

**SALE/LEASEBACK**



**GROW WEST  
CANABIS COMPANY**

975 Kelly Rd.  
Cumberland, MD 21502

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# GROW WEST

975 Kelly Rd., Cumberland, MD 21502



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431-C FOURTH STREET, ANNAPOLIS, MD 21403

**CONFIDENTIAL OFFERING MEMORANDUM / JANUARY 20, 2023**

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## EXECUTIVE SUMMARY



### OFFERING SUMMARY

Sale Price:	\$36,000,000
Cap Rate:	7.5%
NOI:	\$2,700,000
Lot Size:	11.22 Acres
Year Built:	1960
Building Size:	208,645
Renovated:	2017
Zoning:	IG
Market:	Washington-Arlington-Alexandria, DC-VA-MD-WV
Submarket:	Cumberland, MD-WV
Price / SF:	\$172.54

### PROPERTY OVERVIEW

Unique Sale/Lease Back opportunity to break into the Cannabis Industry and Industrial Real Estate market. Tenant will enter into a 20-year lease at escrow with six 5-year options.

### PROPERTY HIGHLIGHTS

- One of the Largest Cannabis Growers on the East Coast
- Fully Leased 208,645 sf industrial building
- Tenant has the potential to expand into an additional 61,000 sf
- Cannabis is recreationally legalized in the state of Maryland
- FedEx Distribution Hub Development nearby
- Located in a Brownfield zone, which has the potential to become an opportunity zone in the future

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## TENANT HIGHLIGHTS

- 1 of 19 licensed cultivators in the state of Maryland
- Serves 92% of dispensaries in the state of Maryland
- Grow West products rank in the top 2 for shelf space in all dispensaries
- 8.8% of the flower volume market share in July 2022
- Recognized as CUSTOMER FAVORITE for flower in MD – Leaflink
- Large expandable footprint allows for outdoor, indoor, and hybrid greenhouse.

## TENANT OVERVIEW

Company:	-Grow West
Founded:	- 2016
Locations:	- 1
Total Revenue:	- Will be released after signed NDA is received
Net Income:	- Will be released after signed NDA is received
Net Worth:	- Will be released after signed NDA is received
Lease Rate:	\$2,700,000 annually
Headquarters:	Cumberland MD
Website:	<a href="http://www.growwestmd.com/about/">www.growwestmd.com/about/</a>

## RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	RATE	YIELD
1-10	\$2,700,000	\$225,000	\$12.94 psf	7.5%
11-15	\$2,970,000	\$247,000	\$14.24 psf	8.25%
16-20	\$2,970,000	\$247,000	\$14.24 psf	8.25%

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## PROPERTY DESCRIPTION



### LOCATION DESCRIPTION

Grow West is uniquely positioned in Cumberland Maryland. The site is within close proximity of Pennsylvania, West Virginia, Washington DC, and Virginia state lines. This location allows Grow West the ability to rapidly increase market share by enabling interstate access once cannabis becomes recreationally legalized. The Maryland market is a robust limited license medical cannabis market with strong, long-term, growth potential.

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## FINANCIAL SUMMARY

### INVESTMENT OVERVIEW

Price	\$36,000,000
Price per SF	\$173
Price per Unit	\$18,000,000
CAP Rate	7.50%
Cash-on-Cash Return (yr 1)	TBD
Total Return (yr 1)	\$2,700,000

### OPERATING DATA

Net Operating Income	\$2,700,000
Pre-Tax Cash Flow	\$2,700,000

### FINANCING DATA

Down Payment	TBD
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## ADDITIONAL PHOTOS



9,400 SF

### 1 OF 3 MOTHER ROOMS

- Room to store outdoor mother plants
- Square Footage: 9,400 SF



2,600 SF

### CANNABIS FLOWER ROOM

1 of 5 Flower Rooms - 2,600 SF - with lights, tables, and environmental controls



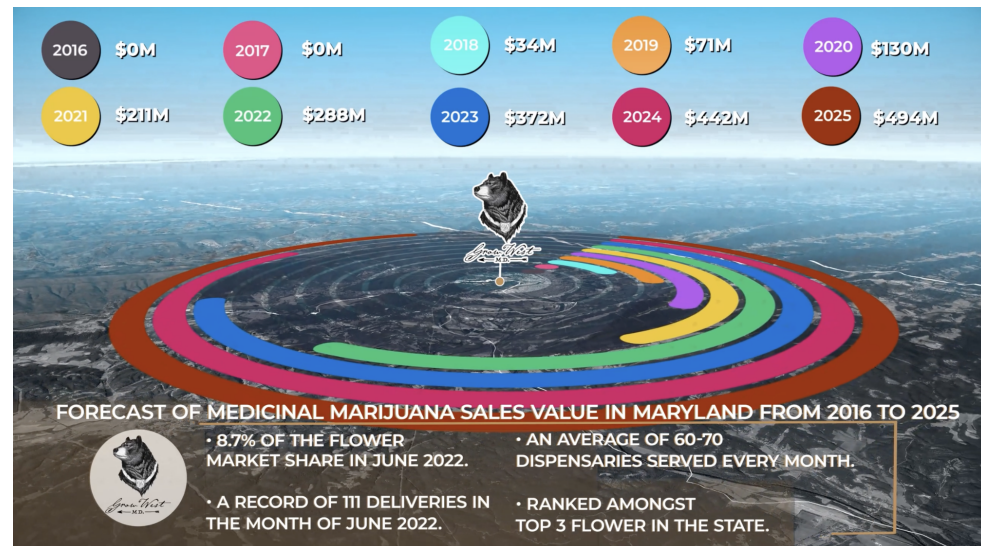
### GROW WEST

- Grow West, MD is a community-centered company dedicated to producing safe, high quality medical cannabis. Grow West is 1 of 19 licensed cultivators in the state of MD and also owns 1 of 100 dispensaries in the State of Maryland.
- Established in 2016, Grow West transformed an iconic factory into an indoor cultivation center creating new industry and jobs in Western MD. Grow West has added outdoor grow fields and constructed state of the art greenhouses.
- Today, Grow West has delivered top-shelf flower and products to over 105 dispensaries in MD.
- Grow West just celebrated its 100th harvest in 2022.

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## ADDITIONAL PHOTOS





## ADVISOR BIO 1



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