



POWERPLANT PARK

A MASTER PLANNED AGRICULTURAL COMMUNITY & CAMPUS

TENANT MODELS & GREENHOUSE AMENITIES

TRUE TURNKEY OPPORTUNITY FOR CANNA-INVESTORS & CRAFT-GROWERS

PowerPlant Park's has designed & engineered its 55 mixed-light hybrid greenhouses to produce the highest grade of cannabis flowers, edibles and extracted products in the State of California. Manufactured by Nexus of Colorado, (the premier provider of hybrid indoor greenhouses), each unit built of glass & steel encompassing the latest technology in lighting, irrigation, environmental control, CO2 infusion, pest mitigation and feeding management.

From the purity of the water to superior genetics, exotic strains and organic inputs, PowerPlant will always strive to provide our tenants with optimal conditions in which to hone their craft. A lease at PowerPlant Park includes a CUP and legal address and eliminates over 2+ years of effort and significant capital expense in obtaining city and state regulatory approvals with no guarantee of regulatory success.

PowerPlant Park's has leased 14 units in Phase I, (3 Units left), we are currently leasing in Phase II and III, where an additional 40 units are available. With the demand for indoor space higher than ever, turnkey legal space in the San Francisco Bay Area is almost impossible to find. Considered by many as the #1 market for cannabis connoisseurs and #1 market in the State by far for retail sales. Many craft-growers are deciding to go legal, considering the challenges of conducting business in an increasingly dangerous black market. Canna-investors will find the Park an easy way to invest at arm's length with substantial ROI. Multi-state operators wanting to enter the California market can simply lease space at the Park to expand their brand. Our state of the art manufacturing and processing facilities can handle all branding and packaging requirements.

MODEL HIGHLIGHTS

- PowerPlant manages production, processing & distribution, (wholesale/retail). Tenants are guaranteed \$2,000 per lb. once medicine is sold at retail, 20% fee if sold wholesale, (approx. 1800 lbs. of production per year per greenhouse)
- Gross Revenues are forecast to be \$3.6M, net revenue per greenhouse is expected to be \$1.4M-\$1.8M (a full set of financials are available upon request)
- Each greenhouse will produce six harvests per year in a bloom-only rotation. All young plants, (clones/teens) are raised in our state-of-the-art onsite nursery





GREENHOUSE AMENITIES

- A. A 36' x 96' "Vail 420" greenhouse shell encompassing 3,024 s.f. of cultivation area plus 432 s.f. of work corridor/air-plenum;
- B. A Solar Soft Max roof covering of corrugated polycarbonate with high-light transmittance and high-diffusion properties;
- C. Metal side and end walls, 29 gauge corrugated metal;
- D. One 3' x 7' steel insulated man-door plus two 6' x 7' insulated double doors;
- E. End-wall gable vent with automated VC100A vent motor;
- F. Three vertical air-flow fans by Vostermans for "through canopy" air circulation;
- G. Two Coolair exhaust fans for below-curtain cooling plus one Coolair peak exhaust fan for above-curtain dehumidification;
- H. Accordion insect screen over air-intake vent;
- I. FogCo odor-mitigation system for all exhaust fans;
- J. Thirteen 5.5' x 32' rolling benches with bench top and through-gutter systems;
- K. Netafim drip system supplying four row-grow zones plus Dosatron manual-nutrient delivery system or upgrade to fully automated system by H. E. Anderson;
- L. 750 gallon fresh-water storage tank providing two-day capacity;
- M. Fully automated light-deprivation system including triple-layered blackout curtain;
- N. Two Lennox heaters (LF24E-300S) for temperature control in main grow zone plus one heater (LF24E-145S) for air plenum (also used for additional wintertime dehumidification);
- O. Fully automated, cloud-based SEED Environmental Controller;
- P. LED lighting via LumiGrow systems (www.lumigrow.com) consisting of fifty-five TopLights offering ~350 umols of supplemental light in the light-deprivation greenhouses. Included in these systems will be LumiGrow's smartPAR wireless control system to adjust intensity, photo-period and spectrum-paired with an Integrated Light-Sensor Module for automated light control.
- Q. **Below are high production video links that feature LumiGrow TopLights;**
[Copperstate Farms-LumiGrow](#)
[Monte Fiore Grows High-Quality Cannabis-Greenhouse Grown](#)
- R. 1,144 "teens" are in place atop rolling benches ready to begin the bloom cycle.
- S. State of the art in canopy CO2 infusion and enrichment system, a turnkey carbogation service



