

Issue Updating Pricing Scenarios for Leases >60 Months.

1. Introduction / Current Issue

Once a pricing scenario is defined onto Aerprice, the facility exists to update key parameters / setting of the pricing scenario as required.

These changes can involve changes to the aircraft or lease details, the purchase / maintenance details, financing details etc.

The functionality to update the pricing scenario parameters works for scenarios with leases of up to 60 months duration. There is currently no possibility to update Aerprice pricing scenario parameters for scenarios of >60 month duration. The requirement now exists to enable updates to be made for pricing scenarios with leases > 60 months.

2. Issue Details

Once a Pricing scenario is created on Aerprice, the user has an ability to make further updates, changes, or customisations to a variety of the lease scenario parameters and settings.

These changes / modifications could involve updates to the aircraft information, the lease details, the purchase / future sale details, fees, transactional / ongoing fees, financing / re-financing, customised fields etc. (reference fig1)

Fig. 1. Aerprice Pricing Scenario and Editing Possibilities

MSN Pricing Scenario (Page 1 of 2)

ATN_72_800_MSN_1083 by Dymch 12 Jul 2023 Test

Parameters Settings Custom Fields Copy Scenario Investment Report Output Scenario Create File Update

Portfolio containing this scenario: Portfolio 1 106 Test

Aircraft Details

MSN: 1083 Aircraft Type: ATR72-600 Manager: GDAI German Operating Aircraft Leasing

Age of Lease Start: 12/17 Age of Lease End: 12/17 Airframe Series: PW127M Airframe Hours: 6220 Airframe Cycles: 10719

Lease Details

Line: 478_72_800_MSN_1083 by Dymch 12 Jul 2023 Test Credit: 1 Cash Security Deposit In: 0 Cash Security Deposit Out: 0

Ag. Monthly Lease Income: \$ 124,200.00 Economic Close Date: 12/17 Lease Duration: 60 months Lease End Date: 12/17 Comments:

Purchase Details

Current Valuation: \$ 6,310,000 Appraised Value: \$ 6,310,000 Current Mkt Adjustment: \$ 139,897 Mkt Adjusted Valuation: \$ 7,344,897 Proposed Purchase Price: \$ 6,310,000 % of Adjusted Valuation: % 96

Future Sale Details

Residual Valuation: \$ 6,310,000 Appraised Residual Value: \$ 6,310,000 End Mkt Adjustment: \$ 0 Other End Adjustment: \$ 0 End Residual Valuation: \$ 6,310,000

MR Details

Total Reserve Income: \$ 4,483,070 Total Reserve Drawdown: \$ 3,672,662 Total Lessor Contribution: \$ 385,438 SR Pct Lease End: \$ 426,770

Transactional Fees

Legal Fees Delay: 0 months Initial Fee: \$ 10,000 Fee Delay: 0 months Misc. Initial Fees: \$ 200 Arrange Fee: \$ 20,000

Corporate Advisor Fee Delay: 0 months Corporate Advisor Fee Delay: 0 months Lease End Fee Delay: 0 months Technical DD Fee and Misc Cost: 0 months Technical DD Fee and Misc Cost Delay: 0 months

MSN Pricing Scenario (Page 2 of 2)

Ongoing Fees

Technical Mgmt Fee: \$ 1.75 Annual Bank Fees: \$ 0 Annual Legal Fee: \$ 2,000 Annual Audit Transition Fee: \$ 2,000 Lease Transition Costs: \$ 0

Annual Misc. Ongoing: \$ 0

Financing

Branch 1

Debt Commitment Rate	Debt Commitment Fee Delay	Debt Ratio	Buffer Percentage	Base Interest Rate	Margin Rate
1.00	0	10.00	10.00	5.52	4.33

Branch 2

Debt Commitment Rate	Debt Commitment Fee Delay	Debt Ratio	Buffer Percentage	Base Interest Rate	Margin Rate
1.00	0	10.00	10.00	5.52	4.33

Branch 3

Debt Commitment Rate	Debt Commitment Fee Delay	Debt Ratio	Buffer Percentage	Base Interest Rate	Margin Rate
1.00	0	10.00	10.00	5.52	4.33

Refinancing

Branch 1

Date (Y1)	% Re-Financed	% Replaced with Cash	Interest Rate	Buffer Percentage
Jul 2023	100.00	0.00	9.65	10.00

Branch 2

Date (Y1)	% Re-Financed	% Replaced with Cash	Interest Rate	Buffer Percentage
Jul 2023	100.00	0.00	9.65	10.00

Branch 3

Date (Y1)	% Re-Financed	% Replaced with Cash	Interest Rate	Buffer Percentage
Jul 2023	100.00	0.00	9.65	10.00

Show: 10 entries Field Name Field Type Cashflows

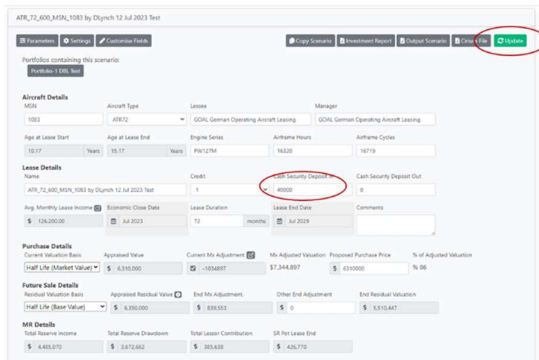
Showing 0 to 0 of 0 entries Previous Next

New Field Field Name Expense Add

Updates to the pricing scenario parameters highlighted in fig. 1 are not possible to be made for a pricing scenario with lease duration >60 months. In such cases, an error message is returned by Aerprice to the user and the required updates to the pricing scenario settings / parameters are not saved to the scenario. Reference fig. 2, where the “Cash Security Deposit In” value is increased from \$30,000 to \$40,000 for a scenario with lease duration of 72 months. Once the green pricing scenario “update” button is pressed, an error message is highlighted (Fig2, right), and the settings remain unchanged.

Fig. 2. Aerprice Pricing Scenario – Error Message for leases > 60 month duration

MSN Pricing Scenario (Lease Duration 72 months)
Updating “Cash Security Deposit In Value” to \$40000



Error Message from Aerprice when
“Update” button is pressed

Internal Server Error
The server encountered an unexpected internal server error
(generated by waitress)

3. Required Task

As many leases are greater than 60 month duration, and with some leases extending event up to 10-15 years duration, Aerprice is required to have the functionality to provide users with the flexibility to update pricing scenario parameter / setting details for leases that are greater than 60 month duration.

The limit of 60 months duration for making changes to leases needs to be removed. Aerprice codebase needs to be updated to provide users with the possibility to make changes to any pricing scenario lease parameter/setting, regardless of the lease length.