



PowerPlant Park - Ownership Models

Overview

PowerPlant Parks cannabis broker has just listed 26 Units for sale in Phase I, I-A & II. Currently, there are 4 Units available in Phase I, 14 are sold, all 9 in I-A, 14 in Phase II, 3 are sold. Based on the economies of scale, an investor can purchase a turnkey Tier 2 mixed-light Greenhouse for \$700K, (cost of the building and construction). Each unit meticulously enhanced with over \$400,000 of the latest Tier 2 technology, creating an indoor growing environment without rival. Phase I Part A will open in late July 2025.

The stabilized value for this type of cultivation facility, (if one can find it) is \$1,200 to \$1,500 per sq. ft. Stabilization defined as having a CUP, Certificate of Occupancy, State License, and plants under light. Investors have the option to finance the purchase interest free over 6 months with a 50% deposit. Once payments are completed, investor receives title to the building, improvements, and all interior and exterior equipment from 22 vendors, (see page 3).

Simultaneously, (at closing) PowerPlant Park leases back the building(s) from the investor and operates under its own State License, removing any/all liability. The best part for the investor, (now Landlord), is walking to his/her mailbox and opening the envelope with a \$125,000 quarterly rent check, (\$500,000 per year). The reason why PowerPlant Park can afford to pay about 25% higher than market rent is demonstrated here, [Comparison-Spreadsheet-Harvest Sold Retail/Wholesale](#)

Investor Model

- Greenhouse Purchase: \$700,000; \$350,000 upon execution of Greenhouse Purchase Agreement, plus 6 equal monthly payments of \$58,333, (interest free)
- Upon payment in full Buyer receives legal title to their Unit(s), including leasehold improvements and all interior & exterior equipment
- Based on a Second Sublease Agreement, PPPL leases the Greenhouse Building from Buyer for a 20-year term
- A Second Sublease removes any direct involvement in operations and licensing by the Buyer
- PowerPlant Park manages all production, wholesale, and retail distribution
- Under the Second Sublease, PowerPlant Park pays quarterly rent to Greenhouse Buyer of \$125,000, (\$500,000 per year). Quarterly rent begins 90 days after Certificate of Occupancy
- PowerPlant Park Leasing leases structural pad to Buyer for \$10 per year, (through First Sublease)
- Purchase can be documented to qualify for a 1031 exchange
- Buyer can operate Greenhouse by having his/her management work under PowerPlant Parks State License

Grower Model-minimum purchase of 5 Units

- Greenhouse Purchase: \$700,000; \$350,000 upon execution of Agreements plus 6 payments of \$58,333 months 2-7 during construction, (interest free)
- Upon payment in full Buyer receives legal title to Tier 2 Mixed Light Building, leasehold improvements and all interior/ exterior contents
- Buyer acquires State License with assistance from PowerPlant Park's licensing agency and cannabis counsel
- Rental Rate: \$5 per sq. ft. includes all utilities, security, maintenance, only monthly expense is electric power
- CAM Fees: included in monthly rent
- Term: 5-year initial term, with 3 five-year renewal options
- First, last and security deposit due upon lease execution
- Crop Purchase Agreement: Buyer has option to enter into an Agreement whereby PowerPlant Park sells harvest. Buyer receives 75% if sold wholesale and \$2,000 per lb. if sold retail. PowerPlant Park plans are to sell 80% of production through its retail outlets, including 9 county delivery service, Retail "Garages" and in-Storefront "Kiosks"
- Buyer may sublease Unit to a third party upon PowerPlant Parks approval of subtenant and terms



Investment Advantages

TRUE Turnkey Opportunity for Investors

Over the last four years PowerPlant Park, (cultivation team) has designed and built the most advanced indoor Tier 2 Mixed Light Greenhouse in the state. We believe will produce the highest grade of cannabis flowers and extracts. Tier 2 Mixed Light has the same light footprint as indoor, (25-watts per sq. ft.). Buildings are manufactured by [Nexus/Prospiant of Colorado](#), the premier builder of indoor greenhouses in the US.

To meet the Park's stringent SOP's an additional \$400K was spent upgrading each Unit with the very latest in Tier 2 technology. Significant upgrades to what was already considered a custom building for growing cannabis. They include LED lights from [Fluence-VYPR 4i](#), Pulitzer prize winning [Ubiquitous Quantum Dots](#), custom irrigation/feeding management, rolling benches, in canopy CO2 infusion, [Wadsworth Environmental Control](#), R/O water, spore cam, [Monitor Drones](#), pest mitigation and odor control. Sensors will be placed in every pot to collect data for "dry-back" and "crop-steering". All major interior/exterior systems have been automated and are managed from a dashboard on a special PowerPlant Park tablet. There's even a professional grade sound system to fill the flower zone with plant-loving symphonic music. **All the best of indoor and much more + [the Sun](#)**

Cultivation

The flower zone includes 1,144 plant sites producing over 2,000 lbs. of ultra-premium flower annually. Custom LED lighting arrays, designed with the ability to control spectrum throughout the bloom cycle to maximize desired effects. They include elevated terpenes, (from the sun), trichrome production and overall cannabinoid profiles. PowerPlant Parks "our farm to your front door" direct to consumer retail model will insulate the Park from what has been a volatile wholesale, (bulk) market over the past couple years.

