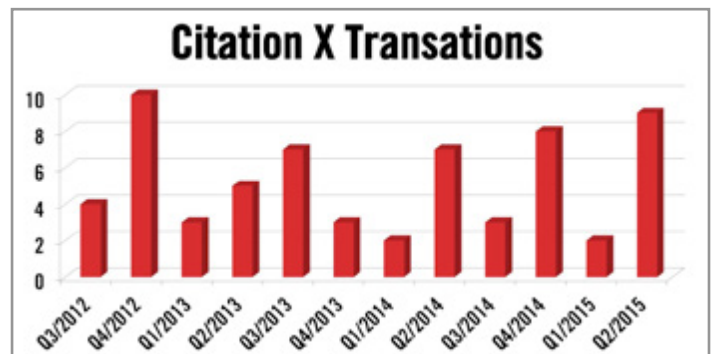
CITATION X

Market Snapshot for the Citation X

On Market: 32
 Fleet Size: 309
 % on market: 10.3
 Average asking price: \$6.5MM
 Avg. Days on Market (sold in 2015): 241
 Average TT of aircraft currently for sale: 5000
 Transactions in 2015: 11
 Transactions in Q2: 9

Current State of the Cessna Citation X Market

The Citation X used aircraft market activity and strength is not nearly as good as the other midsize Citations so far in 2015. There are 32 used Citation X aircraft for sale. That is over 10% of the aircraft production. Most of these aircraft are US based. A number of them are ex-fractional aircraft with over 10,000 airframe hours. So far in 2015, there have been 11 retail transactions. This retail sales transaction rate is a little higher than 2014 so there is some improvement. The second quarter did have a significant increase but the overall trend is not strong. The retail sales values in the Citation X market are still declining at a higher rate than the other Citation mid size aircraft. The demand for the Citation X is a C-



Citation X Performance

Range (NM):	3,125
Seating:	2/8
Cabin Volume (CuFt):	538
Max Speed (Kts):	525
Cruise Speed (Kts):	525
Rate of climb (f/s):	3,650
Balanced field length/Landing (feet):	5,480/2,816
Baggage:	-/82
Ceiling (feet):	51,000
Direct Operating Cost (per hour)	\$3,694
Direct Operating Cost (per NM)	\$7.84

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WHO WE ARE

Elliott Jets, the aircraft sales division of Elliott Aviation, has eight decades of proven success brokering, acquiring and selling aircraft all over the world. Customers know they can rely on us to provide world-class service with their needs as our priority. Our reputation has made us the trusted partner to chief pilots, executives and aircraft owners. There are few aircraft sales and acquisition businesses in the world that offer you decades of excellence, integrity and passion for customer service. The Elliott Jets team consists of sales executives, acquisition experts, market research specialists, marketing professionals, contracts and administrative support.

ELLIOTT AVIATION

As an Elliott Jets customer, you have access to some of the most knowledgeable technical representatives in the industry. The parent company of Elliott Jets, Elliott Aviation, is a leading service business for jets and turboprops, providing the industry's highest quality business aviation solutions with 400 skilled employees in three Midwest locations. Whether or not you choose to use Elliott Aviation for aftermarket services, you have the option to interact with our technical service representatives to help guide your decisions throughout the transaction, helping you avoid any pitfalls before they arise.

Our one-stop-shop in Moline, IL is an ISO 9001:2008 and AS9100 Rev C facility, ensuring the highest-level of quality standards and processes available. We are a FAA and EASA certified aircraft maintenance facility with highly skilled, factory trained mechanics, many with over 20 years of experience. They have seen many pre-buy inspections and can help you with common discrepancies in numerous different types of aircraft.

In addition to maintenance, we offer one of the largest avionics facilities in the world to assist you with even the most complicated retrofits, enhancements and troubleshooting. For total aircraft transformation, our paint and interior craftsmen can assist you with creating a flawless presentation of your aircraft inside and out. Whether you are buying or selling, these experts can help you evaluate what options are available for your aircraft to either more closely fit your mission or to attract more buyers to your aircraft.

