

3507 JACK NORTHROP

LOS ANGELES - HAWTHORNE, CALIFORNIA

SoFi  Stadium

 **HAWTHORNE**
MUNICIPAL AIRPORT



Fee Simple Industrial Flex / R&D Hangar at the Hawthorne Airport
40,553-Square-Foot Mission Critical Facility
100% NNN Leased to Tesla (S&P: BBB) with 12 Years WALT

A CBRE NATIONAL PARTNERS INVESTMENT OFFERING

CBRE National
Partners



Executive Summary

CBRE, as the exclusive advisor, is pleased to present a rare opportunity to acquire a fee simple interest in a 40,553-square-foot flex-industrial campus located at 3507 Jack Northrop Avenue in Hawthorne, California (the “Property” or “Campus”). Strategically positioned adjacent to the Hawthorne Municipal Airport, the Campus is an expansion of Tesla’s Design Center and is 100% leased to Tesla, Inc. through April 2038, providing 12 years of remaining weighted average lease term (WALT).

The Property consists of five 100% leased, distinct structures: a 17,969 SF airplane hangar featuring an impressive 40-foot clear height; a 7,312 SF flex office space; a 10,021 SF industrial R&D facility; a 4,351 SF terminal building; and an on-site fuel farm. Additionally, the Property includes approximately 10,000 SF of fee-simple, unoccupied land that offers potential for additional revenue through direct use or lease. Altogether, these improvements span 2.04 acres of aviation-connected real estate with direct runway access, presenting a rare and strategic investment opportunity.



3507JACK NORTHROP

The terminal building carries historical significance as the original office of aviation pioneer Jack Northrop, whose legacy lives on through the Northrop Corporation (now Northrop Grumman) infusing the Property with a rich aerospace heritage.



Property Overview

[3507 Jack Northrop Ave, Hawthorne, CA 90250: Two Flex-Industrial / Hangar / R&D Buildings]

YEAR BUILT
1940 / 2010

BUILDING SF
40,553

PARKING
42 Stalls

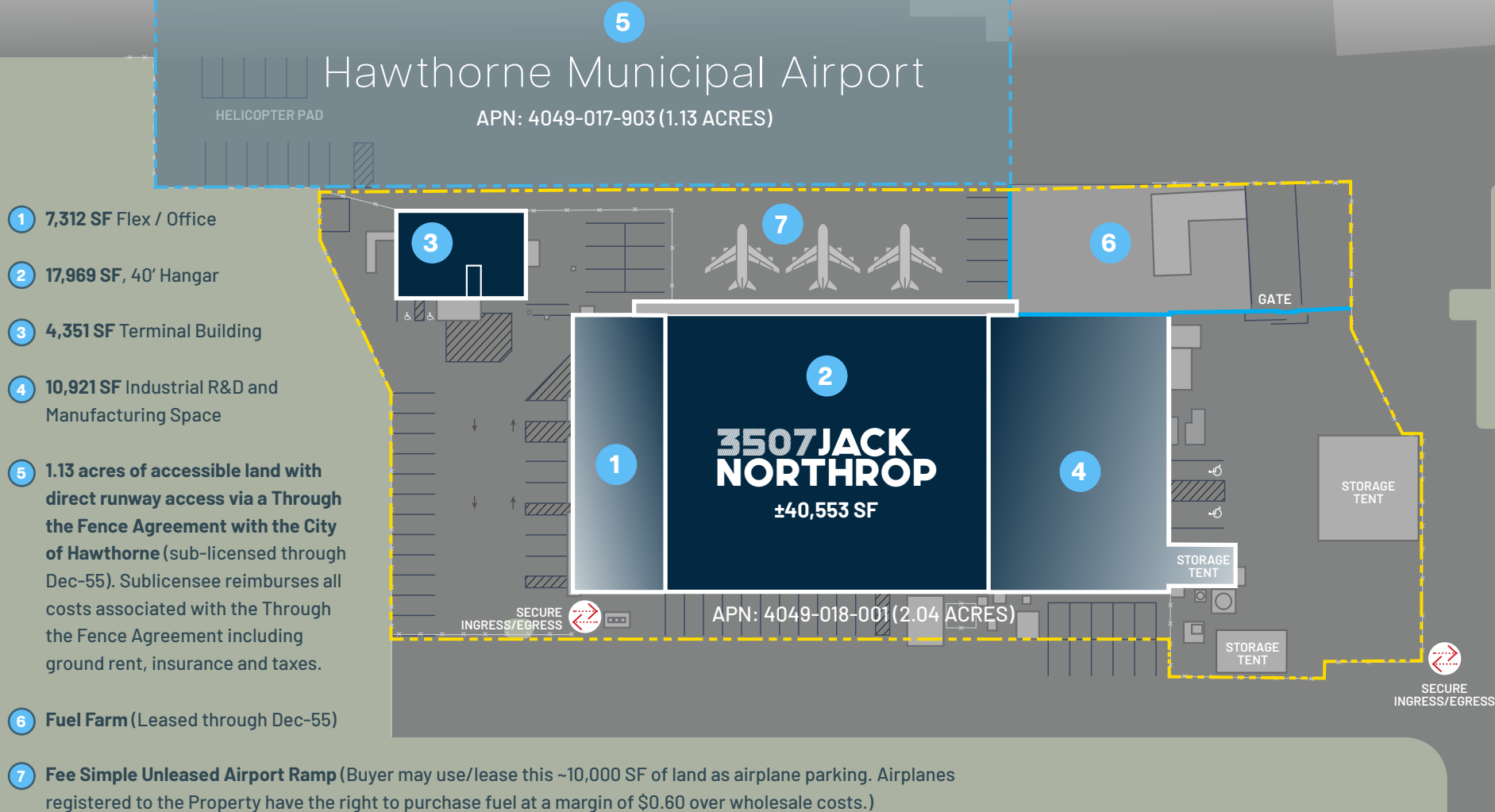
CLEAR HEIGHT
Hangar: 40'
Other Buildings: 22'