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TENANT INCLUSIONS & GREENHOUSE AMENITIES

- Turnkey state of the art steel/glass mixed-light hybrid greenhouse, complete with Lumigrow LED supplemental lighting and trough and gutter irrigation & automated light-deprivation system
- 24-hour on-site security, including drone system, front guard-gate and sensor security fencing around entire property
- City/state permits and licenses managed by PowerPlant Park with assistance from our legal counsel through to issuance of tenants certificate of occupancy and state license
- State compliant camera viewing system installed in tenant greenhouse, with 24-hour viewing from any mobile device
- 40 hours of professional consulting with PowerPlant's master growers, scientists, and other on-staff industry professionals
- 24-hour access to PowerPlant Park restaurant and conference center, including office space, phone lockers, boardroom, kitchen, large decks, unobstructed panoramic views to San Francisco Bay, Mount Tamalpais, and Marin County Mountains
- Access to PowerPlant's state-wide caregiver network, including product sales and strain selection
- Access to portable testing equipment for THC, CBD, moisture levels, pesticides, herbicides and insecticides

ADDITIONAL PARK AMENITIES

PowerPlant Parks restaurant & town hall, (as part of Phase I) will include many additional amenities, including a real estate & leasing office, Park engineer, plumber, electrician and maintenance staff, MMJ insurance office and state/local compliance advisory expert. The town hall will include a full-service multi-media board room, small offices and an off-site employee training center in conjunction with Green Flower Media, (Certifications) and the City of Richmond, RichmondWORKS.



PowerPlant Park
Greenhouse Tenant - Turn-key
Forward Looking Projection

	2021										2022	2023	2024	2025	2026
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10					
Revenue															
Finished Medicine						550,000	275,000	275,000	275,000	275,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000
Trim Sales						<u>41,250</u>	<u>41,250</u>	<u>41,250</u>	<u>41,250</u>	<u>41,250</u>	<u>495,000</u>	<u>495,000</u>	<u>495,000</u>	<u>495,000</u>	<u>495,000</u>
Total Revenue				-	-	591,250	316,250	316,250	316,250	316,250	3,795,000	3,795,000	3,795,000	3,795,000	3,795,000
Operational Expense:															
Rent					13,800	13,800	13,800	13,800	13,800	13,800	165,600	165,600	165,600	165,600	165,600
Lighting lease					4,400	4,400	4,400	4,400	4,400	4,400	52,800	52,800	52,800	52,800	52,800
Greenhouse salaries, \$27.50 per hour, 6 workers, 12 hrs. per day					59,400	59,400	59,400	59,400	59,400	59,400	712,800	712,800	712,800	712,800	712,800
Payroll tax/other employment expense	-	-	-	-	8,000	8,000	8,000	8,000	8,000	8,000	96,000	96,000	96,000	96,000	96,000
Nutrients/other garden supplies					4,200	4,200	4,200	4,200	4,200	4,200	50,400	50,400	50,400	50,400	50,400
Process/Manu-\$300 lb.						82,500	41,250	41,250	41,250	41,250	495,000	495,000	495,000	495,000	495,000
Utilities					8,300	8,300	8,300	8,300	8,300	8,300	99,600	99,600	99,600	99,600	99,600
Teens			18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	226,800	226,800	226,800	226,800	226,800
Rent CAM fees					5,000	5,000	5,000	5,000	5,000	5,000	60,000	60,000	60,000	60,000	60,000
Testing					700	700	700	700	700	700	8,400	8,400	8,400	8,400	8,400
Administrative expense					1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000	12,000	12,000
State and local taxes	-	-	-		<u>3,400</u>	<u>33,000</u>	<u>19,200</u>	<u>19,200</u>	<u>19,200</u>	<u>19,200</u>	<u>193,200</u>	<u>193,200</u>	<u>193,200</u>	<u>193,200</u>	<u>193,200</u>
Set-up Expense:															
Turnkey Greenhouse \$500,000	Initial Deposit		294,000			98,000	98,000	98,000							
Total Expenses		-	<u>312,900</u>	<u>18,900</u>	<u>127,100</u>	<u>337,200</u>	<u>282,150</u>	<u>282,150</u>	<u>184,150</u>	<u>184,150</u>	<u>2,172,600</u>	<u>2,172,600</u>	<u>2,172,600</u>	<u>2,172,600</u>	<u>2,172,600</u>
EBITDA	-	-	<u>(312,900)</u>	<u>(18,900)</u>	<u>(127,100)</u>	<u>254,050</u>	<u>34,100</u>	<u>34,100</u>	<u>132,100</u>	<u>132,100</u>	<u>1,622,400</u>	<u>1,622,400</u>	<u>1,622,400</u>	<u>1,622,400</u>	<u>1,622,400</u>
Cummulative income/(loss)	-	-	(312,900)	(331,800)	(458,900)	(204,850)	(170,750)	(136,650)	(4,550)	127,550	1,749,950	3,372,350	4,994,750	6,617,150	



