

Aircraft Ownership Costs

Costs of owning an aircraft that might not have been considered



Aircraft Ownership

This article relates, primarily to aircraft – over 5700kg (MTOW) in the corporate/ airline market although smaller aircraft can have similar characteristics.

Like a car, there is a responsibility to look after an aircraft. Also like a car, it requires regular maintenance, and use. This prevents the moving part such as undercarriage and engines from seizing up and the lubricants can do their job. It's a big responsibility, after all aircraft are not cheap. Even parking and hangarage will cost. Unless you are fortunate enough to own your own airfield and parking area (e.g. John Travolta). Hangarage is based on size other aircraft as the bigger the aircraft the larger area it will take up. Parking is based on time and weight.

There are basically 2 option to aircraft ownership. Fractional and Outright. Fractional can work out cheaper as more people will have access to the same aircraft and do cost is spread over a year. You tend to pay according to expected hours per year. Outright gives the owner outright control on how the aircraft is used and when.

Servicing and maintenance are based on hours flown or time. They are split into A, B, C and D checks. The A Check (general service, maintenance) being the lightest at approx. every 400-600hrs. It can



take about 2 – 3 days to complete. The D Check is the heaviest (all components checked) at approx. every 6-10years and can take up to 2 months to complete.



You also pay for Navigation charges when flying along airways between Air Traffic Control Centres. These charges are generally priced around the weight (Max Take Off Weight (MTOW) of the aircraft and the distance flown ((KM) based on Great Circle Distance) in a zone.



Charges are also incurred every time you land an aircraft. You can take off as much as you like but it's the landing that costs you. This again is charged by weight and sometime time of day especially if there is a curfew on aircraft movement timings and an environmental policy, e.g. landing at night can cost be more than during the day. This can also vary depending on services used at an airport. Check-in and security facilities are a prime example of these.



Ground handling services and refuelling that was requested are charged on MTOW and what services were used. This also includes parking which is calculated over time. Most airports operate

a first 2 hours free system. This can help when landing at an airport for a refuel, known colloquially as a technical landing before continuing the journey.

The Navigation charges are charged monthly and the airports charges are charged on arrival, generally through the handling agent unless there is an account in use. The Captain will then sign the invoice agreeing to the services used.

Chartering the aircraft can offset some of these expenses and the aircraft is being used when the operator owner is not. Leasing can be a good way of offsetting the loss as leasing is normally for longer than a charter. There is the comprehensive ACMI (Aircraft Crew Maintenance and Insurance) lease scheme. The lessee will pay for the crew and maintenance etc. Dry lease is just the aircraft and the lessee provide their own crew. The lessor provides the aircraft and crew and maintains operations control for a wet-lease.

Flight operations and flight plans are an essential piece of aircraft ownership. Without it the pilot could not go anywhere. There are plenty of options around including online flight planning software to hard copy printouts for record keeping and some regulations. Modern technology can make flying less paper orientated but a backup is a good idea to have. Flight plans have to be paid and are generally by sector (airport a- airport b – airport c – airport d = 3 sectors). There are also permits to overfly or land in certain countries. This involves going via government departments to obtain the permission.



Crew training, (pilots and flight attendant) will have to be paid for by someone. The crew require yearly assessments on the aircraft and or on a simulator to keep current on the type of aircraft. The flight attendant is either not possible required or on all aircraft.

Another consideration is insurance, hull insurance etc. Just like a car. It's required if you go abroad and wish to obtain landing and overflight permits of some countries. Other requirements are registration (country of registration can affect where it can be chartered if at all (some countries do not permit charter)) and airworthiness (keeping the aircraft up to date and safe with maintenance and air worthiness directives)

Lambourn aviation can assist with operating your aircraft with flight operations, managing the schedule and maintenance. We can advise on which AOC operations to place it with to help ensure it is chartered as and when able. If with an operator, the costs can be paid at an agreed point, invariably this is monthly.