



# ZONED<sup>®</sup>

## PROPERTIES INC

---

# Corporate Presentation

March 2024

**The Cannabis Friendly Landlord**

[www.ZonedProperties.com](http://www.ZonedProperties.com)

OTCQB: **ZDPY**

# Forward Looking Statements

---

## **Safe Harbor Statement**

This presentation contains forward-looking statements. All statements other than statements of historical facts included in this press release are forward-looking statements. In some cases, forward-looking statements can be identified by words such as "believe," "expect," "anticipate," "plan," "potential," "continue" or similar expressions. Such forward-looking statements include risks and uncertainties, and there are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors, risks and uncertainties are discussed in the Company's filings with the Securities and Exchange Commission. Investors should not place any undue reliance on forward-looking statements since they involve known and unknown, uncertainties and other factors which are, in some cases, beyond the Company's control which could, and likely will, materially affect actual results, levels of activity, performance or achievements. Any forward-looking statement reflects the Company's current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to operations, results of operations, growth strategy and liquidity. The Company assumes no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

## **COVID-19 Statement**

In March 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The Company is monitoring this closely, and although operations have not been materially affected by the COVID-19 outbreak to date, the ultimate duration and severity of the outbreak and its impact on the economic environment and our business is uncertain. Currently, all of the properties in the Company's portfolio are open to its Significant Tenants and will remain open pursuant to state and local government requirements. The Company did not experience any material changes to its operations from COVID-19. The Company's tenants are continuing to generate revenue at these properties, and they have continued to make rental payments in full and on time and we believe the tenants' liquidity position is sufficient to cover its expected rental obligations. Accordingly, while the Company does not anticipate an impact on its operations, it cannot estimate the duration of the pandemic and potential impact on its business if the properties must close or if the tenants are otherwise unable or unwilling to make rental payments. In addition, a severe or prolonged economic downturn could result in a variety of risks to the Company's business, including weakened demand for its properties and a decreased ability to raise additional capital when needed on acceptable terms, if at all.

# Table of Contents

---

- I. Company Overview
- II. Market Landscape
- III. Financial Performance
- IV. Executive Management
- V. Capital Structure
- VI. Investment Thesis



# Company Overview

# Company Philosophy

---

## *Our* **MISSION**

To acquire value-add **Retail Dispensary Properties** leased to best-in-class **Cannabis Operators**.

## *Our* **VISION**

To Own a Portfolio of Premier **Dispensary Properties** approved and operating in every **Local Community**.

## *Our* **VALUES**

**Sophistication, Safety, Sustainability, Stewardship**

## *Our* **Motto**

**The Cannabis Friendly Landlord**

# Company Overview

A legacy company focused on regulated cannabis real estate, **Zoned Properties, Inc. (OTCQB: ZDPY)** is a **technology-driven Property Investment** company focused on acquiring value-add real estate for the regulated cannabis industry in the US.

Founded in 2014, Zoned Properties has spent the last decade developing an intricate knowledge of the local, state, and regional zoning and permitting requirements that impact localities across the country, making Zoned Properties a hub for members of the cannabis and/or commercial real estate industries looking to buy, sell, or invest in the commercial cannabis real estate market.

## Investment Portfolio Metrics



\*Figures are calculated using Straight-Line Accounting per GAAP and sourced from the most recently disclosed information & on Form 10-K, filed March 26, 2024, including subsequent events.

\*\* Figures are calculated using the cost basis of the properties held in the Company's portfolio against annual net operating income.

