

Offering Memorandum



Palm Beach Gardens, FL



Subject Property



***New, 10-Year, NNN Lease
With 10% Rent Increases
Every 5 Years***



***Trulieve is the Largest Fully
Licensed Medical Cannabis
Company in Florida***



***Located on Northlake Blvd.
With More Than 37,500
Vehicles Per Day***



***Palm Beach County is FL's
3rd Most Populous County
With 1.4 Million People***

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.



Overview

3555 Northlake Blvd, Palm Beach Gardens, FL 33403

| | |
|------------------------------|--------------------|
| Price: | \$3,900,000 |
| Cap Rate: | 6.00% |
| Rentable Square Feet: | 5,200 |
| Annual Rent: | \$234,000 |
| Price PSF: | \$750.00 |
| Land Area: | 0.61 Acres |
| Year Built: | 2000 |

Lease Summary

| | |
|------------------------------|--|
| Tenant: | Trulieve |
| Website: | www.Trulieve.com |
| Lease Guarantor: | Trulieve, Inc. |
| Lease Type: | NNN |
| Lease Term: | 10 Years |
| Option Periods: | 2, 5-Year Options |
| Rent Increases: | 10% Every 5 Years |
| Roof & Structure: | Tenant |
| Commencement: | 4/20/2021 |
| Lease Expiration: | 4/19/2031 |

New, Long-Term, NNN Lease

- New, 10-Year, Triple Net (NNN) Lease with Two, Five-Year Tenant Renewal Options
- 10 Percent Rent Increases Every Five Years Throughout Base Term and Option Periods
- Ample Parking Available in Both Front and Rear of Building

Trulieve Cannabis Corp.

- Trulieve is the Largest Fully Licensed Medical Cannabis Company in Florida With 83 Stores, and 87 Nationwide
- Vertically-Integrated “Seed-to-Sale” Operation has Approximately 51 Percent of the Florida Market
- Expanding Outside Florida With Purchases of Licenses in California, Massachusetts and Connecticut
- Purchased Two Pennsylvania Companies as Well as Three Dispensaries in 2020
- Awarded a Processor Permit in West Virginia, Giving a Presence in Six States and Continuing its National Expansion Strategy in 2021

Rent Schedule

| Base Term | Annual | Rent PSF | Cap Rate |
|-------------------|-----------|----------|----------|
| Lease Years 1-5: | \$234,000 | \$45.00 | 6.00% |
| Lease Years 6-10: | \$257,400 | \$49.50 | 6.60% |

| Option Periods | Annual | Rent PSF | Cap Rate |
|------------------------|-----------|----------|----------|
| Option 1, Years 11-15: | \$283,140 | \$54.45 | 7.26% |
| Option 2, Years 16-20: | \$311,454 | \$59.90 | 7.99% |



Exceptional Demographics & Traffic Counts

- Located on Northlake Boulevard With a Daily Traffic Count of 37,500 Vehicles
- Situated Between Interstate 95, the Major Roadway in the Immediate Area With 177,500 Vehicles Daily, and Dixie Highway with 43,000 Vehicles
- Chipotle and Olive Garden Under Construction and Opening Soon Directly Adjacent to Trulieve
- Population in the Area is Over 166,000 Within a Five-Mile Radius of the Subject Property
- Average Household Income is \$101,079 Within Five Miles, \$91,037 in Three Miles, and \$69,938 in One Mile
- Major Retail Area | Surrounding National Retailers Include Lowe's, Target, Kohl's, Costco, Burlington, Publix, Aldi, The Home Depot, At Home, Home Goods, Five Below, Ross, Staples, PetSmart, Winn Dixie, Crunch Fitness, Taco Bell, Chick fil A, Pizza Hut, Panera Bread, Dunkin Donuts, Starbucks, Wells Fargo, Chase Bank and Many More

