

For Sale

Fully-Leased Private Airplane Hangar

25,250 SF

500 Aviation Way | LEBANON, TN 37090



NNN Leased by:

VANDERBILT  UNIVERSITY
MEDICAL CENTER

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STREAM®



Property Details



500 Aviation Way | LEBANON, TN 37090

Located at Lebanon Municipal Airport (M54), 500 Aviation Way offers a rare opportunity to acquire a newly constructed $\pm 25,000$ SF aircraft hangar investment fully leased to a single tenant on a 10-year true NNN lease with zero landlord operating expense exposure. Built in 2023, the facility features direct tarmac access, 28' clear heights, oversized 100' and 80' wide hangar doors, and $\pm 2,000$ SF of office and break room space. Just 20 minutes from Nashville International Airport (BNA), the property provides efficient, uncongested access to the Nashville metro while benefitting from its location near Tennessee's largest general aviation airport. With limited remaining hangar development opportunities and strong regional aviation demand, 500 Aviation Way presents a highly passive and secure aviation investment opportunity.

PROPERTY HIGHLIGHTS



Fully Leased



25,250 SF with
5,000 Foot Runway



2 Aircraft Doors: 100' & 80'
with 28' Clear Heights



2,000 SF of Fully-Finished
Offices, Kitchen & Bathrooms



Fire Suppression



Direct Ramp Access



Limited Supply - No
Other Pads Remain for
Private Hangars



20 Min from Nashville
International Airport



Investment Overview



Built in 2023



25,250 SF



Year 1 NOI: \$360,000



3% Annual Increase



Tenant: Vanderbilt University
Medical Center LifeFlight



Asset Type:
Specialty / Aviation / Industrial

- Single-tenant, credit-leased aviation facility
- 10-year true NNN lease
- 3% fixed annual rent escalations
- Zero landlord operating expense exposure
- NOI is insulated from operating cost inflation and airport level cost resets
- Stabilized, long-term income backed by mission-critical aviation use and institutional credit





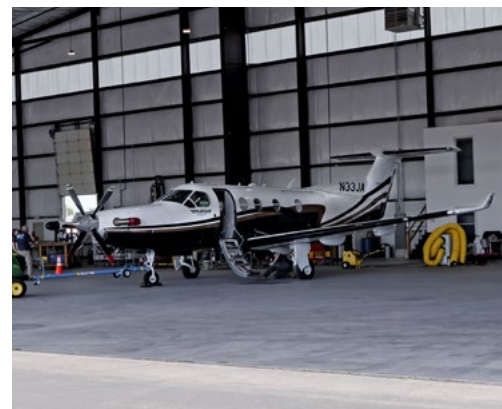
Tenant Overview

VANDERBILT UNIVERSITY MEDICAL CENTER

Vanderbilt University Medical Center operates a large-scale, in-house medical aviation program, [Vanderbilt LifeFlight](#), supporting fixed-wing and helicopter transport across Middle Tennessee and surrounding regions. The subject facility serves as a primary aviation base as the program expands regional reach, making the hangar operationally essential and supporting long-term tenancy durability.



- Institutional healthcare credit tenant
- Aviation operations integrated into core clinical mission
- \$8.5+ billion in annual operating revenue
- High operational dependency with limited relocation alternatives





Supports nearly all general aviation/jet aviation operations



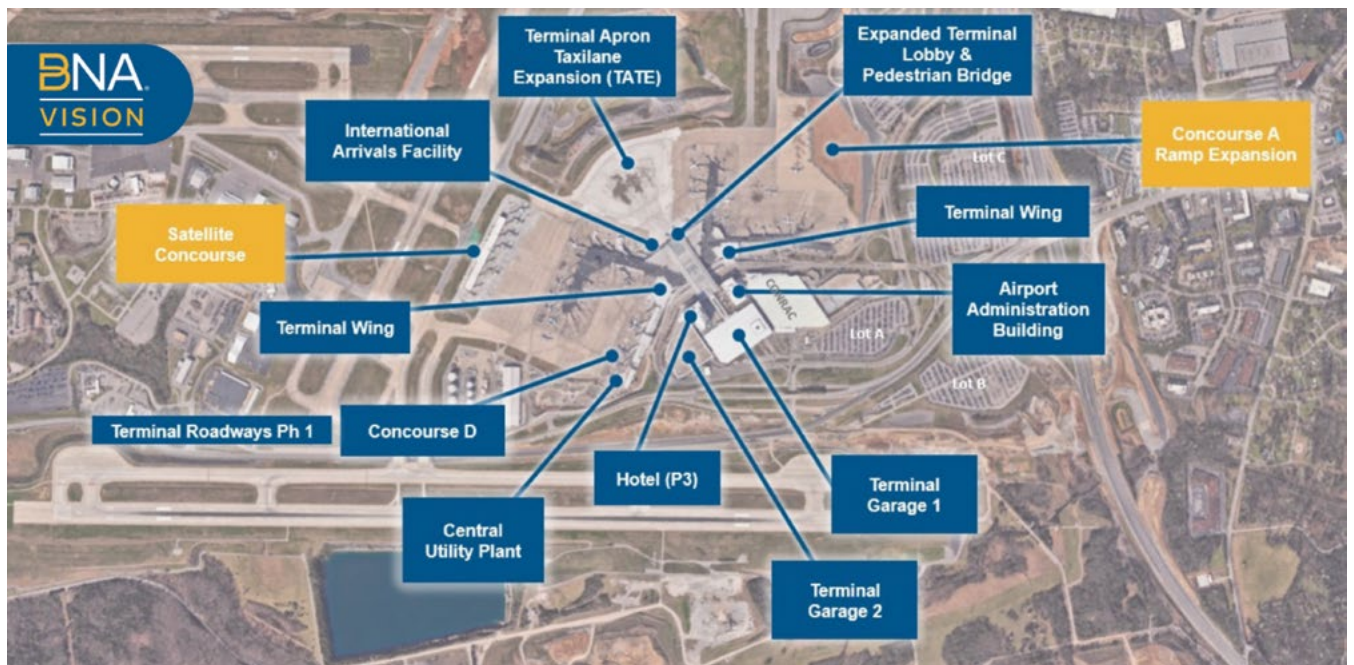
Nashville International Airport Expansion & Regional Aviation Impact