POWER
2,500 kVA @ 480V,
3-phase (~3,000 Amps)

OCCUPANCY
100% Leased to Tesla
through April 2038

FEE SIMPLE LAND AREA
2.04 Acres

WALT
12 Years



Property Highlights



1. Tesla's Aerodynamic Design Team occupies the Property's mezzanine office space.

2. The hangar houses Tesla's only known owned wind tunnel—an advanced facility dedicated to aerodynamic research and development.

3. The Terminal Building, once home to Jack Northrop's office, is now occupied by Tesla's Product and Merchandise Design Team.

4. The industrial building has served as **Tesla's glass manufacturing and R&D facility** for over 20 years.

5. Tesla utilizes the eastern parking lot for storage and a design tent, supporting ongoing innovation and logistics. The Tesla Model 3 was designed in this storage tent.

6. The Property features a rare, state-of-the-art fuel farm—one of only two permitted at the airport—providing a significant strategic advantage for long-term value and future tenant demand.

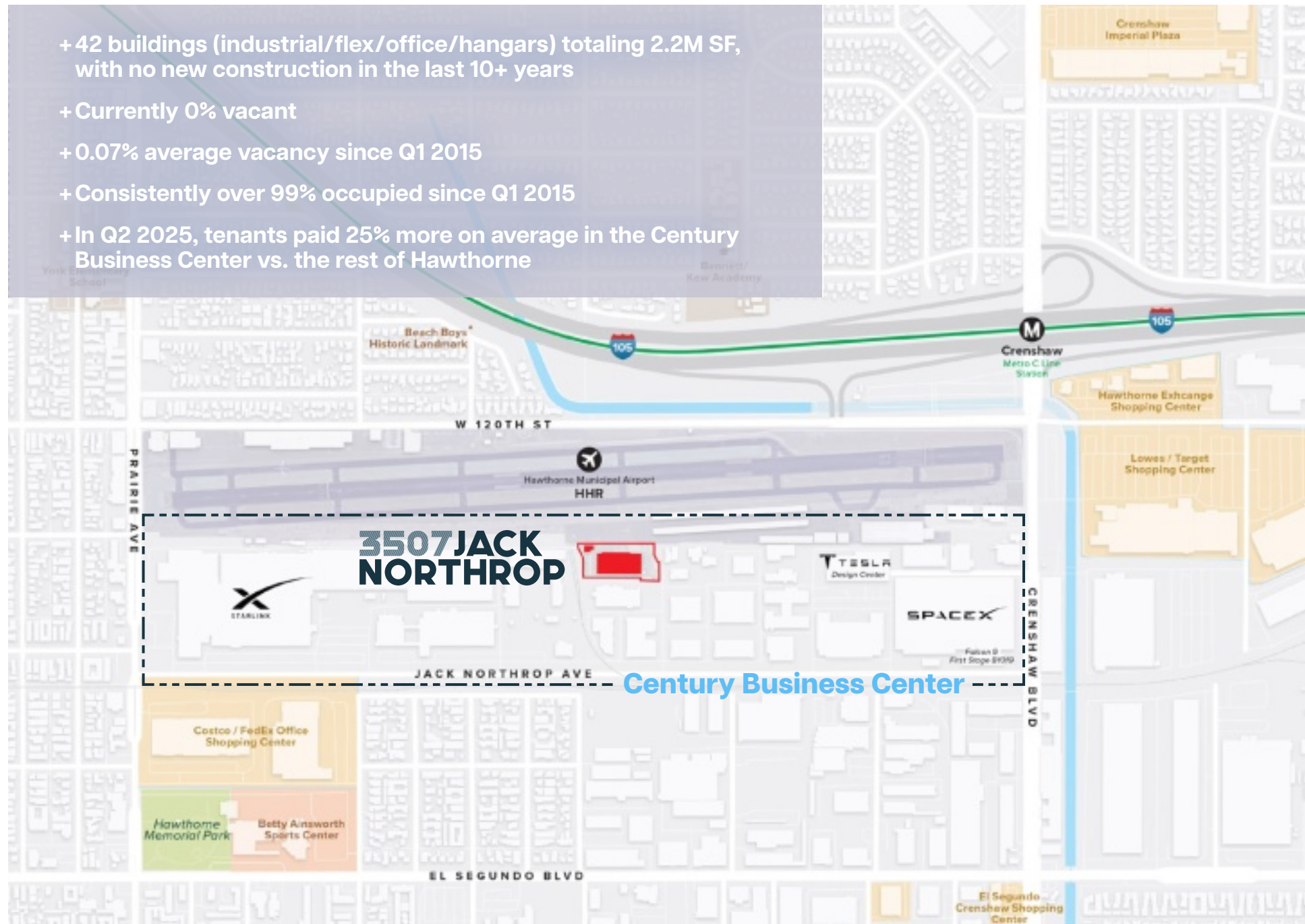
Mission Critical Location for Tesla/Elon Musk



Tesla, SpaceX, & The Boring Company collectively occupy over 2.2 million square feet of mission-critical space in adjacent facilities throughout Hawthorne, supporting key operations such as Starlink production, Dragon capsule assembly, automobile Wind Tunnel Testing and Starship development.

Located in Hawthorne's Extremely Constrained Century Business Center

- + 42 buildings (industrial/flex/office/hangars) totaling 2.2M SF, with no new construction in the last 10+ years
- + Currently 0% vacant
- + 0.07% average vacancy since Q1 2015
- + Consistently over 99% occupied since Q1 2015
- + In Q2 2025, tenants paid 25% more on average in the Century Business Center vs. the rest of Hawthorne



At Ground Zero for Next Generation Automotive, Aviation & Space Technology

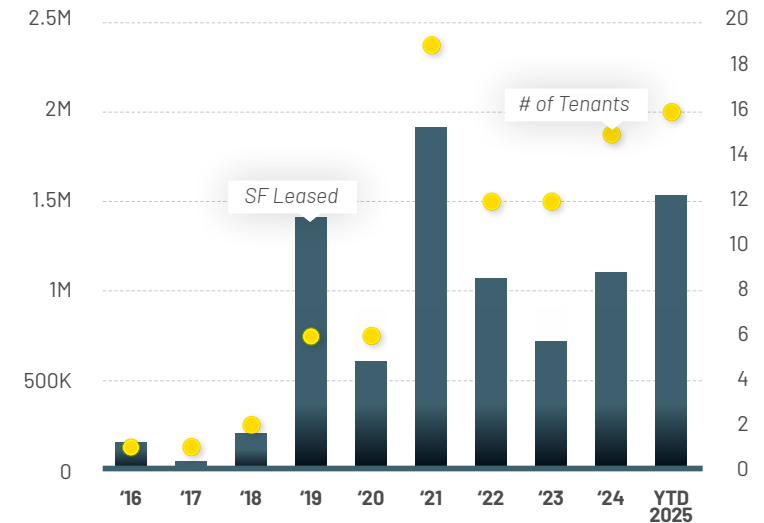
“Manufacturing the Future” in Hawthorne, California