Our company also offers Wyvern-rated flight charter with a perfect safety record and aircraft management services giving you access to experts to help determine if leasing back or chartering your aircraft would work for you.

With all of these resources just a phone call away, customers of Elliott Jets can rest assured they have the most collective body of aviation resources dedicated to creating a successful aircraft transaction each and every time.

ACQUISITION SERVICES

Aircraft Acquisitions is a major function of Elliott Jets. We are unique as we are involved in the process every day by investing in turbine aircraft to be owned and resold by Elliott Jets. We are experts at finding the best aircraft, at the best price, and representing you every step along the way. We carefully analyze your situation to acquire the aircraft that best suits your needs based on knowledge of trends, market expertise and industry resources. Whether you need an accredited appraisal, pre-purchase inspection or unrivaled technical expertise, we have a veteran team to assist. Feel confident when hiring Elliott Jets to find your next aircraft or fleet to provide the best outcome for your aviation needs. Our goal is to ensure your peace of mind throughout the entire acquisition process.

BROKERAGE SERVICES

Your aircraft is a huge investment. When it's time to put it on the market you want a quick resolution at the right price. Our team of industry veterans will help you get you a fair price and help you find a buyer – fast. We're committed to providing you with a quick response and the highest level of customer service in the industry. We will set a price for your aircraft that accurately reflects the most up-to-date market conditions. We'll sell your aircraft at the best possible price, in the least amount of time. We handle your transaction from start to finish, sparing you the hassles of selling your own aircraft. Our experienced technical staff conducts an in-depth aircraft evaluation, so you're ready for the sale. Using the latest technologies, our proven processes and exclusive marketing network, we promote your aircraft and attract qualified buyers. At sale time, we negotiate terms on your behalf and prepare all documents, so your transaction will go smoothly. Our promise is an exceptional experience.



AIRCRAFT RESEARCH

Real research is what it takes to analyze and truly understand the pre-owned aircraft marketplace. Elliott has a full time research department which has specialized in jet aircraft for decades. Armed with this research, knowledge of actual selling prices, not just ask and take prices, as well as thorough knowledge of the aircraft, enables accurate appraisal values for aircraft from both the buying and selling standpoint. This accuracy provides the very best information to maximize the sale price of your aircraft while effectively limiting the time on the market before it is sold. Our research department also has the capability to identify all known aircraft publicly for sale as well as aircraft not advertised for sale, but available. Elliott has “off market” sources for acquiring aircraft in addition to the open market with aircraft manufacturers trade-in(s), banks, leasing companies and other dealerships.

Many times these “off market” airplanes will sell before they are ever offered publicly. We are subscribers to dealer aircraft market tracking services. Our researchers communicate regularly with other dealers in the pre-owned aircraft market.

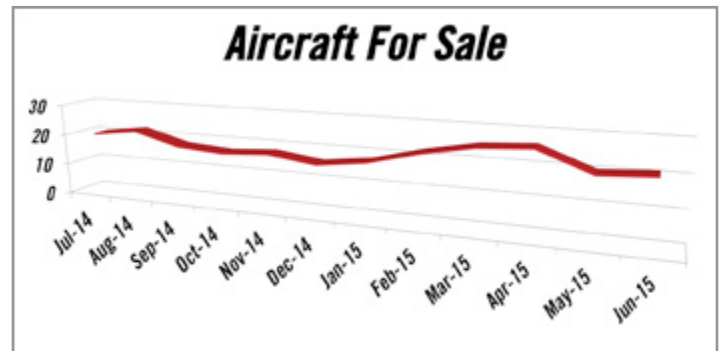
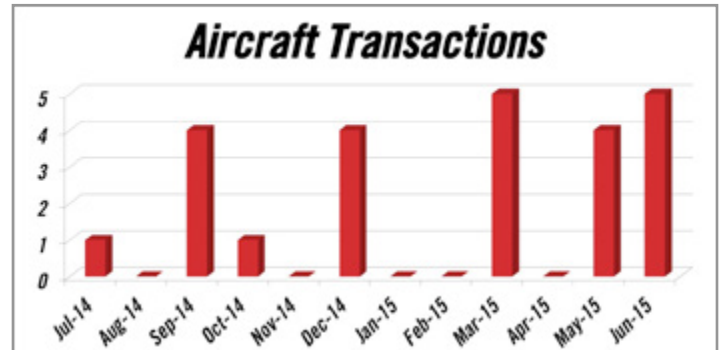
We have the means to identify, qualify and accurately evaluate all available aircraft. Additionally Elliott will advertise to find aircraft owners who have not yet decided to market their airplanes. All of this assures you that in today’s market you don’t need to overpay for and will be able to find the best available aircraft.

