

# How do I fly private?

## Answer these key questions first.

---

The demand for private travel is at an all-time high. Private aviation companies are consistently increasing their prices as a result of unprecedented demand in the industry. In fact, some of the largest companies have suspended their sales of jet cards because they cannot keep up with demand. A pre-pandemic study by McKinsey & Company noted that of those who could afford to fly privately, only 10% actually chose to do so. That number is rapidly increasing as more businesses and families are now exploring private aviation as an alternative to commercial travel due to limited flights, delays, cancellations, and health concerns.

While the benefits are numerous, understanding how private air travel fits into your specific financial picture can be daunting. Here are a few questions to consider before taking flight.

- Are your trips typically one-way or round trip?
- What distances are your typical flights?
- How long do you plan to stay in the destinations you travel?
- How many people will you normally be traveling with?
- How many flights do you anticipate per year?
- How many hours do you anticipate flying in a year?
- Will you be traveling with pets or sending unaccompanied minors?
- Are you flexible to avoid "Peak Days"?
- Do you want the ability to upgrade/downgrade the size of your aircraft?
- What's the minimum lead-time before departure you want for booking flights?
- Is your need for private aviation a short-term need, a long-term business commitment or a permanent change to your personal lifestyle?
- Lastly and most importantly, how do you structure payment and/or ownership to optimize family and business tax planning?

### The right flight for you

There are four main ways to purchase your private travel. You can charter, purchase a jet card, purchase or lease a fractional or purchase your own aircraft outright. And there are even more choices within these four options for how you can structure your purchase. The complete customization of how you fly and pay for private aviation makes it one of the greatest traveling luxuries, but can also be very overwhelming. Once you've narrowed down your preferences, our team can help guide you toward the selection that best aligns with your needs and financial outlook.



#### **SHEA WALDRON, CAP®**

Strategist – Family Office Services

412-221-4473

[swaldron@waldronpw.com](mailto:swaldron@waldronpw.com)

At Waldron, Shea specializes in consulting high-net-worth families and family offices with completion services that are beyond investment management and financial planning, such as private aviation, bill pay, risk management, family governance, business owner advisory services, health care, and more.

## Private Charter

- Best for someone who flies less than 15-20 hours per year
- Good for someone new to private aviation
- Good for someone who likes a mix between private and commercial travel
- Provides flexibility on size of plane
- Hourly cost varies depending on dates, size of plane, demand, and company
- Must contact multiple companies for each flight to get best price
- Inconsistencies with plane and experience
- Charters are an open fleet, the company you charter from does not own the planes

## Fractional (Share or Lease)

- Best for someone who flies more than 40 hours per year
- Greater up-front cost
- Planes are more readily accessible
- Typically a 3-5 year commitment
- More flexibility with hours and usage
- Structured to simulate owning your own plane without the responsibility of managing the plane, crew, operations or maintenance
- Consistency of experience
- There are four components that make up the cost of purchasing/leasing an aircraft:
  - Acquisition Value: One-time payment to purchase your share of the aircraft
  - Monthly Management Fee - Fixed cost that covers upkeep, crew, insurance etc.
  - Hourly Rate - Fixed cost per hour
  - Fuel - Cost adjusts based on cost of fuel



**SCAN TO SEE  
DISCLOSURES**

## Jet Card

- Best for someone who flies 15-40 hours per year
- Good for someone new to private aviation
- Good for someone who likes a mix between private and commercial travel
- Acts as a prepaid debt card, you purchase your hours up front
- Fixed hourly rate
- Easy and quick to book flight
- Less commitment and flexibility compared to a fractional/lease
- Lower initial investment than a fractional/lease
- Only pay for hours you fly
- No ongoing expenses

## Purchase Aircraft

- Best for someone who flies more than 200 hours per year
- Substantial upfront capital commitment
- Significant management responsibility
- High annual costs including cost of capital
- Willingness to charter out plane to offset annual costs (this could create scheduling conflicts with your aircraft when you want to fly)



**SCAN TO  
CONTACT US**