



AIRCRAFT APPRAISAL REPORT

Conducted in conformity with the
Uniform Standards of Professional Appraisal Practice

This Appraisal Inspection and report is not, nor is it intended to be a substitute for a pre-purchase or in depth technical Inspection of the Subject aircraft

Effective Date of Appraisal - 01st October 2022

Valuation opinion valid for 90-days as at the effective date of Appraisal subject to no significant change in status of the aircraft as inspected

Aircraft Identification

2003 ROBINSON R22 BETA II - ZS-RRG

Prepared on behalf of

NRE Auctioneers and Property Practitioners



Aircraft Assessing Company (Pty) Ltd
Reg No 2002/004405/07
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Telephone: +27 83 310 8588
Director: P Leaker



CERTIFICATIONS

Aircraft Appraisal Report - ZS-RRG

Conducted in conformity with the Uniform Standards of Professional Appraisal Practice

I certify that to the best of my knowledge and belief:

- A. The statement of facts contained in this report is true and correct.
- B. The reported analyses, opinion, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
- C. I have no present or prospective interest in the aircraft that is the subject of this report, and I have no personal interest with respect to the parties involved.
- D. I have no bias with respect to the property that is the subject of this report or to the parties involved with the assignment.
- E. My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- F. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal report.
- G. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the current edition of the Uniform Standards of Professional Appraisal Practice.
- H. I have made an examination of the property that is the subject of this report.
- I. No one provided significant professional or personal property appraisal assistance to the person signing this certification and report.
- J. I have performed a previous Appraisal Inspections on the subject Aircraft on behalf of First National Bank on the 09th February 2021 and Berg Flying CC on the 14th September 2021. Other than as stated, I have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding this assignment on the 01st October 2022.

Paul Leaker PSCA NSCA
Senior Certified Aircraft Appraiser
Aircraft Assessing Company (Pty) Ltd





AIRCRAFT APPRAISAL REPORT

Client: NRE Auctioneers and Property Practitioners

Attention: Mr Hennie Gouws

This appraisal report is intended to be used by: NRE Auctioneers and Property Practitioners and/or their holding, subsidiary associated and/or joint venturing companies.

This appraisal report is to be held strictly confidential and should not be disseminated to anyone other than the intended users without the client's permission.

The purpose of this appraisal report is to form an opinion of the Market Value of the subject aircraft in South African Rand for commercial purposes. For this aircraft appraisal report the aircraft is considered to be free and clear of all liens and encumbrances unless noted within the report.

This aircraft appraisal report is intended to be used by the client for the purpose(s) noted. It should not be used for any other purpose, nor should it be considered valid after the effective date expressed in the report. The entire appraisal is based on this appraiser's visual inspection of the aircraft and its records on the effective date of this report.

This report is not intended to be an evaluation of the mechanical condition of the aircraft, nor is any of the data herein intended to be used for evaluating the mechanical condition of the aircraft. This appraiser urges the client and/or purchaser of this aircraft to engage a licensed A&P Mechanic / Aircraft Maintenance Engineer who has knowledge of the aircraft make and model to inspect the aircraft for mechanical defects prior to completing any financial transaction involving the aircraft.

The scope of work for this assignment included:

- A. A physical inspection of the subject aircraft identified in the Aircraft Identification Section of this report and a physical inspection of the Aircraft logbooks and maintenance records.
- B. The subject aircraft is assumed to be airworthy to local SACAA standards and capable of being operated and flown on the effective date of the report under the Standard Normal Category (Rotorcraft) section of the Civil Aviation Regulations of the Republic of South Africa unless the appraiser has reason to believe that it is not. In that case an explanation is included within the report.
- C. Determination whether the Sales Comparison, Cost, or Income approach is relevant to the subject aircraft. The Cost and Income approaches were deemed to lack relevance with regard to this aircraft as this type of aircraft is priced based on market activity. This appraiser feels that use of the Cost or Income approaches to valuation would result in an inaccurate result.
- D. Determination of Market Value of the aircraft.
- E. The appropriate research that included many sources including but not limited to aircraft advertised for sale, published value information, and the use of proprietary databases.
- F. The preparation of this summary appraisal report.
- G. The registered owner of the aircraft at the time of inspection was established using the Certificate of Registration found in the aircraft documentation folder. It appears that the ownership does not have a bearing on the value of this aircraft. The registered owner is assumed to have full and legal title to the aircraft, and it is further assumed that the registered owner has the unconditional power to dispose of the property as it sees fit.



