

# Cresco Labs Closes Sale-and-Leaseback for Massachusetts Facility and Expands Real Estate Partnership with Innovative Industrial Properties

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CHICAGO--(BUSINESS WIRE)-- **Cresco Labs** (CSE:CL) (OTCQX:CRLBF) ("Cresco" or "the Company"), one of the largest vertically integrated multistate cannabis operators in the United States, today announced that it has closed the agreement to its sell and lease back its Fall River, MA property to Innovative Industrial Properties, Inc. ("IIP"). Consideration for the sale was approximately \$29 million, which includes \$21 million in funding for tenant improvements. The property represents approximately 118,000 square feet of industrial space in aggregate and includes cultivation space, a processing facility, and dispensary serving both Adult Use and Medical patients in Fall River, MA.

Earlier in the month, Cresco also entered into amendments to its leases with IIP for its Michigan and its Ohio properties, making available an additional \$17.0 million in funding for additional improvements of their cannabis cultivation and processing facilities at the properties.

Cresco Labs CEO and Co-founder Charlie Bachtell said, "IIP has proven to be a reliable partner, and we are thrilled to work with them for a fifth lease. This transaction, along with our expanded real estate partnership with IIP is allowing us to continue building out Cresco's presence in three exciting markets: Massachusetts, Michigan, and Ohio."

Concurrent with the closing of the sale, Cresco Labs will enter into a long-term, triple-net lease agreement with IIP and will continue to operate the property as a licensed cannabis cultivation, processing and dispensing facility upon completion of redevelopment.

**About Cresco Labs:**

Cresco Labs is one of the largest vertically-integrated multi-state cannabis operators in the United States. Cresco is built to become the most important company in the cannabis industry by combining the most strategic geographic footprint with one of the leading distribution platforms in North America. Employing a consumer-packaged goods (“CPG”) approach to cannabis, Cresco’s house of brands is designed to meet the needs of all consumer segments and includes some of the most recognized and trusted national brands including Cresco, Remedi and Mindy’s, a line of edibles created by James Beard Award-winning chef Mindy Segal. Sunnyside\*, Cresco’s national dispensary brand, is a wellness-focused retailer designed to build trust, education and convenience for both existing and new cannabis consumers. Recognizing that the cannabis industry is poised to become one of the leading job creators in the country, Cresco has launched the industry’s first national comprehensive Social Equity and Educational Development (SEED) initiative designed to ensure that all members of society have the skills, knowledge and opportunity to work in and own businesses in the cannabis industry. Learn more about Cresco Labs at [www.crescolabs.com](http://www.crescolabs.com).

## Forward Looking Statements

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company’s beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company’s control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as, ‘may,’ ‘will,’ ‘should,’ ‘could,’ ‘would,’ ‘expects,’ ‘plans,’ ‘anticipates,’ ‘believes,’ ‘estimates,’ ‘projects,’ ‘predicts,’ ‘potential’ or ‘continue’ or the negative of those forms or other comparable terms. The Company’s forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to those risks discussed under “Risk Factors” in the company’s CSE Listing Statement filed with SEDAR; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Because of these uncertainties, you should not place undue reliance on the Company’s forward-looking statements. No assurances are given as to the future trading price or trading volumes of Cresco’s shares, nor as to the Company’s financial performance in future financial periods. The Company does not intend to update any of these factors or to publicly announce the result of any revisions to any of the Company’s forward-looking statements contained herein, whether as a result of new information, any future event or otherwise. Except as otherwise indicated, this press release speaks as of the date hereof. The distribution of this press release does

not imply that there has been no change in the affairs of the Company after the date hereof or create any duty or commitment to update or supplement any information provided in this press release or otherwise.

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