Surrounding Area | Points of Interest

- Three Miles from Palm Beach State College with an Enrollment of More Than 28,500 Students
- Six Miles from the Atlantic Ocean and John D. MacArthur Beach State Park
- The Immediate Area is Known for its Many Golf Courses, Country Clubs and Vacation Resorts
- Six Miles from the PGA National Resort & Spa, Home to Five Championship 18-Hole Golf Courses
- Eight Miles from Florida Atlantic University Jupiter Campus, With More Than 37,200 Students Throughout Six Campuses
- Nine Miles North of Downtown West Palm Beach, Home to Palm Beach Zoo & Conservation Center, Palm Beach County Convention Center, Palm Beach Atlantic University, and Much More



Part of the Palm Beach Metro Area

- West Palm Beach is the Largest City in Palm Beach County
- Palm Beach County is Florida's Third Most Populous County With 1.4 Million People and is Expected to Add More Than 97,000 Citizens Through 2023
- 11 Miles from Palm Beach International Airport
- The Palm Beach County Economy Benefits from an Expanding Population that Supported Strong Growth in the Real Estate, Construction and Services-Related Sectors
- Tourism Also Plays an Important Role in the Local Economy, Generating Billions of Dollars in Revenue Annually

Front of Building



Rear of Building





Trulieve

3555

Trulieve Trulieve

Handicapped
Parking
Permit
Required



Trulieve is the first and leading medical cannabis company in the state of Florida, the third most populous state in the United States. Its vertically-integrated “seed-to-sale” operation has approximately 51 percent of the Florida market. Trulieve boasts over 550+ SKUs and is constantly adding new, fresh, and exciting items to its product line. Its widespread dispensary network and large delivery fleet provides important, much-needed access to thousands of patients every day throughout the state. Trulieve is committed to growing its dispensary footprint in the state, constantly identifying new locations that will bring Trulieve closer to patients, allowing many more people to have easier access to the medicine they need. The Company has 83 stores in Florida, and 87 nationwide, with more growth ahead. Its first mover advantage in the state provides numerous benefits, including brand recognition and media attention. Strong financial performance, driven by sales to a loyal and dedicated group of patients affectionately called Trulievers, positions the company’s commitment to continue its pattern of growth.

Finally, Trulieve is actively expanding outside the state of Florida with purchases of licenses in California, Massachusetts, and a dispensary in Connecticut in 2019. The Company accelerated its presence as a Multi-State Operator in 2020 with the purchase of two Pennsylvania companies including a premier cultivation and production company, as well as three dispensaries. Trulieve also announced that it has been awarded a processor permit in West Virginia, giving a presence in six states and continuing its national expansion strategy in 2021.



\$193.8M USD
Revenue



\$90M USD
Adjusted EBITDA



480,000+
Patient Count in FL



83
Stores in FL



2.0M sq ft
Cultivation in FL

Trulieve Reports Record First Quarter 2021 Revenue of \$193.8M, Net Income of \$30.1M and Adjusted EBITDA of \$90.8M

TALLAHASSEE, Fla., May 13, 2021 /CNW/ - Trulieve Cannabis Corp. (“Trulieve” or the “Company”) (CSE: TRUL) (OTCQX: TCNNF), a leading and top-performing cannabis company in the United States, today announced its results for the quarter ended March 31, 2021. The Company became a U.S. reporting company effective February 4, 2021 and the consolidated financial statements are reported in accordance with U.S. Generally Accepted Accounting Principles (GAAP). All currency is expressed in U.S. dollars.

Q1 2021 Highlights

- Achieved record quarterly revenues of \$193.8 million, a sequential increase of 15% over Q4 2020
- Generated net income of \$30.1 million
- Delivered Adjusted EBITDA of \$90.8 million
- Achieved gross profit of \$135.3 million and gross margin of 70%
- Delivered \$60.4 million in cash flows from operations

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[Click Here for Company Financial Reports](#)



Trulieve and Harvest- A Good Fit in Cannabis

Mon, May 24, 2021

Trulieve Cannabis Corp. (CSE: TRUL) (OTCL: TCNNF) is a vertically integrated cannabis company which operates under licenses in six states including Florida, Mass., Calif., Conn., Penn., and West Virginia, notes Ryan Irvine, CEO of Keystone Financial and contributing editor of Internet Wealth Builder.

