



Innovative Industrial Properties Acquires Massachusetts Property and Expands Long-Term Real Estate Partnership with Curaleaf

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SAN DIEGO--(BUSINESS WIRE)-- Innovative Industrial Properties, Inc. (IIP), the first and only real estate company on the New York Stock Exchange (NYSE: IIPR) focused on the regulated U.S. cannabis industry, announced today that it closed on the acquisition of a property comprising approximately 104,000 square feet of industrial space in Webster, Massachusetts.

The purchase price for the property was \$21.5 million (approximately \$207 per square foot), which is fully built out and operational as a regulated cannabis cultivation and processing facility. Concurrent with the closing of the purchase, IIP entered into a long-term, triple-net lease agreement for the property with a subsidiary of Curaleaf Holdings, Inc. (CSE: CURA) (OTCQX: CURLF) (Curaleaf).

The property consists of cultivation, manufacturing, office, administrative and storage space, and is estimated to produce approximately 32,000 pounds of cannabis flower annually. Together with this facility in Massachusetts, IIP owns and leases four other cultivation and processing facilities and three dispensary locations in Illinois, New Jersey, North Dakota and Pennsylvania to Curaleaf, comprising a total of approximately 578,000 square feet. Curaleaf is IIP's fifth largest tenant partner in terms of capital investment.

As the pioneering real estate investment trust (REIT) for the regulated cannabis industry, IIP partners with experienced, regulated cannabis operators and serves as a source of capital by acquiring and leasing back their real estate assets, in addition to offering other creative real estate-based capital solutions.

Headquartered in Wakefield, Massachusetts, Curaleaf is a top regulated cannabis operator in the United States, with a presence in 22 states, and is also the largest vertically integrated cannabis company in Europe. Curaleaf operates 26 cultivation sites totaling approximately 4.4 million square feet, 136 dispensary locations and has 6,000+ employees worldwide. Curaleaf is a vertically-integrated operator in Massachusetts, with four dispensaries and two cultivation and processing facilities (including this facility).

Curaleaf reported second quarter 2022 total revenues of \$338 million (\$1.4 billion annualized), and adjusted EBITDA of \$86 million (\$344 million annualized), reflecting quarter-over-quarter sequential growth in these metrics of 8%

and 18%, respectively. Curaleaf also continued to add to its talented management team in 2022, including Ed Kremer as Chief Financial Officer, Camilo Lyon as Chief Investment Officer, Mitch Hara as Chief Strategy Officer and Tyneeha Rivers as Chief People Officer.

As of September 1, 2022, IIP owned 111 properties located in Arizona, California, Colorado, Florida, Illinois, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Jersey, New York, North Dakota, Ohio, Pennsylvania, Texas, Virginia and Washington, representing a total of approximately 8.7 million rentable square feet (including approximately 2.1 million rentable square feet under development / redevelopment). As of September 1, 2022, IIP had committed approximately \$2.4 billion across its portfolio, including capital invested to date (excluding transaction costs) and additional capital commitments to fund future construction and improvements at IIP's properties. These statistics do not include an \$18.5 million loan commitment from IIP to a developer for construction of a regulated cannabis cultivation and processing facility in California.

About Innovative Industrial Properties

Innovative Industrial Properties, Inc. is a self-advised Maryland corporation focused on the acquisition, ownership and management of specialized industrial properties leased to experienced, state-licensed operators for their regulated cannabis facilities. Innovative Industrial Properties, Inc. has elected to be taxed as a real estate investment trust, commencing with the year ended December 31, 2017. Additional information is available at www.innovativeindustrialproperties.com.

Innovative Industrial Properties Forward-Looking Statements

This press release contains statements that IIP believes to be "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than historical facts, including, without limitation, statements regarding the Massachusetts property and Curaleaf, are forward-looking statements. When used in this press release, words such as IIP "expects," "intends," "plans," "estimates," "anticipates," "believes" or "should" or the negative thereof or similar terminology are generally intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, such statements. Investors should not place undue reliance upon forward-looking statements. IIP disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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