



VUMC CREDIT-LEASED AVIATION FACILITY

10-Year NNN | 3% Annual Escalations | Nashville

Lebanon Municipal Airport (M54) | Lebanon, Tennessee
25,250 SF Medical Aviation Hangar





Investment Overview



- Single-tenant, credit-leased aviation facility
- Tenant: Vanderbilt University Medical Center
- 10-year true NNN lease
- 3% fixed annual rent escalations
- Mission-critical medical aviation use
- Zero landlord operating expense exposure

NOI is insulated from operating cost inflation and airport-level cost resets

KEY METRICS

- ▣ Size: 25,250 SF
- \$ Year 1 NOI: \$360,000
- ▮ Total Lease Revenue: -\$4.1M
- Ⓢ Ground Lease: -\$0.37/SF (tenant paid)

Asset Type: Specialty / Aviation



Stabilized, long-term income backed by mission-critical aviation use and institutional credit

Tenant Overview

Vanderbilt University Medical Center

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

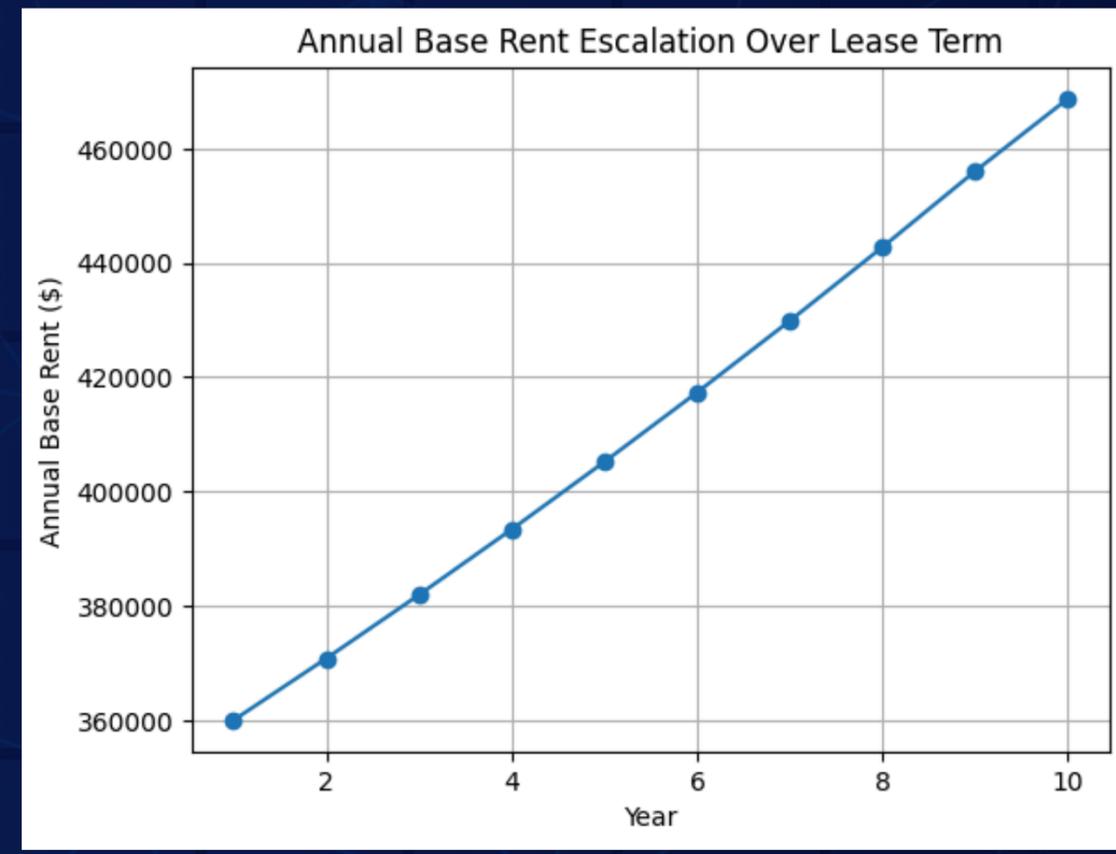


Vanderbilt University Medical Center operates a large-scale, in-house medical aviation program supporting fixed-wing and helicopter transport across Middle Tennessee and surrounding regions. The subject facility serves as a primary aviation base as the program expands regional reach, making the hangar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



Lease Structure & Income Visibility

- 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)

Feature	M54 – Lebanon Municipal	JWN – John C. Tune	BNA – Nashville Intl
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.

The initial lease term represents less than 25% of the remaining ground lease tenure, preserving long-term residual value.

Upon lease expiration, ownership retains full control of a large-format aviation facility that may be re-leased, owner-occupied, or repositioned subject to standard airport approvals, providing strategic flexibility beyond the current credit tenancy.



