

# VUMC CREDIT-LEASED AVIATION FACILITY

10-Year NNN | 3% Annual Escalations

Lebanon Municipal Airport (M54) | Lebanon, TN

## INVESTMENT HIGHLIGHTS

- Single-tenant, credit-leased aviation facility
- Tenant: Vanderbilt University Medical Center
- 10-year true NNN lease with 3% annual escalations
- Mission-critical medical aviation use (fixed-wing and helicopter)
- No landlord expense exposure
- Long-term ground lease economics well below regional peers

## TENANT OVERVIEW

Vanderbilt University Medical Center operates an integrated, in-house medical aviation program supporting fixed-wing and helicopter transport across Middle Tennessee and surrounding regions.

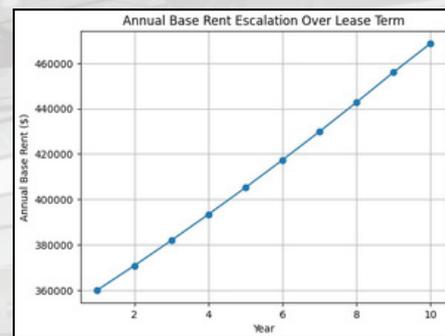
The subject facility serves as a primary aviation base as the program expands regional reach, making the hangar operationally essential with limited relocation alternatives.

## LEASE STRUCTURE & INCOME VISIBILITY

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 predictable net operating income with no expense leakage.

## FINANCIAL SNAPSHOT

- Year 1 Base Rent: \$360,000
- Lease Term: 10 years
- Rent Escalation: 3% annually
- Total Contractual Rent: ~\$4.1M
- Lease Type: True NNN



## GROUND LEASE ADVANTAGE

- Ground Lease Rate: ~\$0.37/SF/year
- Annual Ground Rent: ~\$9,250 (tenant paid)
- Remaining Ground Lease Term: ~43 years
- Regional Benchmark: ~\$2.50-\$4.00/SF/year

## RESIDUAL UTILITY & LONG-TERM FLEXIBILITY

The initial lease term represents less than 25% of the remaining ground lease tenure, preserving long-term residual value. Upon lease expiration, ownership retains control of a large-format aviation facility that may be re-leased, owner-occupied, or repositioned subject to standard airport approvals.

