

As Forecasted, Preowned Biz Aircraft Market Stable in 2023

IADA Members Anticipate Steady Start to 2024

BOISE, IDAHO, USA, January 22, 2024 /EINPresswire.com/ -- Members of the International Aircraft Dealers Association (IADA) report that during 2023 the preowned business aircraft market continued to stabilize, as predicted, per the organization's Fourth Quarter 2023 Market Report. There was a subtle shift towards becoming a buyers' market, with higher inventory and more reasonable prices, leading to expectations for a steady start to 2024.

The year-end report combines the qualitative perspectives of members from around the globe, and the quantitative sales data from IADA-Accredited Dealers and Certified Brokers, who buy and sell more business aircraft by dollar volume than the rest of the world's dealers combined. Download the report at <https://www.crowdcast.io/e/2022q4iadamarketreport>.



IADA Chairman Phil Winters, Vice President - Aircraft Sales and Charter Management, Western Aircraft

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“IADA members have been predicting a more stable marketplace for over a year, and the 2023 market performed as expected,” said IADA Chairman Phil Winters. “Our quantitative and proprietary sales data shows that buyers and sellers are coming together with regard to asking and offering prices, a positive change from the overheated conditions we’ve seen since the onset of the pandemic,” he added.

“While annual business jet resale volume for IADA dealers was about one and a half percent higher in 2023, a more telling statistic showed an increase of 123 agreements to sell exclusively and 149 fewer new acquisition agreements, compared to 2022, reflecting more sellers than buyers,” said IADA Executive Director Wayne Starling. “Overall, our dealers closed 1,422 preowned biz aircraft transactions in 2023, compared to 1,399 in 2022,” Starling added.

IADA member survey indicated about three-fourths of respondents say they expect that Mid-Size and larger jet pricing will fall and that inventories will continue to rise over the next six months. The most pronounced changes likely will occur at the top of the market in the Large and Ultra-Long-Range Jet Category. A similar pattern is anticipated regarding dealer willingness-to-inventory, with more than half expecting a decrease in willingness in the Mid-Size and larger jet segments. About 85 percent of respondents believe that demand across the various aircraft size categories will remain relatively stable to slightly down.

While it was a solid fourth quarter for IADA dealers and brokers with 554 preowned aircraft transactions, supply chains remain problematic.

Additionally, some transactions are on hold because of a shortage of parts

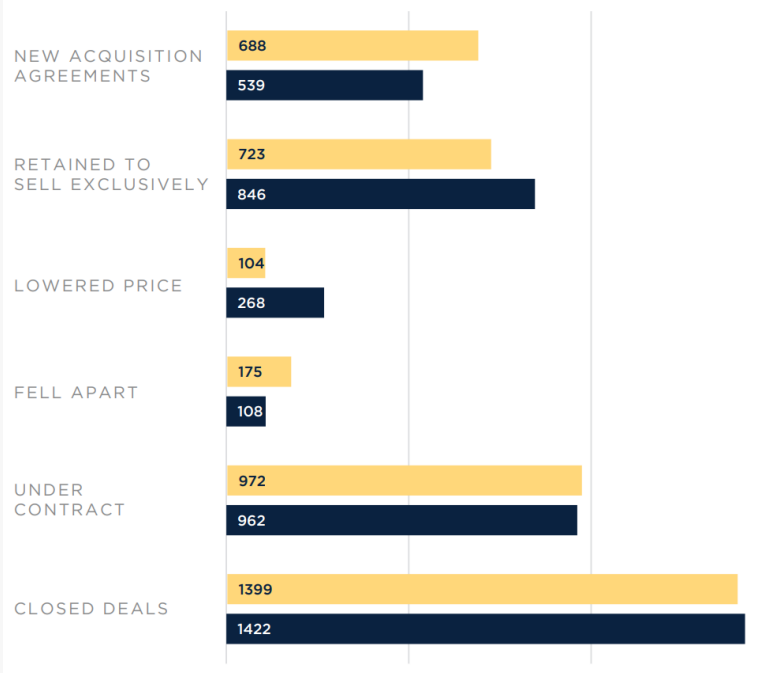
and lack of pre-buy inspection slots, though the openings are growing. This could affect first quarter transactions. Projections for the next six months could also be affected by disruptions caused by global unrest, coupled with the traditional uncertainty associated with a US



IADA Executive Director Wayne Starling

IADA DEALER ACTIVITY YEAR TOTAL COMPARISON

● Q4 2022 YEAR TOTAL ● Q4 2023 YEAR TOTAL



presidential election year.

Insights from IADA-Accredited Dealers and Verified Products and Services Members follow:



"Inventory levels began to level off in early fourth quarter, and we also saw an uptick in buyer demand, which is typical for this time of year. I believe we will enter 2024 with fairly low levels of inventory and stable aircraft values - presenting a good dynamic for sellers in the first half."

