



QUESTIONS TO ASK WHEN CONSIDERING A BROKER

PROFESSIONAL MARKETING

How and where will the broker market your aircraft? Does the broker utilize the latest marketing and industry sales technologies, including direct marketing to those aircraft owners likely to move up to your aircraft, internet, e-mail, traditional mail, magazine print advertising (especially those global regions where this type of aircraft is well supported) and telephone campaigns to market your aircraft?

Does the broker actively promote their company?

How will the broker's marketing efforts differ from other brokers?

Will the broker provide you with reports on their marketing activities and progress?

KNOWLEDGE & EXPERIENCE

How long has the broker been in business? How many transactions per year does the broker complete? Has the broker provided you with a list of references of recent customers?

Has the broker provided you with market intelligence to help you understand current market dynamics for your aircraft and sales price estimate? Is this estimate based on comparable sales data or is it an estimation for the purpose of earning your listing?

Has the broker explained to you the factors a buyer may consider and "due diligence" that they may require in order to purchase your aircraft?

Does the broker have knowledge and experience fielding prospective buyers questions regarding financing, insuring, or maintaining your type of aircraft?

Is the broker a full-time professional or a "part-timer", such as a pilot or aircraft charter firm, that occasionally buy/sell aircraft to supplement their income? If the broker is a "part-timer" is their fiduciary responsibility to you or is there a conflict of interest inherent to representing your aircraft?

Is the broker's specialty relevant to your current situation? (Large cabin, small cabin, specific make and model, new aircraft orders, former fleet aircraft, domestic or international transactions, etc.)

Is the broker experienced as a pilot or maintenance professional for this type of aircraft? Or, does he or she have access to appropriately skilled people?

Does the broker have relevant legal and financial expertise? If not, does he or she have access to a team of trusted professionals?





Is the broker an active member of a trade association such as the National Aircraft Resale Association, whose members abide by a strict Code of Ethics, participate in continuing education and adhere to a documentation standard regarding agreements, listings, and letters of intent?

Does the broker have relationships built over many years that they can leverage to expose your aircraft to buyers that may not know or understand the value that your aircraft represents?

TRANSACTION MANAGEMENT

Will the broker monitor the pre-purchase inspection, including on-site visits, to insure that the repair station and buyer is inspecting your aircraft as agreed to in the contract? Is the broker capable of representing your interests if further negotiations were needed as a result of the inspection findings?

Does the broker utilize a third party escrow agent or title company to handle transactional funds? Does the broker provide full accounting of all payments both during and after the transaction?

Does the broker follow up with you post-closing, and do they make themselves available to you in the event you have any follow up items or questions regarding the transaction?

COMMISSION

Did the broker solicit your business through a third party for whom they are required to pay a "finder's fee" for assistance in obtaining your business? Does the broker's listing agreement have covenants that limit their ability to seek additional commissions on the sale of your aircraft to another party?

Is the broker's commission adequate so that they can cover the costs of professional photography, advertising, travel, repair station visits, market research and intelligence, business overhead, and other out of pocket expenses so that your aircraft can be adequately represented?

Is the broker sufficiently compensated to be motivated to sell and deliver your aircraft to a buyer or is the listing meant to attract buyers that he can then direct to other aircraft that can be sold at a higher commission rate?