# Portfolio Strategy

## Direct to Consumer (DTC) Real Estate Strategy



› Retail Dispensaries

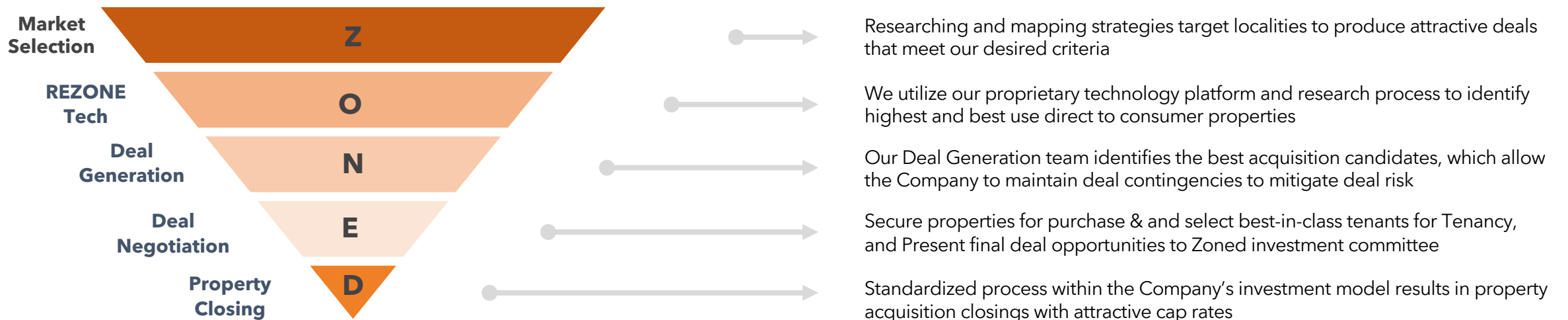


› Warehouse / Logistics



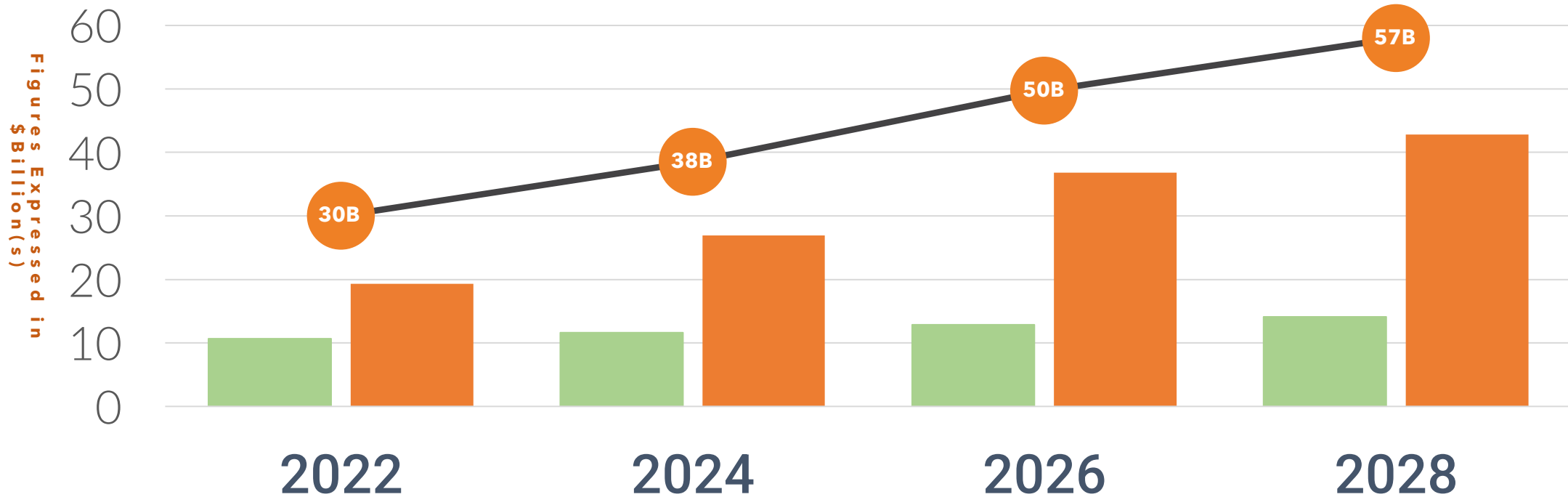
› Delivery Hubs

## Innovative Technology Driven Model Catalyzes Robust Cap Rates



# Robust Consumer Demand

Forecasted U.S. Cannabis Sales



U.S. Medical Cannabis Sales Estimated to increase over 30% to \$14.1 Billion in 2028<sup>(1)</sup>



U.S. Recreational Cannabis Sales Estimated to increase over 120% to \$42.8 Billion in 2028<sup>(1)</sup>



# Marketplace Relationships



**ZONED<sup>®</sup>**  
**PROPERTIES INC**



# Property Technology

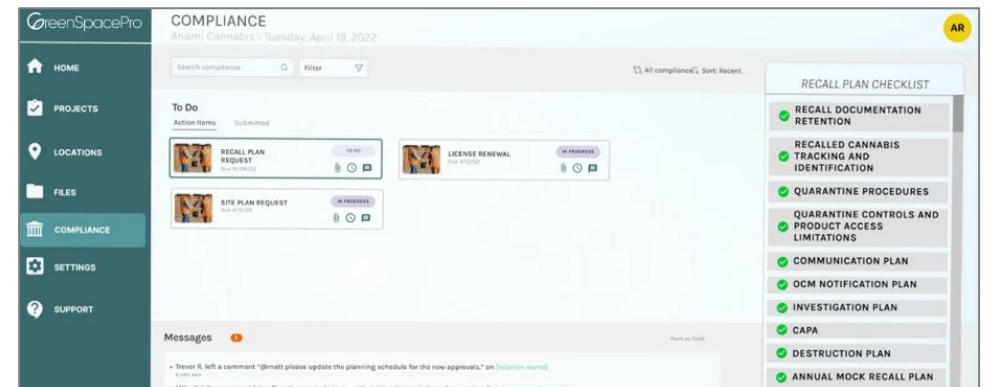
Real estate industry experts believe that Property Technology (PropTech) provides a material competitive advantage and acts as a significant driver of growth and scale in highly regulated real estate industries, especially legalized cannabis.