Income Growth & Valuation

Year ONE

Cap Rate	Value
5.25%	\$6.86M
5.00%	\$7.20M
4.80%	\$7.50M
4.50%	\$8.00M

Valuation reflects in-place credit tenancy, long-term ground lease control, and contractual income growth rather than speculative re-leasing assumptions.

YEAR	ANNUAL BASE RENT	MONTHLY BASE RENT
1	\$360,000.00	\$30,000.00
2	\$370,800.00	\$30,900.00
3	\$381,924.00	\$31,827.00
4	\$393,381.72	\$32,781.81
5	\$405,183.12	\$33,765.26
6	\$417,338.64	\$34,778.22
7	\$429,858.84	\$35,821.57
8	\$442,754.64	\$36,896.22
9	\$456,037.20	\$38,003.10
10	\$468,718.40	\$39,143.20

Contractual NOI growth via 3% annual escalations

Average annual NOI over lease term materially exceeds Year 1

Credit-leased income profile supports tighter cap rates than generic GA assets



Aviation Supply Constraints Nashville, TN

- Commercial expansion at BNA displacing GA 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	To	Drive Time
M54 – Lebanon	BNA – Nashville	22min
MQY – Smyrna	BNA – Nashville	26 min
JWN – John Tune	BNA – Nashville	20 min
MBT - Murfreesboro	BNA – Nashville	36 min
XNX - Gallatin	BNA – Nashville	40 min



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



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.

Nashville International Airport Expansion & Regional Aviation Impact



Resulting Market Dynamic

- Demand shifts toward uncongested, lower-friction reliever airports
- Scarcity of large-format hangars with long-term lease security
- Increased importance of cost-stable secondary airports like M54

Impact on General Aviation

- Progressive displacement of GA 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.

