



*There is an abundance of aviation appraisal firms out there. There are even some equipment valuation firms that appraise anything from a lathe, to a semi-trailer truck, to a commercial airliner. What makes HV\$ stand out is our 100% complete focus on the helicopter industry for the past forty years. HV\$ doesn't just have a long history of helicopter valuations, we pioneered the technical process of helicopter valuations. The process developed by Founder Barry D. Desfor in 1979 is still used today and serves as a blueprint and standard in the appraisal profession and helicopter industry.*

*So why choose HeliValue\$ over other firms that offer helicopter or parts inventory appraisals?*

- We are the pioneers of the helicopter valuation process.*
- Dedicated focus to the helicopter market; Helicopter values are our only business.*
- Over forty years of service to the helicopter industry & aviation finance and lease sectors*
- Appraisers and analysts that receive the highest level of training & education*
- Over 90 years of cumulative staff experience in helicopter valuations*
- Nearly 2,500 helicopter appraisals performed annually*
- Global network of qualified onsite asset verification representatives*
- Transparent appraisal fees – All fees and discounts are listed on our website.*
- Independent, objective, unbiased third party - We are never involved in the buying or selling of aircraft.*

## **OUR DATA**

*Helicopter appraisals require specialized knowledge and experience because they are uniquely different from fixed wing aircraft. Unlike pressurized airplanes and jets that have a finite useful life, helicopters can have unlimited life. As long as the aircraft is properly maintained and operated, it can fly. Which is why helicopters tend to hold their values well and in some cases even increase in value. An airplane is made up of a fuselage that support the wings that provide lift, engines, and then minor assemblies. Helicopters do not have wings. They have main rotor blades that provide lift. The rotor blades have a drive system that provides the rotive power to turn those blades. The drivetrain is made up of major assemblies such as the engine(s), main transmission, main rotor head, main rotor mast, the swashplate (which allows variable pitch settings for direction as well as vertical ascents and descents), tail rotor driveshaft, tail rotor gearbox, and tail rotor blades. Many people have described a helicopter as “a collection of very expensive parts flying in close*

formation.” An airplane’s fuselage may be 65% of the value of the aircraft. A helicopter’s fuselage only makes up 20-25% of the value of a new aircraft. The major assemblies and components of a helicopter are much more valuable on a relative basis than that of an airplane. This is why knowledge of the new, overhaul, and retirement costs of these components is critical to the valuation process of a helicopter.

Over our forty year history, HV\$ has cultivated relationships with various resources such as original equipment manufacturers (OEMs), overhaul facilities, and many operators. These connections have aided HV\$ in building and maintaining an extensive database of new and overhaul component costs which is one of the vital elements of the proprietary algorithms that make up our appraisal programs. It is also why HV\$ is uniquely qualified to appraise helicopter parts inventories. Overhaul and new parts pricing data is not readily available to most appraisers and certainly not to the extent of HV\$’s database on more than 200 civilian aircraft. The resale value database used to create **The Official Helicopter Blue Book®** is another important component in HV\$’s appraisal programs. The database of resale values is continually maintained and updated. Resale data is diligently gathered from owners, operators, brokers, manufacturers, OEMs, and finance and lease firms worldwide and then added to a value matrix that allows all reported details to remain confidential. Resale pricing adjustments to the Blue Book are based on actual sales transactions and current market conditions such as overall trends in asking prices, increase or decrease in supply, demand, and sales volume. Adjustments are made as soon as trends begin to show variation from the previously published page or following our quarterly review of the **Blue Book**.

The powerful combination of decades of resale data, our internal component pricing data, and the insight and expertise of the most experienced helicopter appraisers in the world ensure that you receive a valuation you can rely on.

## **OUR METHODOLOGY**

HV\$ upholds the highest standards by adhering to the American Society of Appraisers (ASA) principles of appraisal practice and a code of ethics. Additionally, every HV\$ appraisal is compliant with the Uniform Standards of Professional Appraisal Practice (USPAP). HV\$’s appraisal process considers the component status, installed equipment (mission configuration) and avionics, age, total airframe hours, cosmetic condition, market conditions such as supply and demand, increase or decrease in supply, and sales volume. Documents and reports such as component status reports, equipment lists, weight and balance, and photographs are analyzed by staff analyst and appraisers. Calculations are made to determine the weighted average of the major drivetrain components and adjustments for installed equipment are added to the component status value. The three approaches to value are considered; Income, sales, and cost. A determination and explanation of the most appropriate approach is included in the appraisal report. The final report includes detailed explanations of the process to arrive at the value results, market conditions, and calculation worksheet. Reports include fair market value (FMV), and orderly liquidation value (OLV) for actual component status, and hypothetical 0% and 50% used component status.

## **OUR CREDENTIALS**

In order to become a HV\$ appraiser, our staff members are required to hold accreditation from the American Society of Appraisers. Each appraiser is further required to go above and beyond by taking the complete series of principles of valuation courses and the aircraft specialty exam. Our

*appraisers are accredited senior appraisers (ASA) with individual helicopter appraisal experience ranging from 9 years to 42 years. Our analysts are in training to reach the goal of ASA accreditation. The appraiser staff remains current with USPAP course updates every 2 years.*

*HV\$ senior staff are respected and warmly welcomed everywhere in the helicopter and aviation finance industries. They have published over 50 seminars, webinars and articles. These offerings have been presented to respected organizations and publications such as the National Aircraft Finance Association (NAFA), Equipment Leasing and Finance Association (ELFA), Helicopter Association International, Helitech International, American Society of Appraisers, IMN Structured Finance, AIRTEC and Corporate Jet Investor; feature articles published in Rotor Magazine, Rotor & Wing, M&TS Journal, Rotorcraft Pro, Helicopter Annual, Vertical, Valuation Strategies Journal, Aviation Business Daily, AIN Convention News, Monitor, Top Flight Magazine, and more. HV\$' appraisals uphold the highest industry standards, from the minimum requirement of the Uniform Standards of Professional Appraisal Practice and International Valuation Standards, to the Principles and Ethics of the American Society of Appraisers. We are regularly engaged in globally in legal opinions of value because of our recognized expertise, experience, and reputation.*

*The wealth of current and historical resale pricing and technical information in HeliValue\$' hands is simply the best in the industry. With over three decades in business, over 90 years of cumulative staff helicopter valuation experience, and over 2,500 helicopter valuations per year, HeliValue\$ thoroughly understands the world's helicopter values.*