- Zoned Properties has invested in an innovative, home-grown tool, **REZONE**, which visualizes decades of zoning and permit conditions in localities, cities and townships across the country.
- The volume, quality, and breadth of the cannabis real estate data included in **REZONE** is unparalleled, providing the Zoned Properties team with unique competitive position within the cannabis industry.



- Zoned Properties has invested in AnamiTech, alongside the launch of their flagship PropTech platform, **GreenSpace Pro**, that has focused its property technology platform on project management tools and solutions for the cannabis operators, regulators, and project teams.
- **GreenSpace Pro** platform utilized in over 100 locations across various state markets by major cannabis brands including Cookies, Embarc, and Stiiizy.



# Recent Transaction Spotlight



## Project Highlights

- › Development Project for future dispensary property located in Chicago, Illinois .
- › The Investment Property was acquired for approximately **\$1.6 Million**, including a commitment from the tenant's operating partner of up to \$1 million for renovation and construction improvements.
- › Justice Cannabis Co.'s BLOC Dispensaries under a long-term, absolute-net lease agreement, which will produce an approximate **16.5% Cap Rate** when straight-lined over the 15-year term of the lease agreement.
- › The lease includes 3% annual increases in base rent over the life of the lease term, yielding approximately \$265,000 in annual base rental revenue when straight-lined over the life of the lease term.
- › Justice Cannabis Co. (formerly known as Justice Grown), has been a steady force in the U.S. cannabis industry for over 7 years.



# Market Landscape

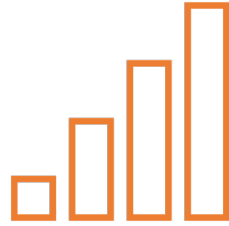


# Bullish Industry Environment



**\$38.8B**

Current  
Industry Size <sup>(1)</sup>



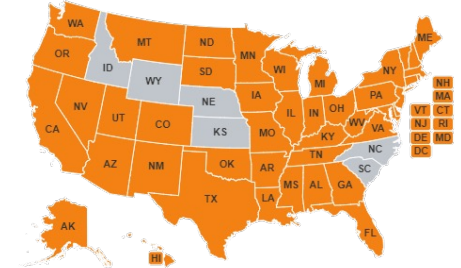
**35%**

Industry Growth  
(2020 - 2021) <sup>(1)</sup>



**91%**

of Adults Support  
Legalization <sup>(2)</sup>



**38 States**

with Cannabis  
Legalization



**11,022**

Dispensary Licenses as  
of January 2023 <sup>(3)</sup>



**16%**

of **All** US Adults  
Smoke Marijuana <sup>(4)</sup>



**11.8%**

Projected Industry  
CAGR <sup>(5)</sup>

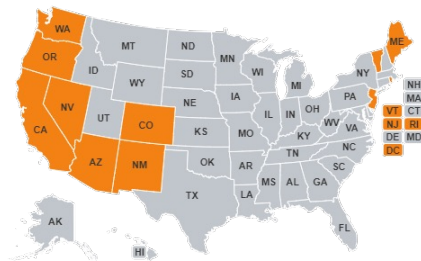


**40,000**

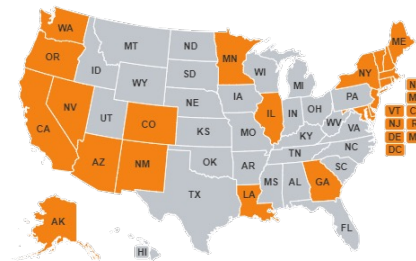
US Localities that Govern  
Cannabis Regulations

# Geographic Industry Expansion

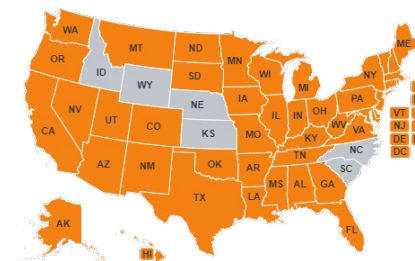
The Cannabis industry has seen unprecedented geographic growth within the last 15 years. As of March 2024, 38 states and the District of Columbia have **approved the legalization and regulation of cannabis programs at the state level**; either medicinally, recreationally, or in a limited capacity (i.e., CBD with THC).