Operations/Genetics

The Park's nursery operations will provide some of the finest tissue culture genetics in the State, including many exclusive strains from top breeders. The Park's manufacturing facilities offer the latest hydrocarbon and medical grade cold ethanol extraction. Statewide wholesale distribution will include presold contracts to prominent California brands.

Direct to Retail

PowerPlant Park's retail outlets will eventually account for 90% of the Park's distribution. Plans are underway to scale [PowerPlant Park Delivery](#) to all 9 Bay Area Counties, after running a very successful 1-year pilot in Marin, Sonoma, and Napa Counties. Once Delivery is up and running the Park will open 4 retail "Garages" alongside major Bay Area freeways w/billboard support in cooperation with [Weedmaps](#). Unique retail "Kiosks", (a Storefront within a Storefront) will be placed in geographically strategic high-profile existing Storefronts in California. The Park has already signed an LOI for 30 locations in Northern California.

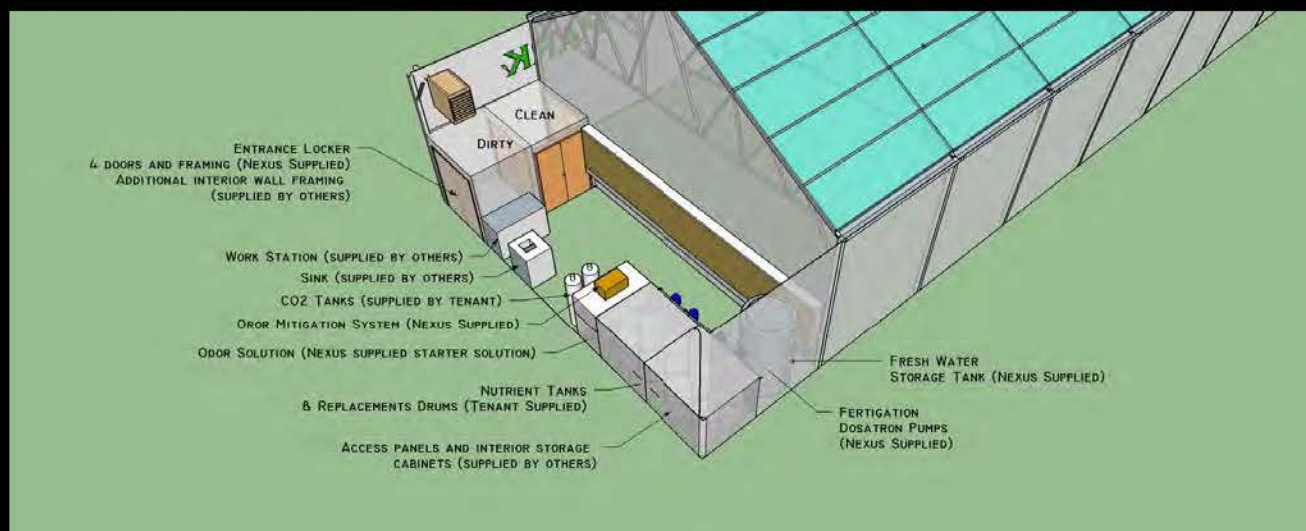




**Tier 2 Mixed Light Indoor Greenhouses Provided by [Nexus/Prosplant of Colorado](#)
the Premier Builder in the US
\$400,000 of Upgrades to Interior/Exterior Systems made to each Building**