New Horizon Plan

- Major terminal expansion and gate additions
- Increased commercial passenger throughput
- Reallocation of airfield and landside resources

Beyond New Horizon

- Continued runway, terminal, and support infrastructure growth
- Long-term focus on commercial and airline operations
- Reduced priority for general aviation activity



Resulting Market Dynamic

- Demand shifts toward uncongested, lower friction reliever airports
- Scarcity of large-format hangars with longterm lease security
- Increased importance of cost-stable secondary airports like Lebanon Municipal Airport (M54)

Impact on General Aviation

- Progressive displacement of general aviation and special mission operations
- Increased congestion and operating constraints at core airports
- Rising lease rates, fuel requirements, and capital obligations

Sustained commercial aviation growth in the Nashville region is steadily reallocating capacity away from general aviation, increasing demand and pricing power at uncongested secondary airports.



Aviation Supply Constraints

NASHVILLE, TN

- ✈ Commercial expansion at BNA displacing general aviation capacity
- ✈ JWN and MQY increasingly constrained and congested
- ✈ Limited availability of large-format hangars

Nashville regional aviation demand has experienced sustained multi-year growth, contributing to airspace congestion and capacity reallocation.

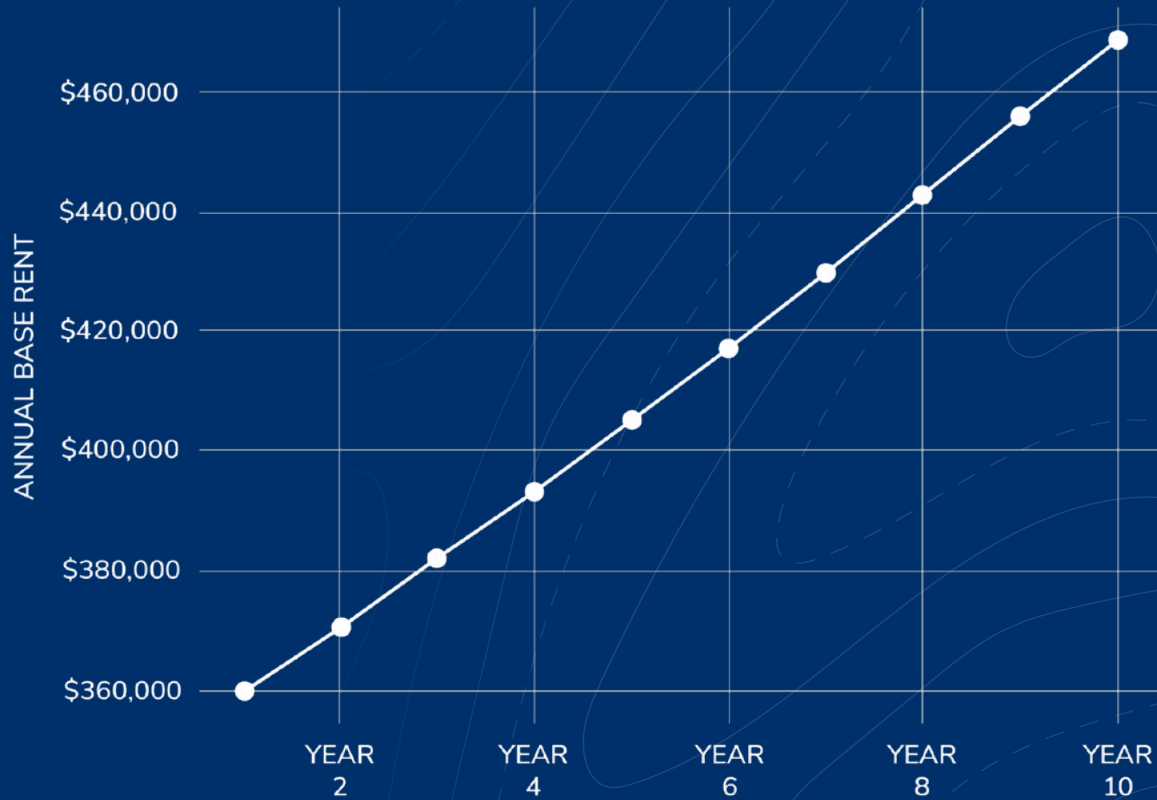
FROM SATELLITE AIRPORT	DRIVE TIME TO NASHVILLE INTERNATIONAL (BNA)
M54 – Lebanon	22 Minutes
MQY – Smyrna	26 Minutes
JWN – John C. Tune	20 Minutes
MBT – Murfreesboro	36 Minutes
XNX – Gallatin	40 Minutes