It cultivates, produces, and sells medicinal-use and recreational cannabis products within these states. Of the six states, only California and Massachusetts allow both the sale of medical and recreational cannabis.

Revenues for the fourth quarter ended Dec. 31, were \$168.4 million, representing an increase of 111% from \$79.7 million for the prior year's quarter.

The large increase was primarily due to the addition of 28 Florida-based dispensaries during the 2020 fiscal year. Note that the company reports in U.S. dollars.

In the fourth quarter of 2020, Trulieve generated EBITDA of \$78.2 million, up 74% from \$45 million realized in the same quarter last year. However, the company's net earnings decreased 93% to \$3 million compared to \$45.5 million for Q4 2020. There were two primary causes for this.

First, because cannabis remains illegal Federally, U.S. tax laws only allow cannabis companies to deduct expenses that are directly related to production of the products. There was a large hike in income tax expense due to the significant increase in gross profit as a result of increasing retail sales.

Second, TRUL posted higher sales and marketing costs, which was a result of a higher head count for the year as the company continues to add dispensaries.

On May 10, Trulieve and Harvest Health & Recreation (CSE: HARV) (OTC: HRVSF) announced they entered into a definitive agreement through which Trulieve will acquire all of the shares of Harvest for stock of Trulieve, representing total consideration of approximately \$2.1 billion.

This is a good deal for Trulieve. Here are some highlights:

- Increases scale across hub markets through the creation of the largest U.S. cannabis operator on a combined retail and cultivation footprint basis.
- Creates the most profitable U.S. multi state operator with combined 2020 adjusted EBITDA of \$266 million and combined 2021 expected consensus adjusted EBITDA of \$461 million.
- Delivers a superior existing retail and distribution model — from a robust retail network of 126 dispensaries across 11 states.

[Click Here for Full Article](#)

azcentral.

\$2.1B blockbuster deal will take in Arizona's biggest marijuana company

May 10, 2021

Trulieve, the largest marijuana company in Florida, is buying Harvest, the largest marijuana company in Arizona, in a \$2.1 billion deal that could create the biggest cannabis company in the nation, the companies announced early Monday.

The blockbuster deal comes just a few months after recreational sales of marijuana launched in Arizona following passage of Proposition 207 in November, allowing anyone 21 or older to possess up to an ounce of marijuana and permitting medical dispensaries to sell it to adults.

If the deal goes through the merged company will have about 126 dispensaries and operations in 11 states, according to the announcement.

Harvest Health and Recreation Inc. today has 39 operating shops in five states. Trulieve Cannabis Corp. has 84 operating shops in four states, with 79 of them in Florida.

"We were blown away as I'm sure most of you were in terms of their execution and just the way they moved into the recreational market here in Arizona," Trulieve CEO Kim Rivers said on a conference call with analysts Monday. "It was seamless and it was really impressive to watch."

Rivers called the companies a "natural fit."

[Click Here for Full Article](#)