- Custom version, (38' x 96') "Vail 420" indoor Tier II, mixed-light greenhouse with 3,044 sq. ft. flower zone. Plus 488 sq. ft. work corridor/air-plenum and custom built clean/dirty room w/UV light, (prior to entering the flower zone). Each w/600 amps of power
- 4 Quest 335 high efficiency dehumidifiers
- Custom Axion AT in Unit reverse osmosis filtration
- A Solar Soft Max glass roof covering-corrugated polycarbonate with high-light transmittance and high-diffusion properties
- Metal side and end walls, 29 RFP rated gauge corrugated metal
- One 3' x 7' RFP steel insulated main door plus two RFP 6' x 7' insulated double doors
- End-wall gable vent with automated VC100A vent motor
- Three vertical air-flow fans by Vostermans for "through canopy" air circulation
- Two Coolair exhaust fans for below-curtain cooling plus one Coolair peak exhaust fan for above-curtain dehumidification
- Accordion insect screen over air-intake vent
- FogCo odor-mitigation system for all exhaust fan
- Thirteen 5.5' x 32' rolling benches with bench top and trough/gutter irrigation systems
- Netafim drip system supplying six-row grow zones plus Dosatron fully automated system by H. E. Anderson Seed Controller
- Sensors are placed in each 2 gallon pot to collect & measure several data points for crop steering and dry-back
- 1500 gallon fresh-water storage tank, (stainless steel), providing two-day capacity
- Fully automated light-deprivation system including triple-layered blackout curtain
- Ubiquitous Quantum Dots, [UbiQD](#) enhanced spectrum nano-film converts short wavelength photons (blue & UV) to longer wavelength photons (red)
- Two Lennox heaters (LF24E-300S) for temperature control in main grow zone plus one heater (LF24E-145S) for air plenum (also used for additional winter-time dehumidification)
- Fully automated cloud-based Wadsworth Environmental Controller, including the integration of all interior systems, managed from a dashboard on supplied tablet
- 72 custom LED bloom arrays, [Fluence-LED-New VYPR Series 4i](#) 1000w of supplemental light designed specifically for indoor Tier 2 mixed-light greenhouses. Greater photon density leads to more carbon assimilation, which means more biomass. The RPTYR packs more photons into each footprint than any other greenhouse light on the market and is paired with a spectral distribution ideal for complimenting natural sunlight. Includes wireless control system to adjust intensity photo period and spectrum and is bundled with 'Light Harvesting' sensors that measure the natural light, rain, cloud cover/seasonal day light fluctuations. The Light Harvesting sensors can self-adjust in increments as little as 1% in real time based on the ever-changing light conditions in the canopy
- 1,144 "teens" are in place atop custom rolling benches, (the first of six bloom cycles per year)
- Automated carbogation system-CO2 enrichment, custom built in canopy+ 2nd system for automated misting



Comparison Spreadsheet-Harvest sold Retail & Wholesale Plans are to sell 80% Retail & 20% Wholesale

	2-Months	Annual		2-Months	Annual
Tenant-Investor Model-Harvest Sold @ Retail			Tenant-Investor Model-Harvest Sold Wholesale		
Trim Sales	\$2,112,000	\$12,672,000	Trim Sales	\$633,300	\$3,800,000
Total Revenue	\$41,250	\$495,000	Total Revenue	\$41,250	\$495,000
	\$2,153,250	\$13,167,000		\$674,550	\$4,295,000
Greenhouse salaries	\$25,000	\$150,000	Greenhouse salaries	\$25,000	\$150,000
Payroll & Other Tax	\$8,000	\$48,000	Payroll & Other Tax	\$8,000	\$48,000
Nutrients/other garden supplies	\$7,450	\$44,700	Nutrients/other garden supplies	\$7,450	\$44,700
Utilities	\$12,900	\$77,400	Utilities	\$12,900	\$77,400
Teens-2 ft. tall plants from onsite Nursery	\$13,728	\$82,368	Teens-2 ft. tall plants from onsite Nursery	\$13,728	\$82,368
Packaging/Branding	\$0	\$0	Packaging/Branding	\$0	\$0
Testing	\$6,000	\$36,000	Testing	\$6,000	\$36,000
Administrative expense	\$3,000	\$18,000	Administrative expense	\$3,000	\$18,000
State Cultivation Tax-State has eliminated tax in 2022	\$0	\$0	State Cultivation Tax-State has eliminated tax in 2022	\$0	\$0
Total Expense	\$76,078	\$456,468	Total Expense	\$76,078	\$456,468
Profit	\$2,077,172	\$12,710,532	Profit	\$598,472	\$3,508,532

Assumptions

Each Tier 2 indoor mixed-light greenhouse has 1,144 plant-sites. Average finished yield based on aggregated data from hundreds of Nexus installations in multiple states is 3.89 ounces per plant. This data from standard Nexus greenhouses. PowerPlant Park has meticulously enhanced each Unit with the latest Tier 2 mixed-light technology at a cost of over \$400K per Building.

Upgrades that include custom LED lighting from Fluence, in canopy CO2 infusion, automated feeding management, Wadsworth environment controller, R/O water, ubiquitous quantum dots. All internal systems are integrated and controlled through a dashboard on a supplied tablet. With the upgrades that PowerPlant Park has made we anticipate increased yields of up to 20%. For purposes of our projections, we have used 4.5 ounces of finished flower per plant, or 322 lbs. per cycle. With 6 cycles per year for a total of 1932 lbs. per year. Bulk prices for Tier 2 mixed-light have stabilized, A-buds selling direct to brands for between \$1,200-\$1,600 per lb. A retail lb. sells for between \$5,600-\$7,000.

Metrics:

Plant Count	1,144
Turns per year	6
Finished yield-ounces per plant	4
Total Annual Yield in Pounds	1932 lbs.
Price per lb - flower-Sold Retail	6,100
Wholesale price per lb - trim	\$1,400-\$1,600
Sq. ft of greenhouse	3,456

Employment:

Hours worked per week	30
Wage Rate per hour	\$27.50