NOTES AND ASSUMPTIONS TO FORWARD LOOKING PROJECTIONS--ONE TURNKEY GREENHOUSE

PHASE I TENANT MIX

To date PowerPlant Park has sold/leased 14 turnkey greenhouses. Seven units are leased to tenant-investors in which PowerPlant Park manages cultivation operations and distribution through our retail and wholesale sales channels. 7 Units are leased to seasoned craft-growers who lease the structural pads, (up to 20 years) and purchase the greenhouse structure and all the contents.

Amenities and services include;

- Retail and wholesale distribution, statewide
- 2 Hydro-carbon extraction labs
- Waterside Restaurant & Town Hall
- Kitchen
- Full-service nursery, (space allocated for tenant genetics)
- Tissue culture lab
- State of the art processing and manufacturing facilities including compliant packaging & product-branding
- Mother's greenhouse, (including space for tenants)
- Solutions center, including an interactive showroom, tasting room and education center
- Model greenhouse, testing the latest lighting, irrigation and feeding technology

POWERPLANT PARK ASSUMPTION DETAILS—TENANT MODELS

Each indoor hybrid greenhouse has 1,144 plant-sites. Average finished yield based on aggregated data from 1000's of Nexus greenhouse installations in multiple states is 3.89 ounces per plant, (4,576 ounces per harvest). This data was compiled from standard Nexus greenhouses. At PowerPlant Park most of the greenhouse systems/amenities, including LED lighting, feeding management, environment control, water purity etc. have been upgraded and we anticipate higher yields. For purposes of our projections we are using 4 ounces of finished medicine per plant, or 286 lbs. per cycle, (6 cycles per year) for a total of 1,716 lbs. of flower per year.

Based on PowerPlant Park's Retail Distribution Model, (RDM); once our Tenant's harvest is sold, (guaranteed within 60 days after packaging), PowerPlant Park returns \$2,000 per pound to the Tenant. If PowerPlant Park sells product(s) in the wholesale market, (WDM) we deduct a 25% distribution fee on the gross selling price before testing. Prices for indoor mixed-light flower are currently \$2,200-\$2,600 per pound. The market for premium flower should be **very** stable for some time as demand, especially in California is predicted to increase to a steady pace.