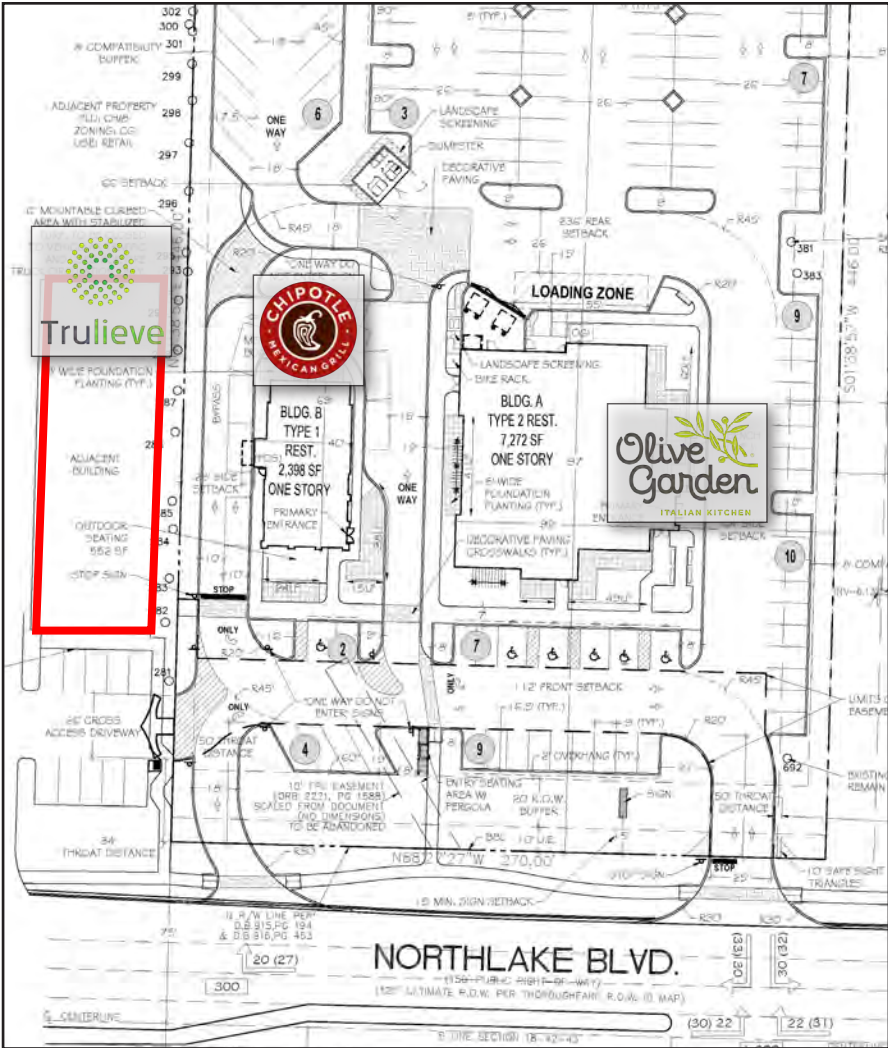


Josh Barnhart checks the roots on plants in the clone room on March 21, 2021 at the Harvest Health and Recreation Inc. cultivation facility in Camp Verde, Ariz.



Marijuana plants in the clone room on March 21, 2021, at the Harvest Health and Recreation Inc. cultivation facility in Camp Verde, Ariz.

