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When you need to know the true value of your aircraft

AVIATION CAREER SUMMARY

A life-long passion for aircraft led to obtaining a private pilot's license in 1979. That initial license was followed shortly by a commercial pilot's license; a multi-engine rating; an instrument rating and flight instructor rating in both single and multiengine aircraft and most recently a commercial single engine seaplane rating.

In-depth experience was gained during the next 36 years with general aviation aircraft by the ownership, rental, and maintenance of numerous training and cross-county aircraft. During that same time frame over 800 hours of instruction was provided and 3 months of shop time was logged towards Airframe and Power Plant mechanic ratings. In addition, many non-instructional hours were logged in single, multiengine and cabin class (pressurized) aircraft. A total of over 3,000 hours of accident free flying time was achieved. This equates to having flown over 450,000 miles.

With a sound basis in all aspects of aircraft ownership, maintenance, pilotage, instruction, and the experiences gained from having owned and maintained numerous aircraft, a keen eye in assessing the value of general aviation aircraft was obtained. This skill was confirmed by application and acceptance into the National Aircraft Appraiser Association (NAAA) in August of 2002.

Since his acceptance for membership in the NAAA, Dr. Herold has successfully completed courses as a Certified Appraiser and in 2005 as a Senior Certified Appraiser and achieved the highest standard with USPAP Endorsement in 2008.

The USPAP Endorsement is a requirement for all appraisals that are going to be used as substantiation of Tax Deductions for charitable contributions as required by the IRS. This includes donations to museums or other charitable groups. Appraisals completed by USPAP Endorsed appraisers are also becoming the 'norm' where appraisals are supporting bank loans and litigation. Only a limited number of Aircraft Appraisers are USPAP endorsed.

Appraisals are divided into three major categories. On Book appraisals are for 'standard' production aircraft. The process for completing an on book appraisal

is fairly straight forward requiring the use of NAAA provided data combined with aircraft and logbook inspection and comparison with current market aircraft. Below is a partial list of on book aircraft appraisals that have been completed.

AIRCRAFT APPRAISALS of PRODUCTION AIRCRAFT (partial list)

Beech Bonanza	Douglas DC-3
Beech Baron – E55,B55, B58	Grumman AA5
Beech King Air 90, 200& 350	Hawker 700
Beech Sierra	Mooney M20E/F
Bell 206 Helicopter	Navion Rangemaster
Boeing 767-200ER	Piper Vagabond (PA-15)
Cessna150A (aerobatic)	Piper Archer
Cessna 170B	Piper Arrow
Cessna 177B	Piper Aztec
Cessna 182	Piper Cherokee 6
Cessna 180	Piper Comanche
Cessna T210/210	Piper Chieftain
Cessna P210	Piper Lance
Cessna 310	Piper Seminole
Cessna 336	Piper Seneca
Cessna 414A	Piper Warrior
Cessna 421	Rockwell Aerocomander
Cessna/Columbia Corvalis	Robinson R-44 Helicopter
Cessna C560	Sky Arrow 600 Sport
Cessna Citation Eagle II	TBM-700
Cessna Citation V	Tecnam P92 Eaglet
Cirrus SR-20	

The second category of aircraft appraisals is for aircraft where there is no current, active market for the aircraft. This situation occurs when the aircraft is antique, unique, produced in low production or there simply are not enough remaining of a particular aircraft to easily define a market. Often times, military aircraft (both domestic and foreign) now being flown civilly fall into this grouping. Dr. Herold is one of the few aircraft appraisers who will do the necessary research and homework to determine the value of off book aircraft. His diligence has secured commissions that have resulted in off book appraisals including the following aircraft.

AIRCRAFT APPRAISALS of OFF BOOK AIRCRAFT

- Buhl – Pup
- Burt Rutan GlobalFlyer – IRS Tax Review
- Fleet – 1 – Museum Donation
- Fleet – 2 – Smithsonian Donation
- Grumman C1A Tracker – Pacific Coast Air Museum Donation
- Lockheed T-33A – Museum Donation

Nord 3202 – Vaughn College Donation
Ryan-NYP Replica
Ryan PT-22A – Smithsonian Donation.
Sopwith Camel Replica
Stearman - Tuskegee Airman – Smithsonian Donation
YAK – 3 – Pacific Coast Air Museum Donation
Piper Vagabond – Piper Museum Donation
DeHavilland DH4M.1

A third category of aircraft appraisals is Home built aircraft.

Aircraft Appraisals of Home Built Aircraft

RANS Coyotte II
Titan Tornado IIs

Zenith Zodiac CH601
AirCam

SPECIAL QUALIFICATIONS

Lender Appraisals –

Dr. Herold has completed more than a dozen appraisals for lending institutions in support of financing and refinancing of aircraft.

Donation Appraisal for Tax Deduction Purposes –

Dr. Herold has appraised and signed IRS form 8382 in support of 3 aircraft that are part of the Smithsonian collection and additional aircraft that have been donated to other museums.