Hawthorne and El Segundo, CA are epicenters of next-generation manufacturing—where **aerospace, electrification, and AI converge to redefine industrial capability and national resilience.**

Legacy players like Boeing, Lockheed Martin, Northrop Grumman, Raytheon, U.S. Air Force, SpaceX, and Tesla have long called this region home. **Today, a new wave of entrepreneurs and startups are reigniting America’s manufacturing ambition**—building the technologies that will shape our future.



GROWTH OF ADVANCED MANUFACTURING COMPANIES IN THE SOUTH BAY



INNOVATION CORRIDOR POWERED BY:



Aerospace & Space Innovation

Precision engineering, satellite systems, and defense technologies driving global leadership.



Electrification & Urban Air Mobility

Electric vehicles and air taxis transforming mobility and infrastructure.



AI & Digital Engineering

Automation, data, and digital twins accelerating smart manufacturing.



Clean Energy & Sustainability

Hydrogen, renewables, and low-carbon operations reshaping industrial impact.



Skilled Workforce & High Quality of Life

Diverse talent, technical expertise, and a vibrant Southern California lifestyle.

Archer Aviation Acquires Hawthorne Airport Ahead of LA Air Taxi Launch

In November 2025, Archer Aviation announced a \$126 million acquisition of the 80-acre Hawthorne Municipal Airport (HHR), securing control of 190,000 SF of terminal, office, and hangar space. The company also holds an option to acquire a 75% stake in Jet Center Los Angeles, the Hawthorne Airport's FBO.



INVESTMENT HIGHLIGHTS

This landmark investment positions Hawthorne as the central hub for Archer's Los Angeles air taxi network and a proving ground for AI-powered aviation technologies—reinforcing the region's leadership in sustainable, advanced manufacturing.

- + **Enhances Airport's Value:** Archer's long-term commitment to redevelop hangar space and extend the runway directly enhances the strategic value of adjacent aviation infrastructure.
- + **Technology-Driven Growth:** Planned installations for aircraft testing, storage, repair, and charging will increase operational throughput and demand for support services.
- + **AI-Enabled Operations:** Hawthorne will host trials for advanced systems like sensor-embedded runways and mixed-fleet digital aprons, attracting additional aviation innovators and reinforcing the airport's role as a next-gen mobility hub.
- + **Institutional Backing:** United Airlines, a key investor, supports Archer's vision for AI-enabled airspace management, underscoring the credibility and scale of this transformation.

The acquisition signals a new era for Hawthorne Airport—one that elevates the value of surrounding aviation assets and creates a rare opportunity to participate in the infrastructure backbone of future mobility.

Generational Opportunity in One of the Nation's Most Supply-Starved Hangar Markets

Southern California's private aviation market is experiencing near-zero vacancy for hangar space, as a result, hangar lease rates are now exceeding \$4.00 psf/month in these markets.



VAN NUYS
AIRPORT (VNY)

HOLLYWOOD
BURBANK AIRPORT (BUR)

SANTA MONICA
AIRPORT (SMO),
(CLOSING 2028)

LOS ANGELES
INT'L AIRPORT (LAX)