Development Site Plan



***Directly
Adjacent
to Subject
Property***



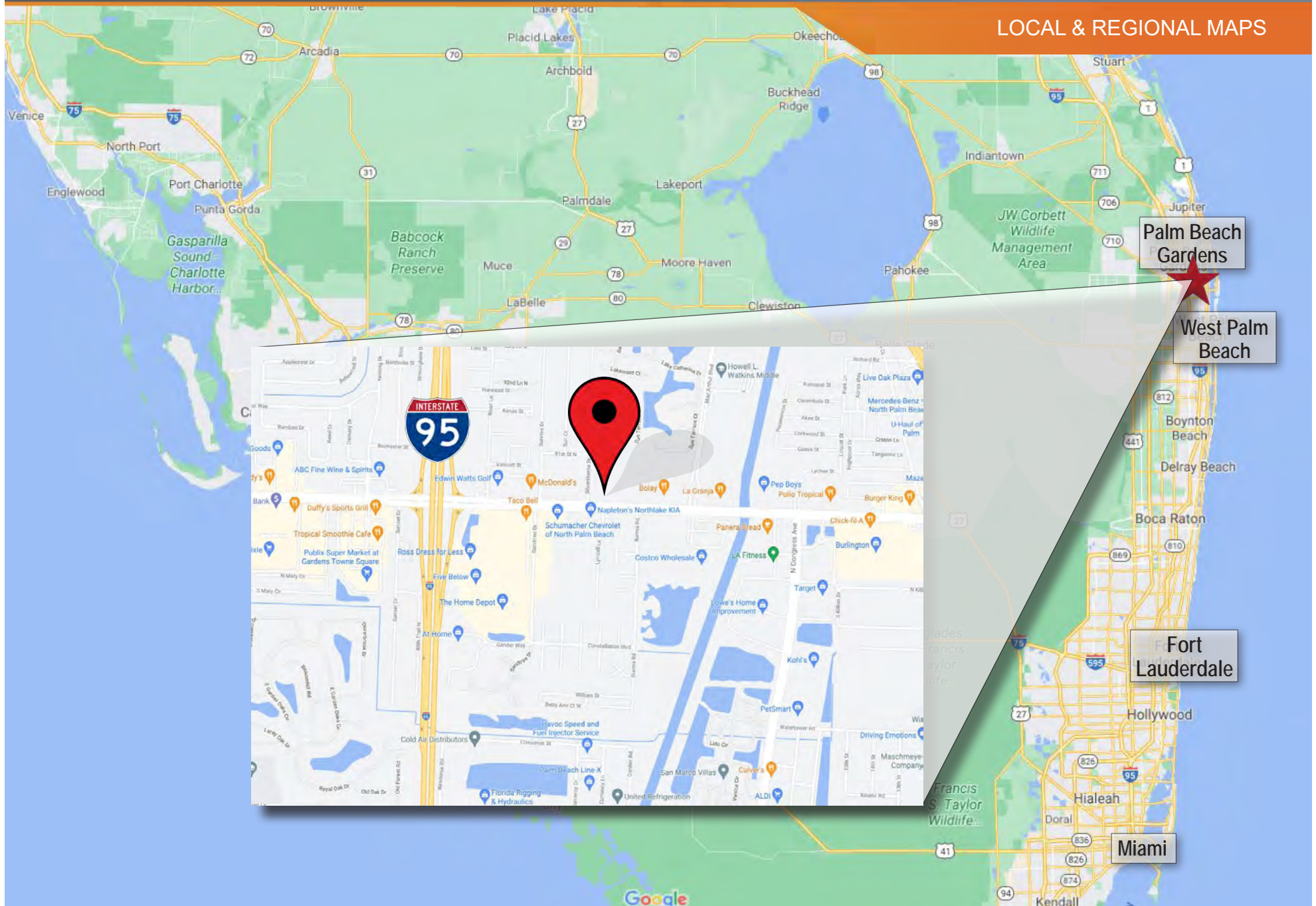


SURROUNDING AREA





LOCAL & REGIONAL MAPS



PALM BEACH COUNTY OVERVIEW

Situated along the southeastern coast of Florida, Palm Beach County encompasses 47 miles of Atlantic coastline with extraordinary beaches and numerous golf courses that draw tourists and residents. The county is Florida's third most populous with 1.4 million people and is expected to add more than 41,000 citizens through 2024. West Palm Beach is the largest city, with 108,000 people. Other prominent municipalities include Boca Raton, Boynton Beach and Delray Beach. The northern portion of Everglades National Park is located within the metro.



* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



METRO HIGHLIGHTS



LARGE RETIREE POPULATION

Nearly a quarter of the local population base are residents age 65 and older who seek entertainment and leisure options.



FAVORABLE TAX STRUCTURE

West Palm Beach has no state income tax and has a low property tax rate, attracting additional residents to the metro.



STRONG JOB GROWTH

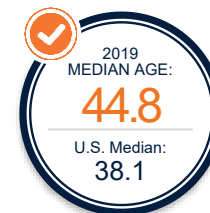
Job gains, especially in construction and the education and health services sector, are driven by the local population growth.



ECONOMY

- Historically, the Palm Beach County economy benefited from an expanding population that supported strong growth in the real estate, construction and services-related sectors.
- Tourism plays an important role in the local economy, generating billions of dollars in revenue annually, including spending by cruise-ship passengers.
- Agriculture is also an important industry in the western portion of the region, where crops include winter vegetables, citrus, sugar cane and ornamental plants.
- As part of the Internet Coast, Palm Beach County has an established reputation for Internet infrastructure servicing South Florida and Latin American markets.