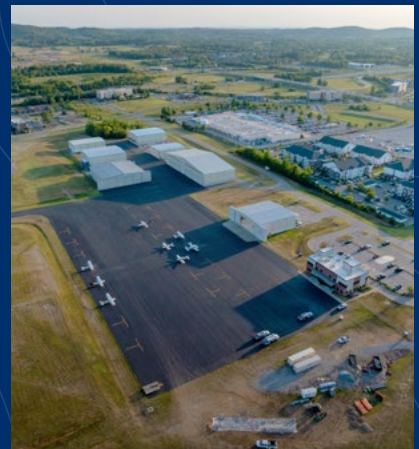


Lease Structure & Income Visibility

ANNUAL BASE RENT ESCALATION OVER LEASE TERM



- Year 1 Base Rent: \$360,000
- Annual Escalations: 3% fixed
- Tenant pays ground lease and operating costs
- Landlord exposure limited to structure only



Net operating income is derived entirely from contractual base rent under a true NNN lease. The tenant is responsible for all operating expenses, including taxes, insurance, maintenance, utilities, and the underlying ground lease, resulting in clean, predictable NOI with no expense leakage.



Ground Lease Economics

- Ground Lease Rate: ±\$0.37/SF/year (±\$9,250 annually)
- Regional Benchmark: ±\$2.50–\$4.00/SF/year
- Tenant pays ground lease directly
- Ground lease extends to 2068 (±43 years remaining)

The initial lease term represents less than 25% of the remaining ground lease tenure, preserving longterm residual value. Upon lease expiration, ownership retains full control of a large-format aviation facility that may be released, owner-occupied, or repositioned subject to standard airport approvals, providing strategic flexibility beyond the current credit tenancy.

FEATURE	M54 – LEBANON MUNICIPAL	JWN – JOHN C. TUNE	BNA – NASHVILLE INTERNATIONAL
Ground Lease Rate	±\$0.37 / SF / year	±\$3.50 / SF / year	\$4.00+ / SF / year*
Annual Ground Cost	±\$9,250	±\$87,500	\$100,000+
Ground Lease Term	±43 years remaining	±30-year term	Shorter-term / restrictive
Additional Requirements	None	Additional requirements anticipated	Capital investment + fuel obligations
Cost Visibility	Long-term, defined	Increasing uncertainty	Highest, least predictable

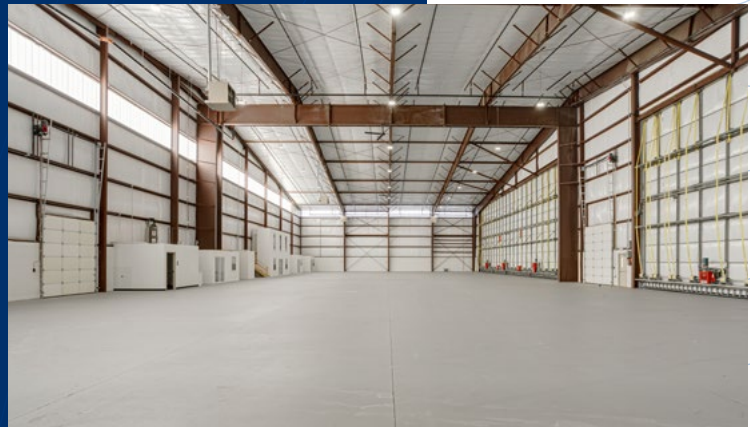
*BNA ground economics typically include capital improvement requirements, fuel minimums, and operational obligations in addition to base ground rent.

Comparable Lease Rates

Comparable lease rates at BNA and JWN are quoted on a gross or modified-gross basis and require adjustment to reflect true NOI.

AIRPORT	QUOTED LEASE RATE (\$/SF/MO)	NON-REIMBURSED COSTS*	NET-EQUIVALENT (\$/SF/MO)
M54-Subject (Executed)	\$1.19 (NNN)	None	\$1.19
BNA – Nashville Intl.	\$2.80 – \$3.20 (Gross)	Ground lease, insurance, taxes, capital & fuel obligations	±\$1.80 – \$2.10
JWN – John C. Tune	\$2.50 – \$3.00 (Gross)	Ground lease, insurance, taxes	±\$1.70 – \$2.00

*Estimates reflect typical airport ground lease charges, insurance, and operating obligations borne by the tenant or operator under gross structures.



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