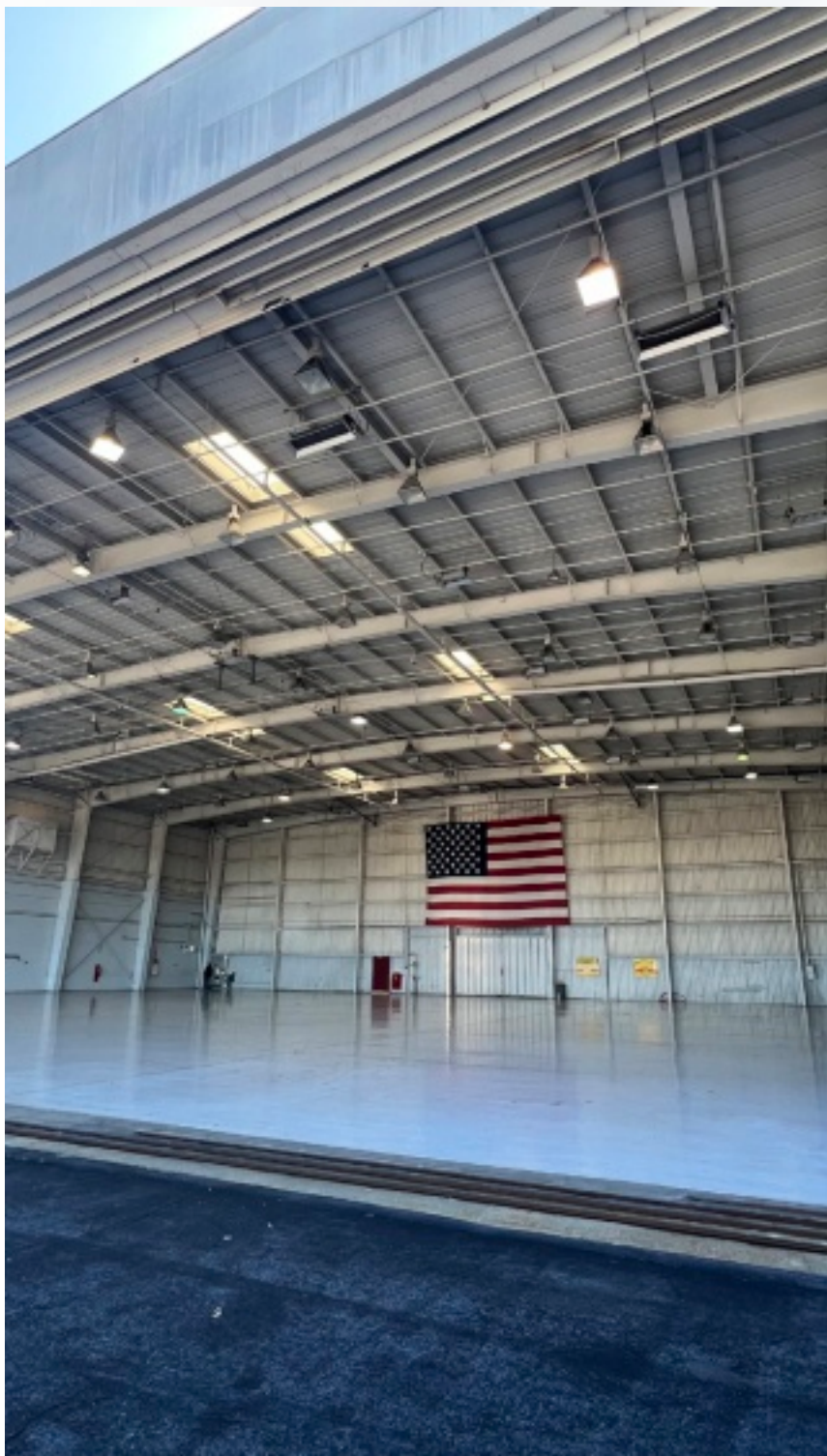
HAWTHORNE
AIRPORT (HHR)

3507 JACK
NORTHROP

LONG BEACH
AIRPORT (LGB)

ONTARIO
INT'L AIRPORT (ONT)

JOHN WAYNE
ORANGE COUNTY AIRPORT (SNA)



Aviation Investment Highlights



EXCEPTIONALLY RARE FEE SIMPLE OWNERSHIP

3507 Jack Northrop is the only fee simple hangar located at the Hawthorne Airport. **In fact, across the U.S., only ~1% of Airport Adjacent Hangars are Fee Simple.**



ADDITIONAL REVENUE OPPORTUNITY

The ~10,000 SF ramp area in front of the hangar presents a valuable leasing opportunity as aircraft parking. The space can comfortably accommodate up to three Pilatus PC-12s or similar sized jet, offering direct access to the Fuel Farm and significant savings on fuel.