- EMILY DEATON, JETAVIVA // IADA-ACCREDITED DEALER

"Elections always cause buying paralysis. This one will be no different."

- JIM WORRELL, JET ACCESS // IADA-ACCREDITED DEALER

"As forecasted, the lack of a robust fourth quarter is allowing inventories to rise. While I am not expecting a precipitous drop in pricing, I do expect an increased pace of asset depreciation as the industry gives back some of the gains from recent years."

- DAVID MONACELL CFS JETS // IADA-ACCREDITED DEALER

"Quality aircraft, top of each market, Level A are selling. Level B and C quality are slower to sell and D will not sell."

- MATT BOSCO, AXIS JETS // IADA-ACCREDITED DEALER

"Brokers/consultants are as busy as ever working to put together deals, now we just need buyers willing to pull the trigger and buy. In short, we have a pricing chasm between most buyers and most sellers. Most buyers are not in a hurry because they are waiting for lower prices or even the big 'correction' and most sellers are not in a hurry because they are under no financial duress to sell and don't feel the need to lower their expectations."

- FRANK JANIK, LEADING EDGE AVIATION SOLUTIONS // IADA-ACCREDITED DEALER

"Certain markets are more balanced; some markets continue to be low inventory and more seller-driven but in general a much more balanced market is coming into place."

- LEE ROHDE, ESSEX AVIATION // IADA-ACCREDITED DEALER

"After 2022, when the industry saw an unsustainable number of business and transactions, we

have begun to shift back to a normal market. The market is teetering on whether it's a buyers' market or a sellers' market. However, instability doesn't help our business either."

– KYLE WAGMAN, LEADING EDGE AVIATION SOLUTIONS // IADA-ACCREDITED DEALER

"We expect demand to stabilize near 2023 levels next year. OEMs are having only limited success in increasing production rates due to supply network constraints, largely driven by limited experienced manpower."

– ROLLIE VINCENT, ROLLAND VINCENT ASSOCIATES, LLC // IADA-VERIFIED PRODUCTS AND SERVICES MEMBER

"The market appears to be remaining fairly robust at present even with the increase in inventory."

– NEIL HOWARD, ABSOLUTE AVIATION // IADA-ACCREDITED DEALER

"We are enjoying continued strong activity across several distinct markets. Additional inventory is being added to the market, which has created opportunities to be more selective in the aircraft that we are acquiring for clients."

– JIM RINER, WETZEL AVIATION // IADA-ACCREDITED DEALER

"As the market continues to normalize, buyers have the opportunity to select from a larger supply of aircraft than has been available the last several years, at pricing that is more attractive. Having a trusted aviation partner to help navigate the current market environment is critical to success."

– SHAWN HOLSTEIN, HOLSTEIN AVIATION // IADA-ACCREDITED DEALER

"Steady, but deals are harder to close. The Aircraft Purchase Agreements are driving aircraft deals to unrealistic expectations for pre-owned aircraft."

– DAVID FOSTER, QS PARTNERS // IADA-ACCREDITED DEALER

"The market activity is strong as usual for the fourth quarter and should remain active going into the first and second quarter of 2024."

– ANDY TOY, AXIOM AVIATION // IADA-ACCREDITED DEALER

"Isolated 'legacy' markets have slowed and thus supply building; however, prices are not diluting at a corresponding pace ... but falling. This segment will likely lead to a pull-back in market. We have a very full pipeline through year-end and are carrying an additional 25 percent of 2023 total

business into the first quarter. However, new business feels like it is slowing – especially on the acquisition side. That said, this is typical of first quarters – I am not concerned.”

– JOHNNY FOSTER, OGARAJETS // IADA-ACCREDITED DEALER

“Can’t imagine we can keep pace in 2024. But then, we have been saying this for the last three years! I think market will slowly get back to normal. 2023 has been another great year.”

– DANIEL CHEUNG, AVIATION TAX CONSULTANTS // IADA-VERIFIED PRODUCTS AND SERVICES MEMBER

About the International Aircraft Dealers Association

IADA's dealers consist of the top 17 percent of the world's experts who handle 50 percent of used business aircraft sales. IADA-Accredited dealers buy and sell more aircraft by dollar volume than the rest of the world's dealers combined. Ninety-six percent of IADA dealers do business in North America, 72 percent of dealers operate in Europe, 61 percent are active in Latin America and the Caribbean, 46 percent do business in Asia and the Pacific region, 46 percent work in the Middle East and 46 percent in Africa. IADA also represents a variety of IADA-Verified product and aviation services members that operate with the highest professional standards in the industry. For more info go to <https://www.iada.aero>.

About AircraftExchange.com

IADA's AircraftExchange marketing search portal is the only site where every aircraft listed for sale is represented by an IADA-Accredited dealer. AircraftExchange enables users to create a confidential dashboard of business jets for sale, filtered based on their features and amenities, class size, age, and price. Users can browse through data-rich listings for available business aircraft. For more info go to <https://www.AircraftExchange.com>.

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