Legal Proceedings –

Dr. Herold has provided appraisals in support of divorce settlements.

Club and Partnership Aircraft Valuation -

Dr. Herold has provided appraisals in support of aircraft Club and Partnerships both from the perspective of existing members desiring to know the value of their club/partnership aircraft and from the perspective of a new member buying in to the club/partnership at the correct asset value.

Diminution of Value –

Dr. Herold has provide Diminution of Valuation support for insurance claims.

Expert Witness –

Dr. Herold has been qualified as an Expert Witness in General District Court in Delaware County, Pennsylvania and has provided expert testimony in that venue.

Dr. Herold has been qualified as an Expert Witness United States Bankruptcy Court Western District of Arkansas and has provided expert testimony in that venue.

IRS Appraisal Reviews -

Dr. Herold has completed appraisal reviews and recently received a letter of commendation from the Internal Revenue Service (IRS) for his support of their work.

EDUCATION / ASSOCIATIONS

BS Electrical Engineering – Carnegie-Mellon University, 1970
MS Computer Science – Rutgers University, 1972
PhD Electrical Engineering, Carnegie-Mellon University, 1974
NAAA Certified Aircraft Appraiser Course – 2005
NAAA Senior Aircraft Appraiser Course – 2005
NAAA USPAP Endorsement – 2008 (and subsequent renewals)
Commercial Multi-Engine, Instrument, Flight Instructor Airplane,
Single Engine Seaplane licenses/ratings
FAA Basic Ground Instructor
Member National Association of Aircraft Appraisers
Life Member AOPA and EAA

SELECTED APPRAISAL AND RESULT

Bell 206 L-1 Helicopter

Evaluated a highly damaged helicopter that had been rebuilt and was restored to exquisite condition. Accounted for extensive damage, engine upgrade from C28B to C30P, current market conditions including locating and evaluating comparables. Prepared USPAP appraisal and extensive testimony for court appearance. Appraisal permitted the customer, who had declared bankruptcy for protection, to negotiate a settlement and resume operation.

Sopwith Camel

Evaluated a wrecked Sopwith Camel replica for a retrospective appraisal. Contact a variety of replica builders both nationally and internationally to evaluate the level of effort and materials required replace the aircraft. Provided a USPAP appraisal based upon 'cost to build' evaluation criteria.

Ryan PT-22A

Prepared an appraisal of a Ryan PT-22A that was donated to the Smithsonian. Found a market for the aircraft and evaluated this aircraft's value within that market. Provided the customer with a qualified appraisal so that he could deduct the value of the aircraft from his tax return due to the donation.

Rutan GlobalFlyer

Reviewed on behalf of the IRS an appraisal submitted for tax deduction purposes of an aircraft designed by Burt Rutan that had successfully set a number of world records. The submitted appraisal was reviewed on its own basis and on the other available USPAP methodologies of cost and income. The work resulted in a speedy decision by the IRS on how to pursue this matter. [Letter from IRS available in support of this work].

DC-3

Evaluated a DC-3 on behalf of its owner that had been wrecked by a snow plow. The work was accomplished in support of the owner's decision to accept/reject the settlement offered by the insurance company.

Nord 3203

Evaluated a Nord 3203 (French military trainer) and provided an appraisal supporting the donated value for tax purposes. The appraisal was accomplished by market evaluation of this very unique aircraft (only 25 originally imported to the US and many less are operational).

C182P

Evaluated and provide an appraisal of a 1972 C-182P that had been upgraded substantially by its owner who sought to insure the aircraft for a value significantly in excess of what the insurance company would accept.

PA32-300

Evaluated a PA32-300 for the estate the aircraft owner. Provided a value based upon lack of recent usage and deterioration.

PA34, B-58 and Citation C-560

Provided assessments and/or appraisals for the banks which had loans secured by each of the above aircraft to ascertain the level of securitization in a rapidly changing airplane valuation market.

SUPPLEMENTAL EDUCATION

In addition to the standard and USPAP required courses to maintain aircraft appraiser status, Dr. Herold has completed the following courses:

1. "Legal Ethics Presentation – Circumnavigating the Buildups"
2. "USA Safety Center briefing on analyzing crashes at Kirkland Air Force Base"

3. "Current Issues in Aviation Safety"
4. "Integrating Unmanned Aerial Systems Aircraft Operations into the G.A. Airport Environment"
5. "International Treaty Negotiations for Aviation Safety"
6. "Do FAA Regulation Adequately Address Human Factors Issue in the Automated Cockpit"
7. "Justice and Aviation comes to Yellowstone"
8. "Legal Implications of Space Launches and Upcoming Launches of Civilians into Space"
9. "NASA and ICAO –Safety Management Systems"
10. "What Every Lawyer-Pilot Needs to Know about FAA Enforcement"
11. "U.S. Cases Origination South of the Border: Issues in International Air Crash Litigation"
12. "Aviation Title Insurance – Legal and Practical Issue in Protecting Aircraft Investments"
13. "Aviation Issues in Mexico"
14. "Alternative Dispute Resolution System Design"