DEMOGRAPHICS



DEMOGRAPHICS

| POPULATION | 1 MILE | 3 MILES | 5 MILES |
|------------------------|--------|---------|---------|
| 2010 Population | 10,195 | 81,359 | 150,322 |
| 2020 Population | 10,966 | 89,484 | 166,532 |
| 2025 Population | 11,090 | 90,979 | 169,923 |
| 2020 Male Population | 5,265 | 42,656 | 80,023 |
| 2020 Female Population | 5,701 | 46,829 | 86,510 |
| 2020 Median Age | 40.1 | 43.7 | 44.5 |

| RACE & ETHNICITY | 1 MILE | 3 MILES | 5 MILES |
|---------------------------|--------|---------|---------|
| American Indian, Eskimo | 0.3% | 0.3% | 0.3% |
| Asian | 4.0% | 3.6% | 3.2% |
| Black | 23.2% | 32.8% | 31.4% |
| Hawaiian/Pacific Islander | 0.1% | 0.1% | 0.1% |
| White | 65.8% | 58.3% | 59.5% |
| Other | 4.0% | 2.5% | 3.2% |
| Multi-Race | 2.6% | 2.5% | 2.5% |
| Hispanic Ethnicity | 14.9% | 11.7% | 12.8% |
| Not of Hispanic Ethnicity | 85.1% | 88.3% | 87.2% |

| HOUSEHOLDS | 1 MILE | 3 MILES | 5 MILES |
|-----------------|--------|---------|---------|
| 2010 Households | 4,115 | 34,915 | 64,881 |
| 2020 Households | 4,482 | 38,821 | 72,549 |
| 2025 Households | 4,548 | 39,790 | 74,555 |

| HOUSEHOLD INCOME | 1 MILE | 3 MILES | 5 MILES |
|----------------------------|----------|-----------|-----------|
| 2010 Avg Household Income | \$58,831 | \$77,516 | \$84,174 |
| 2020 Avg Household Income | \$69,938 | \$91,037 | \$101,079 |
| 2025 Avg Household Income | \$78,336 | \$102,010 | \$112,815 |
| 2010 Med. Household Income | \$45,152 | \$47,915 | \$50,752 |
| 2020 Med. Household Income | \$56,642 | \$60,262 | \$64,299 |
| 2025 Med. Household Income | \$62,918 | \$67,729 | \$72,792 |
| 2010 Per Capita Income | \$23,813 | \$33,374 | \$36,428 |
| 2020 Per Capita Income | \$28,654 | \$39,602 | \$44,129 |
| 2025 Per Capita Income | \$32,191 | \$44,722 | \$49,592 |



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WOLFE-LIPSKY RETAIL GROUP

The Wolfe-Lipsky Retail Group of Marcus & Millichap specializes in the sale of single-tenant properties and shopping centers and has successfully assisted clients in selling 571 separate commercial properties with a market value exceeding \$1.65 billion. Having closed sales in more than 40 states, our track record is evidence that we are one of the premier brokerage teams in the United States.

With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.

For more about the Wolfe-Lipsky Retail Group or to view all of our available listings, visit www.WolfeRetailGroup.com



About Marcus & Millichap

With nearly 2,000 investment professionals located throughout the U.S. and Canada, Marcus & Millichap (NYSE: MMI) is a leading specialist in commercial real estate investment sales, financing, research and advisory services. The firm closed more than 9,400 transactions in 2018 with a value of approximately \$46.3 billion.

Marcus & Millichap has been a pioneer in the real estate investment industry and has established a reputation for maximizing value for its clients while fostering long-term relationships built on integrity, trust and service. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. Marcus & Millichap also offers clients access to the most competitive real estate financing through Marcus & Millichap Capital Corporation (MMCC), which maintains relationships with the industry's leading national, regional and local lenders.

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