



How to buy an aircraft

Buying an aircraft should be simple – but the number of post-sale disputes AOPA handles would indicate that it can't be approached lightly. Derrick Ings gives some tips*

There are a number of steps on the road to buying an aircraft, and here are a few of them:

1. Find an aircraft – seems a logical place to start.
2. View it, fly it and inspect it.
3. Agree a price
4. Check title
5. Sign a contract
6. Pay for it
7. Enjoy it.

Let's look at them one at a time.

Find an aircraft

Let's assume this is done, otherwise you would not be reading this. This process is as hard as you want it to be and as easy as your patience and wallet will allow. Time spent finding the right aircraft will pay dividends in fun and ease of ownership later on.

View it, fly it, inspect it

a. Viewing

- i) Ensure all parties are clear on where and when you are meeting.
- ii) Take notes of what you see and take some photos that will **mean something to you** – it's too late to be at home wishing you'd taken a shot of that scratch on the underside or a close-up of the instrument panel.
- iii) Ask about its history. It makes sense to know a bit about who has owned it, what their usage was, whether they were VFR or IFR rated pilots and whether it was used for training.
- iv) Don't be afraid to ask awkward questions

– not to be clever, just to ensure that you clearly understand something that's bugging you. Once again, being at home wishing you had asked is not why you took the time to go and see the bird.

b. Flying

Why bother to fly an aircraft? It's the only way to get a 'feel' for what you are about to spend your hard-earned cash on. If you're not familiar on type, then get someone who is to ride up front with the owner, or at least sit in the back asking questions and observing. But remember, only the person flying knows if it is flying straight and true (off autopilot).

Also, an air test is the best way of checking those expensive electric items such as ILS/GS capturing autopilots. Old equipment, and even some new stuff, does go wrong and many an ADF works on the ground (two inches from the ground station) but fails outside the circuit.

An air test is also a great time to see how the owner handles the engines, both in flight and on the ground – particularly with turbo charged engines. It is surprising how many owners just shut down without giving time for the turbos to cool and the oil to be scavenged.

c. Inspection

The only time not to have an independent Pre-Purchase Inspection (PPI) is when buying a new aircraft with full factory warranty. It is worth PPI-ing even a one-year-old aircraft with factory warranty remaining. Many view it as imperative to PPI all used aircraft – beware if you do not.

What do they check at a PPI? Well, to a great extent it's up to you – how much time

you give them, how much you are prepared to pay, how worried you are about a particular item – but in general, the following should be covered:

- i) **Airframe:** This often takes the format of an Annual Inspection on larger aircraft or a half-day to a day inspection on others. If you know the aircraft had damage, then it's worth asking the PPI company to pay particular attention to areas that may be twisted. Damage history is often used as a financial negotiation point but does not necessarily mean you should not buy, especially if the incident was many years ago and the aircraft has been flying happily ever since – although always be aware of time-creeping problems.
- ii) **Engine(s) and propeller(s):** The PPI company will need hot engines, preferably just post-flight, to check compressions. They will also inspect for corrosion, oil leaks and many other items. Engine damage is usually either catastrophic, in which case the machine is in a non-airworthy condition, or of the time-creeping variety, the latter being the most invidious. If the engine times are out-of-step with each other you should ask yourself, and the PPI company why. Perhaps what caused the first engine to have a problem is lurking in the background for the second one. This could be expensive, as well as dangerous. The PPI company will search the log books for information but if you have any knowledge of an incident you should ask them to check it out thoroughly. Propellers need similar thought and attention. Don't bypass checking them.
- iii) **Avionics:** Often forgotten and as such often regretted, especially in older aircraft. It is worth paying a little extra to ask the PPI company to look a little deeper than a simple functionality check.

iv) Log Book survey: The PPI company will check for ADs and SBs and should be asked to point out any 'unusual' items.

Who does it? Any JAR145, or even some old M3 approved organisations should be able to do a reasonable job at a reasonable price, but the best jobs are often carried out by the manufacturer's representatives or other organisations with type-specific knowledge. Remember, the PPI should be independent of the owner's current maintenance organization – maybe on the same field, but certainly independent.

The costs will vary, but for piston aircraft will be around £300 to £600. Your choice, money well spent or perhaps expensive problems later.