1 Aircraft Details and Physical Condition		
A	Date of Inspection:	01 st October 2022
B	Effective Date:	01 st October 2022
C	Inspection Location:	Westline Aviation Hangar - New Tempe Airfield, Bloemfontein, Free State RSA
D	Appraiser:	Paul Leaker PSCA NSCA Senior Certified Aircraft Appraiser
E	Inspector:	David Lewis AAC Certified Aircraft Appraiser
1.1	Make:	Robinson
1.2	Model:	R22 Beta II
1.3	Model Description:	Single piston engine light utility helicopter.
1.4	Serial Number:	3483
1.5	Registration:	ZS-RRG
1.6	Previous Known Registrations:	Nil - First and current registration ZS-RRG
1.7	Registered Owner:	Westline Aviation (Pty) Ltd
1.8	Airworthiness Category:	SACAA Standard Normal Category (Rotorcraft)
1.9	Airworthiness Special Conditions:	None
1.10	SACAA Registered Mortgage:	Yes - As per the current Certificate of Registration - 0105/2011/AM in favour of First Rand Bank lodged on 14-Sep-14
1.11	Aircraft Status at the time of this Appraisal Inspection:	Airworthy and Operational
1.12	Airframe Hours:	5808.3 hours
1.13	Airframe Condition:	Good
1.14	Airframe Condition Comment:	Minor denting evident on R/H drive belt inspection hatch. L/H fuselage skin below cabin door rippled.



1.15	12-Year / 2200 hour Mandatory Inspection /overhaul:	Due on 08-Apr-29 or in 505.5 hours whichever occurs first
1.16	Airframe Configuration:	Standard Passenger/Trainer
1.17	Left Hand Skid:	Good
1.18	Right Hand Skid:	Good
1.19	Exterior Paint Condition:	Good
1.20	Air Conditioner:	No
1.21	Instrument Panel Condition:	Instrument Faces - Good
		Avionic Face Plates - Good
		Panel Surface - Fair
		General Appearance - Fair
1.22	Instrument Panel Condition Comment:	Lower instrument panel has 4x drill stopped cracks. Glare shield covering is peeling.
1.23	Instrument panel Configuration:	Visual Flight Rules - Day and Night capable
1.24	Glazing Condition:	L/H Windscreen - Good
		R/H Windscreen - Good
		L/H Sky Light - Fair
		L/H Cockpit Door - Good
		R/H Cockpit Door - Good
	Glazing Condition Comment:	R/H Windscreen has noticeable crazing. All Perspex surfaces have light to medium scratching evident.
1.25	Cabin Configuration:	1 x Passenger in standard side by side seating arrangement.
1.26	Flight Deck Configuration:	Single Pilot Certified with full dual controls.
1.27	Pilot Seat	Fair



Interior Condition:	Co-Pilot / Passenger Seat	Fair
	Floor Covering	Fair
	Cockpit Trim Panels	Fair
	Cabin Trim Panels	Fair
	Roof Lining	Good
	Under Seat Baggage Compartments	Good
	Seat Restraints	Fair
1.28	Interior Condition Comment:	Pilot and Co-Pilot seat covering sun faded. Floor Covering (carpet) significantly worn. Trim panels faded and scratched. Seat belts frayed and worn.

1.29		DOCUMENT	DATE OF ISSUE or CONFIRMATION	EXPIRY DATE	COMMENT
Aircraft Documentation and Items:	Certificate of Registration:		07-Aug-17	On change of ownership	Registered to Westline Aviation (Pty) Ltd
	Mass & Balance:		11-May-22	11-May-27	No action required
	Flight Folio:		Yes	Last entry on 23-May-22 at 5808.3 hours	No action required
	Certificate of Airworthiness:		Original Issue 13-May-11	31-May-23	No action required
	Flight Manual:		Yes	n/a	SACAA certified on 17-Sep-03
	Release to Service:		28-Apr-22 5807.0 hours	27-Apr-23 5907.0 hours	No action required



