

Great Lakes Aircraft Company LLC

Estimated Cost Per Hour for the Operation of a GREAT LAKES aircraft:

VARIABLE COSTS PER HOUR	GLAC Estimate	Your Cost
Fuel-estimated at 8.5 gallons/hour/\$3.50 per gallon	\$29.75	_____
Reserve for Miscellaneous Maintenance	3.50	_____
Reserve for Annual Inspection	10.00	_____
Reserve for Overhaul after 1,500 hours (Engine: \$15,000 & Prop: \$3,000)	12.00	_____
Total Variable Cost Per Hour	\$55.25	_____
FIXED COSTS (Per Year)		
Hangar@\$250 per month	\$3,000	_____
Insurance: 2% hull value + \$1,000 liability	4,200	_____
Depreciation:	3,000	_____
Reserve for Recovering:	1,200	_____
Total Fixed Costs	\$11,400	_____
Estimated Annual Flying Hours: 200		
Hourly amortization of fixed costs	\$57.00	_____
TOTAL HOURLY OPERATING COST ESTIMATE:	\$112.25	_____

A partnership arrangement which would allow more annual flying hours would make a corresponding reduction in fixed costs.

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