Agree a price

Usually done before the PPI, but your offer should be subject to a satisfactory PPI and also a satisfactory test flight. Never be afraid to haggle, but don't lose an aircraft by insulting the owner with a stupidly low offer and having him tell you to go away and never return.

Check title

This covers not only being sure that the 'owner' really is the owner, it also covers checking for mortgages and considering the subject of liens and encumbrances. It is often carried out before a PPI, certainly done before paying.

Title on UK registered aircraft is not as easy to check as it is with FAA registered machines. In the UK this is usually accomplished by:

visit a field and find someone has prop-locked you for payment of an outstanding bill. The law is confusing but you may find an old bill remains with the aircraft rather than with the old owner. The only protection advice available so far is to ensure the sales contract clearly states the aircraft is sold free of all liens and encumbrances, in which case you may be able to catch up with the previous owner to pay an unexpected bill you seem to have been lumbered with.

Such problems are rare, and the FAA seems to have a better way of handling liens and encumbrances. For FAA registered aircraft you can ask for a full title search. This will show you all you need to know about ownership and outstanding problems. Unlike in the UK, anyone can register a lien, in which case there is a central record of unpaid bills.

Title problems in the USA seem very, very rare but it is even possible to purchase Defective Title Insurance, and this is very cheap (for insurance) and may be just a few hundred US dollars for a light piston aircraft.

One contact for title searches is Aero Records & Title Company (ARTCo), Oklahoma City, USA. They are opposite the FAA building so have close contact with the relevant FAA personnel. Tel: +1 405 239 2507, fax: +1 405 685 6456, ask for an Escrow and Title Search agent.

Sign a contract

You should insist on signing a contract. This document should cover all the obvious points. Make sure the contract states that the aircraft



consuming leg work. Once you are given the Customs Import Entry Number you can check the validity with your local HM Customs General Aviation team. Please note, before December 1992 the situation is not so bleak, but for aircraft born after that time, or at least imported after that time, you need to be very, very, very certain that importation was correctly handled. I would not buy an aircraft from anyone if this matter was not proved to my TOTAL satisfaction.

Pay for it

Most deals are concluded by electronic transfer of funds. Please be absolutely certain that your bank is asked to use physical electricity (which flows at 186,000 miles per second) rather than banking electricity (which flows at any distance over three days). It is very frustrating to be ready to hand over the keys, and even worse to be waiting to take the aircraft, if the bank transfer takes ages. I have known people wait for three days – unhappily.

Enjoy it

Don't break it, don't expect it to do something it was not designed to do, don't be clever and become a test pilot by flying outside either what the POH says or whatever your personal limits are (stay within whichever is the less testing). And when you are ready to upgrade, please present a well-cared-for machine for resale.

This list is not exhaustive; it comprises one man's views and should be treated as thought-provoking and not authoritative.

**Derrick Ings is an aircraft broker who has bought and sold scores of aircraft in his time. You can contact him on 01747 825378 ■*

*caption if needed blah bla blah bla
blah blah bla blah bla blah bla
blah blah bla blah*



a) Paying the CAA £20 for a mortgage search – tel 0207 453 6666 or fax 6673. Make the call, pay by card and you will usually have a fax answer by c.o.b. the same day. If there is an outstanding mortgage do not despair as all you usually need to do is pay the lender rather than the owner.

b) Asking the owner to show you the history trail of contracts and invoices, blanking out if necessary sensitive data such as price previously paid.

c) The one area that causes some consternation in the UK is that of Liens and Encumbrances. These may be non-mortgage-registered loans, unpaid maintenance bills, unpaid landing fees – some of which can catch up with you, the new owner, when you

is free of all liens and encumbrances and also that the import VAT status is clear.

Import VAT fraud has been attacked by HM Customs very heavily in recent years and it is vital that before you take ownership you see, and are then handed as part of the handover documentation, proof that the aircraft was formally imported. Ask for a copy of the original C88, if available (this is a thin document that looks like a piece of old Izal toilet paper and often gets thrown away as it looks so unimportant). If the C88 is not available then the original importer (often the manufacturer's distributor) may be able to find the original Import Entry Number – make the current owner find this, as it is his or her responsibility to do this horribly time-