	Radio Station License:	Receipt dated 03-May-22	12-Month license period to expire 31-Mar-23	No action required complies with SACAA concession
	Compass Deviation Card:	07-Jun-21	Expired 07-Jun-22	Legal Requirement
2	Avionics	QTY	Type	
2.1	VHF/Nav/Comm	1x	Bendix King KX 155 TSO with KI 208 Navigation Indicator	
2.2	Transponder	1x	Bendix King KT 76A TSO	
2.3	Audio	1x	NAT Intervox II	
3	Added Value Extra Equipment Installed and or Modification:			
3.1	Combined Artificial Horizon/ Turn and Slip Indicator plus Direction Indicator			
4	Documentation Research:			
4.1	Log books confirmed:	Current active logbooks as listed recording maintenance history from new.		
4.2	Location of logbooks:	Trio Aviation AMO 846 - New Tempe Airfield, Bloemfontein		
4.3	Current Airframe log book:	SACAA Opened: 12-Sep-03 First Entry: 12-Sep-03 Hours: 5.2 hours airframe Last Entry: 11-May-22 Hours: 5807.0 hours		
4.4	Current Engine log book:	SACAA Serial Number: L-39236-36A Opened: 12-Sep-03 First Entry: 12-Sep-03 Hours: 5.2 Last Entry: 11-May-22 Hours: 5807.0 / 1693.2 TSO		
4.5	Historical log books	N/a - Full history from new in current logbooks		
4.6	Date of manufacture:	2003 confirmed by manufacturers serial number		



4.7	Last scheduled maintenance event:	Mandatory Periodic Inspection (100 hour) carried out by Trio Aviation AMO 846 on 11-May-22 at 5807.0 hours
4.8	Hours since last scheduled inspection:	1.3 hours
4.9	Damage/Incident history:	11-Feb-05 Tail rotor blades replaced due to unspecified damage. 04-Dec-08 at 1941.7 hours airframe Hard landing repaired in conjunction with premature 2200 hour/12-year overhaul.
4.10	Repaint date:	Unknown
4.11	Interior Refurbishment:	03-Jun-13 by Cape Aircraft Interiors with valid burn certificate dated 29-Jan-13
4.12	Status report:	Yes - Trio Aviation AMO 846 11-May-22
5. ENGINE		
5.1	Engine Manufacturer:	Lycoming
5.2	Engine Model:	O-360-J2A (131 HP)
5.3	Engine Serial Number:	L-39236-36A
5.4	TBO:	2200 hours or 12-Years whichever occurs first
5.5	Time Since Overhaul:	1693.2 hours
5.6	Overhauled By:	Law Engine Overhaul CC AMO 93 on 11-April-2017
5.7	Engine Time Remaining:	506.8 hours
5.8	Engine Total Time:	5808.3 hours
5.9	Engine Blow-Byes at last M.P.I. on 11-May-22	Cylinder 1 - 70/80 Cylinder 2 - 70/80 Cylinder 3 - 74/80 Cylinder 4 - 74/80 Very Good
6 MAIN ROTOR BLADES		
6.1	Blade condition - Serial number: 3738	Good



6.2	Blade condition - Serial number: 3739	Good
6.3	Blade Lifespan:	2200 hours or 12-years whichever occurs first
6.4	Time remaining - Serial number: 3738	Due in 506.8 hours or on 08-Apr-2029 whichever occurs first
6.5	Time remaining - Serial number: 3739	Due in 506.8 hours or on 08-Apr-2029 whichever occurs first
6.6	Blade Condition Comment:	Both blade leading edges have paint erosion due to sand blasting effect.
7 TAIL ROTOR		
7.1	Blade Condition- Serial number: 8206	Good
7.2	Blade Condition- Serial number: 8209	Good
7.3	Blade Lifespan:	2200 hours or 12-years whichever occurs first
7.4	Time remaining - Serial Number: 8206	Due in 506.8 hours or on 08-Apr-2029 whichever occurs first
7.5	Time remaining - Serial number: 8209	Due in 506.8 hours or on 08-Apr-2029 whichever occurs first
7.6	Blade Condition Comment:	Both blade leading edges have paint erosion due to sand blasting effect.

8 APPRAISER'S COMMENTS

The Helicopter presents as an average example of the type and year of manufacture as utilized in a flight school environment.

9 EXTRAORDINARY ASSUMPTIONS

None, the Helicopter has been valued as inspected.



10 SALEABILITY

The salability scale is an opinion as to the potential ease or difficulty that may be experienced if the aircraft were offered for sale at the quoted value. It assumes that the aircraft is actively marketed and takes into account prevailing market trends as at the time of writing.

There are two areas of relevance with the first being the popularity of the aircraft. This indication is measured on a scale of 1 to 5 with "1" being unpopular and as such difficult to sell and "5" likely to sell regardless of market conditions.