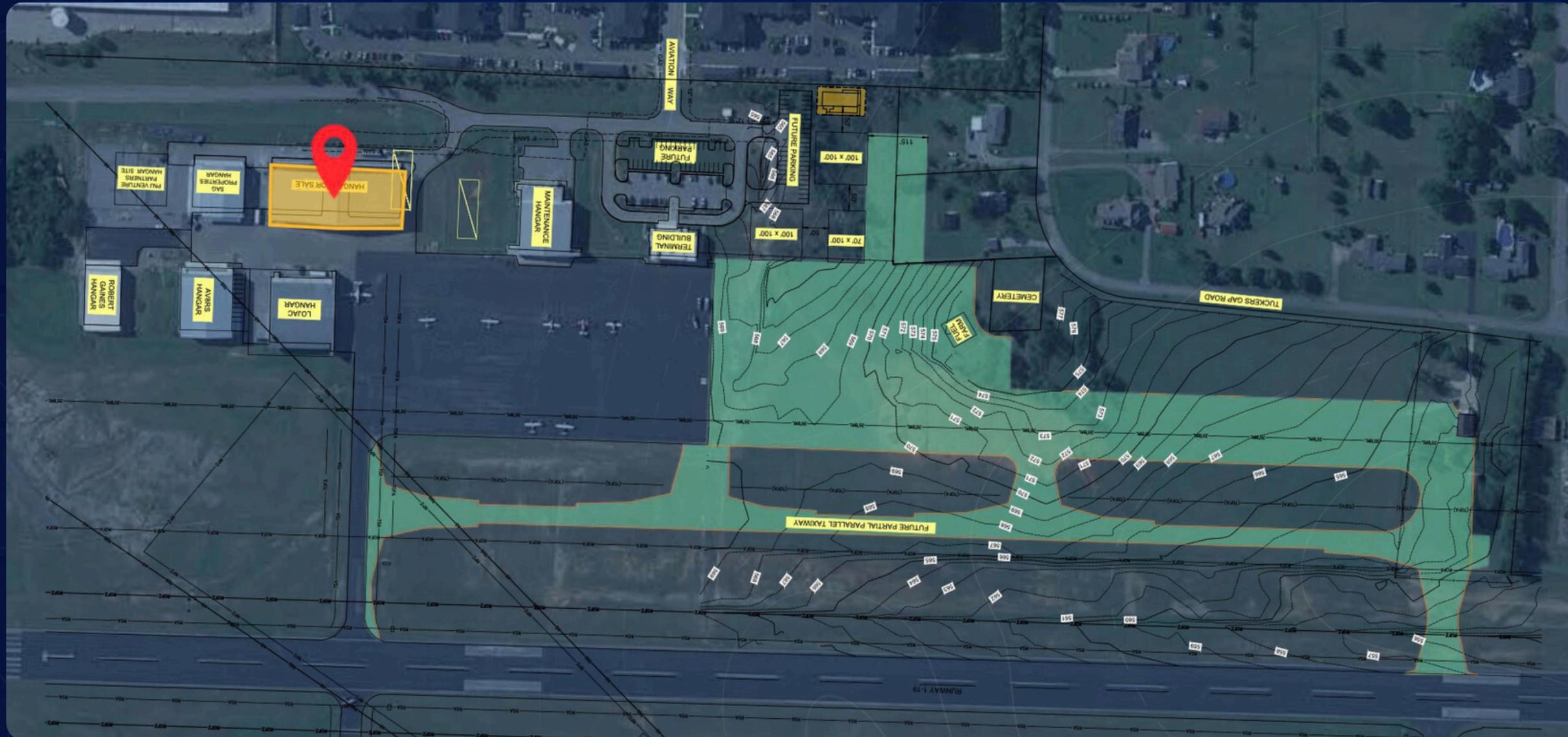
WHY M54 - LEBANON AIRPORT

Uncongested access to Nashville metro

Lower operating costs than competing airports

Runway expansion planned to ~6,000 feet

Supports nearly all GA jet aviation operations



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.

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



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



Facility Overview

25,250 SF hangar

100' x 28' Aircraft Doors

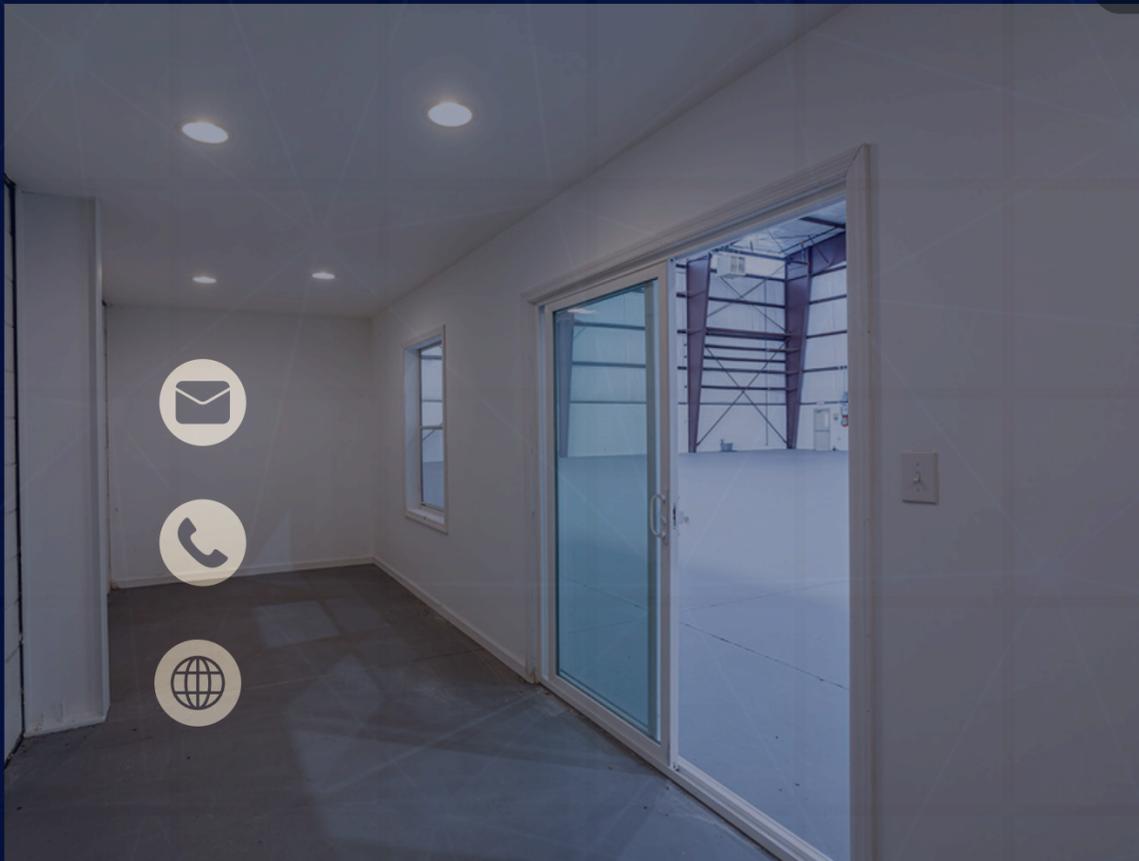
80' x 28' Aircraft Door

Fully Finished

Offices, Kitchen, Bathrooms

Fire Suppression

Direct Ramp Access



Offering Process

Tours by appointment only

Do not contact tenant or airport directly



Scott Weckler
Haven Real Estate
619.277.2006
Sweckler@realtracs.com