STRATEGIC LOCATION SURROUNDED BY HIGH-DEMAND AIRPORTS

Located near some of the most **competitive and supply-constrained airports in the country.**



SUPPLY-DEMAND IMBALANCE

In 2024, the U.S. saw over 500 new business jet deliveries, requiring ~2 million SF of hangar space (assuming 5,000 SF on average per jet) to accommodate the demand, far outpacing current and forecasted supply.



FUEL FARM ADVANTAGE

The Property features an on-site fuel farm, leased to a Fixed Base Operator (FBO) and guaranteed by Archer Aviation, Inc., **delivering a recurring, inflation-protected income stream through 2055.** With the fuel-farm lease, aircraft registered to the Property can access fuel at just \$0.60 per gallon over wholesale, delivering significant savings for tenants while streamlining refueling operations. This unique advantage boosts operational efficiency and makes the Property even more attractive to future aviation users.

Steeped in History & Poised for Take-Off: Hawthorne Airport Timeline

1939: Hawthorne Municipal Airport was originally constructed as part of a deal between aviation pioneer Jack Northrop and the City of Hawthorne. The airstrip was named Northrop Field. Northrop Corporation built a 122,000-square-foot manufacturing and design facility adjacent to the airport and used the airstrip to fly aircraft directly from the assembly line to Muroc in the Mojave Desert for testing.

1961: The City of Hawthorne approved construction of a new \$135,000 control tower, staffed by the Federal Aviation Agency from 7 a.m. to 11 p.m. That year, over 143,000 flights were logged.



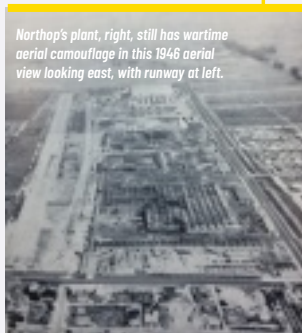
1966: A new airport terminal was dedicated in front of 1,200 attendees. At the time, Hawthorne Municipal Airport ranked as the 7th busiest facility in California and 23rd in the nation.

2015 & 2017: The first new commercial hangars in 50 years were completed. Testdrive of Tesla Roadster on Hawthorne Airport runway.

2010: High-profile executives and celebrities, including Elon Musk, Harrison Ford, and T. Boone Pickens, began flying their corporate jets out of Hawthorne Municipal Airport.

2007: The airport shut down for 28 days to refurbish its runway and revitalize its infrastructure.

Today: Archer Aviation has acquired control of the Hawthorne Airport Ground lease. The airport will be the central hub for Archer's Los Angeles air taxi network and a proving ground for AI-powered aviation technologies. Additionally, over 25 aviation focused businesses call Hawthorne home. Advanced Air is developing 12 leasehold hangars for lease or sale, to be delivered in 2026.



Northrop's plant, right, still has wartime aerial camouflage in this 1946 aerial view looking east, with runway at left.

1940s: During World War II, the U.S. Army Air Forces took control of the airport to modify aircraft for military use.

1948: The airstrip was renamed Hawthorne Municipal Airport by the mayor and opened to private aircraft. Northrop deeded its share of the property to the city and continued operations under a leaseback agreement.

1970s–1980s: During this period, Hawthorne Municipal Airport remained a busy general aviation hub.

1990s: The airport saw a decline in military and large-scale aerospace activity as Northrop Grumman consolidated operations elsewhere. The airport began to attract attention for its proximity to Los Angeles and its potential for redevelopment.

Late 1990s – Early 2000s: The City of Hawthorne rejected redevelopment proposals and explored revitalization efforts for the airport, including infrastructure upgrades and attracting new aviation-related businesses.

Future: The City of Hawthorne has announced their commitment to continuing the aviation legacy by attracting and supporting pioneering companies and ensuring that Hawthorne remains at the forefront of aerospace technology and innovation. When Santa Monica Airport closes down in 2028, Hawthorne Airport is expected to benefit most from the displaced aviation and private jet traffic due to proximity and existing infrastructure.



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