The second consideration is an estimate of the speed of sale which is difficult to predict accurately due to any number of variables which cannot always be taken into account at the time the opinion is offered. The scale utilized is rated A through to C with "A" estimating sale within 90-days, "B" between 90 days and 120 days and "C" being any period over 120 days.

11 RATING

It is my opinion that this helicopter has a regional re-sale rating of 3A.

12 METHODOLOGY & TREND

This valuation was calculated on the basis of our physical inspection of the Helicopter and maintenance documentation used in conjunction with the Jetnet Evolution market intelligence subscription resource, Aircraft Dealer Network market intelligence subscription resource, V-Ref Price Guide, Aircraft Blue Book Price Digest, Penton Publications Historical Value Reference and Internet research.

The Penton Publications Historical Value Reference records a US\$ 10k increase in average value for a standard half-life 2003 Robinson R22 Beta II over the period commencing the 01st quarter of 2021 up to and including the end of the 03rd quarter of 2022. The current quarter records an average value of US\$ 150k for a standard half-life aircraft.

The V-ref resource records a 38.86% increase in average value for a 2003 Robinson R22 Beta II over the last 12-month period with zero value movement over the last quarter.

The Jetnet Evolution Marketplace records the following actual averages for Robinson R22 series sales for the last recorded 12-month period ending the 3rd quarter of 2022 -

Total number of R22's sold Worldwide - 154

Average Asking Price - US\$ 232k



Highest Asking Price - US\$ 330k

Lowest Asking Price - US\$ 45k

Average Year of Manufacture - 2004

Average Days on market - 241

The following Helicopters currently available in the international market were deemed suitable for comparison to ZS-RRG for market trend analysis -

Base Line - ZS-RRG 2003 model R22 Beta II with 505.5 hours remaining to overhaul

1999 R22 Beta II N234RW (USA) available ex USA with 515 hours remaining to overhaul at US\$ 130k - 142 days on market.

2001 R22 Beta II N109HR (USA) available ex USA with 2124 hours remaining to overhaul at US\$ 145k - 252 days on market.

2003 R22 Beta II N7535Z (USA) available ex USA with 800 hours remaining to overhaul at US\$ 195k - 85 days on market.

2004 R22 Beta II N783SH (USA) available ex USA with 2000 hours remaining to overhaul at US\$ 230k - 157 days on market.

2005 R22 Beta II N540FC (USA) available ex USA with 750 hours remaining to overhaul at US\$ 150k - 184 days on market.

13 VALUATION

Based on the visual inspection of the Helicopter and available maintenance records, it is the opinion of Aircraft Assessing Company Pty) Ltd that as at 01st October 2022 the following represents a realistic value spread for the Helicopter subject to active marketing:



REGIONAL RETAIL VALUE

ZAR 2,100,000

(Two Million, One Hundred Thousand South African Rand)

Excluding VAT as and if applicable

REGIONAL WHOLESALE VALUE

ZAR 1,680,000

(One Million, Six Hundred and Eighty Thousand South African Rand)

Excluding VAT as and if applicable

ESTIMATED REGIONAL DISTRESSED SALE VALUE

ZAR 1,365,000

(One Million, Three Hundred and Sixty Five Thousand South African Rand)

Excluding VAT as and if applicable

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VALUE DEFINITIONS

RETAIL MARKET VALUE

The Appraiser's opinion of a highest value on the basis that the parties to any hypothetical transaction are willing, able, prudent and knowledgeable, and under no undue pressure for a prompt sale. It is assumed that any transaction will be negotiated in an open and unrestricted market with an adequate amount of time for effective exposure to prospective buyers. The Retail Market Value is synonymous with the state of supply and demand in the prevailing market.

WHOLESALE VALUE

The appraiser's opinion of value on the basis that the parties to any hypothetical transaction are willing, able, prudent and knowledgeable and are under some pressure in terms of time constraints to finalise the sale. Typically the purchaser would be acquiring the aircraft for speculative investment, re-sale, refurbishment or the like.

DISTRESSED SALE VALUE

The appraiser's opinion of the price at which the aircraft could be sold under abnormal conditions, such as a limited marketing time period, the seller being under duress to sell, an auction, a liquidation, commercial factors, legal complications or other reasons that severely reduce the bargaining leverage of the seller and give the buyer a significant advantage.

RATING DEFINITIONS

Poor

Unserviceable and/or in need of replacement or refurbishment

Fair

Serviceable but below average

Good

Average for year of manufacture

Very Good

Above Average

Excellent

As New