AIRCRAFT VALUATION AND NEGOTIATION

Once the target group of aircraft is identified, Elliott works the search and performs the valuation and negotiation process. In fact, our full time appraiser, Jim Becker, is accredited by the American Society of Appraisers as an Accredited Senior Appraiser to ensure the most fair price and evaluation of an aircraft.

Elliott will manage the entire purchase for you through closing. The real world experience, reputation and professionalism of Elliott Jets truly provides a distinct industry advantage.

Our interests are your interests as we represent you in this transaction. As we have done many times in acquiring aircraft, you will be kept fully informed of every step. This process is always completely transparent for you. You will never be left wondering what is happening or what is next.



MULTI-MEDIA MARKETING

Elliott Jets uses all forms of media communications to advertise your aircraft for sale. Elliott utilizes internet and print advertising on multiple prominent turbine aircraft marketing sites. Elliott Jet's own web-site, both in a mobile and internet applications, social media, email mass mailings to qualified lists of customers globally and electronic media are included at multiple sales offices throughout the United States. Check out additional information on aircraft for sale, our services, a side-by-side aircraft comparison tool and more at www.elliottjets.com.

In addition, Elliott creates brochures, specs sheets, and professional photographs and videos of your airplane both in print and electronic formats. All of these marketing means are designed to communicate accurately with the best impression the aircraft we are selling for you to the potential buyer.



MULTI-MARKET SELLING

Elliott Jets Executive Sales Directors are located in multiple areas of the US providing for local contact and relationship selling. These seasoned and knowledgeable professionals know what is important to you and to potential customers. Their schedule is your schedule and the potential purchaser's schedule. They know a sale may be made by being available and ready to answer at a moment's notice. Elliott Jets is also a member of the National Aircraft Resale Association and is part of this premier organization of turbine brokers and dealers.



A TURN-KEY PROCESS

Elliott Jet's process for you is completely "turn-key". Our business is selling airplanes and your business is running and managing your business. When you hire Elliott Jets, the entire brokerage process is professional, complete and transparent. The only tasks for you are to sign documents and approve deals. Selling a turbine aircraft is a very complex transaction with many customer touches, potential pitfalls, as well as many financial and legal negotiation points along the way. The Elliott Executive Sales Directors and Elliott team take that complexity and make it simple. Aircraft brokerage services at Elliott Jets manage all of those processes and negotiation points for you.





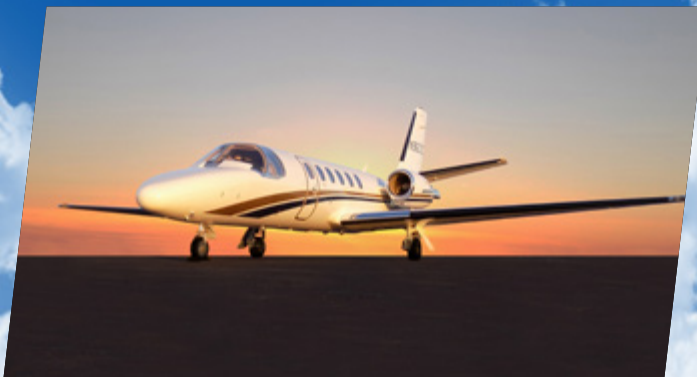
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SERIAL NUMBER 525A-0072



CITATION CJ1
SERIAL NUMBER 525-0412



CITATION CJ2
SERIAL NUMBER 525A-0139



CITATION BRAVO
SERIAL NUMBER 550-0961



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