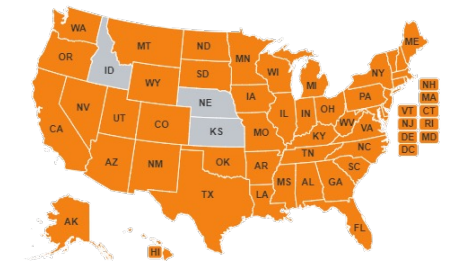
**2010**



**2015**



**2024**



**Proj. 2030**

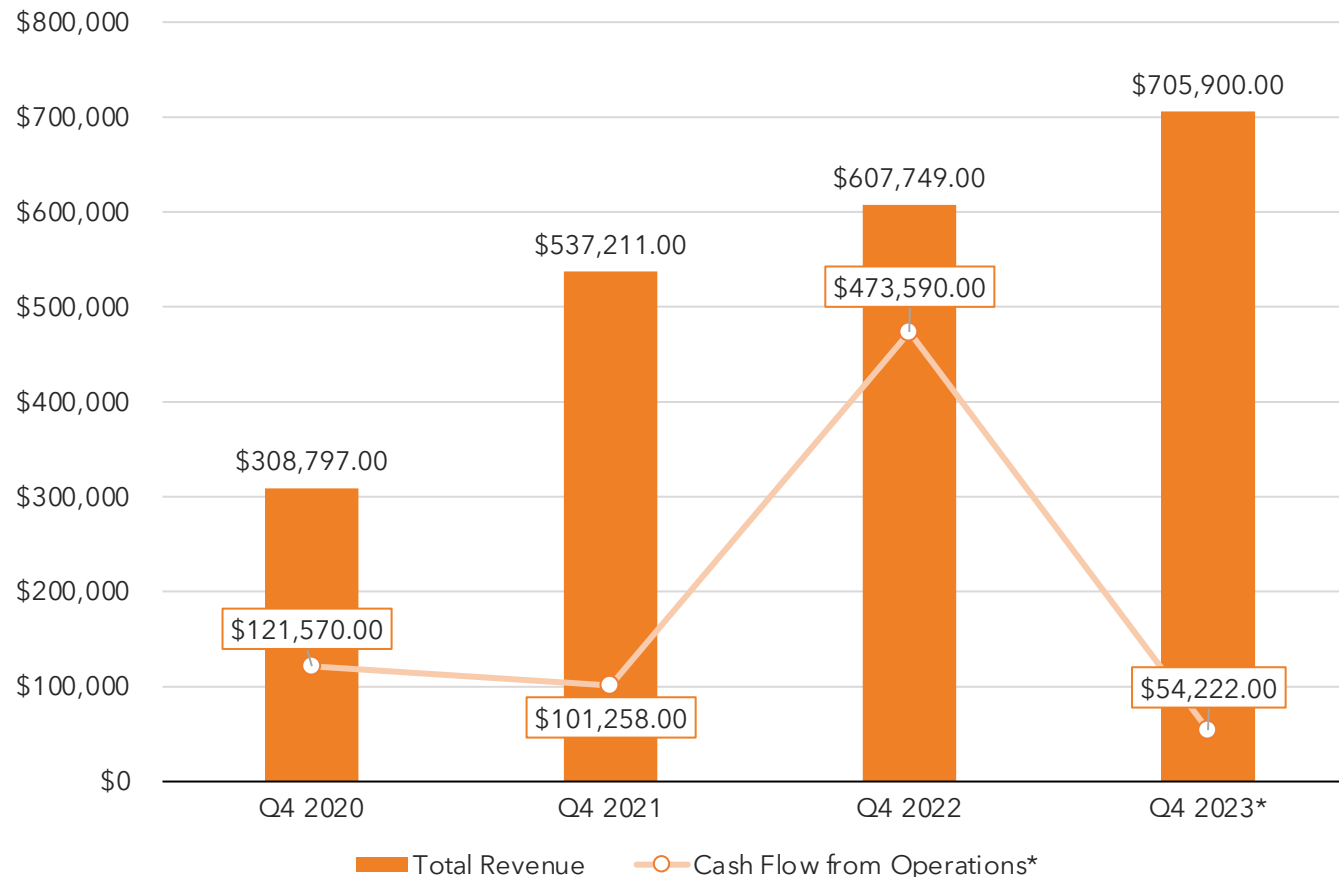
State Adoption <sup>(1)</sup>	11	23	38	47
Dispensaries	<500	954 <sup>(4)</sup>	11,022 <sup>(5)</sup>	>15,000
Annual Industry Sales	n/a	\$3.1 Billion <sup>(3)</sup>	\$38.8 Billion <sup>(3)</sup>	\$57.0 Billion <sup>(6)</sup>
Public Approval <sup>(2)</sup>	32%	53%	91%	93%



# Financial Performance

# Quarterly Performance (Q4 2023)

## Total Revenue & Cash Flow from Operations



## Financial Highlights

- 24% increase in Property Investment Portfolio revenue segment (YoY)
- 16% increase in Total Revenue (YoY)
- 223% Increase in Income from Operations (YoY)
- \$3.1mm cash on hand

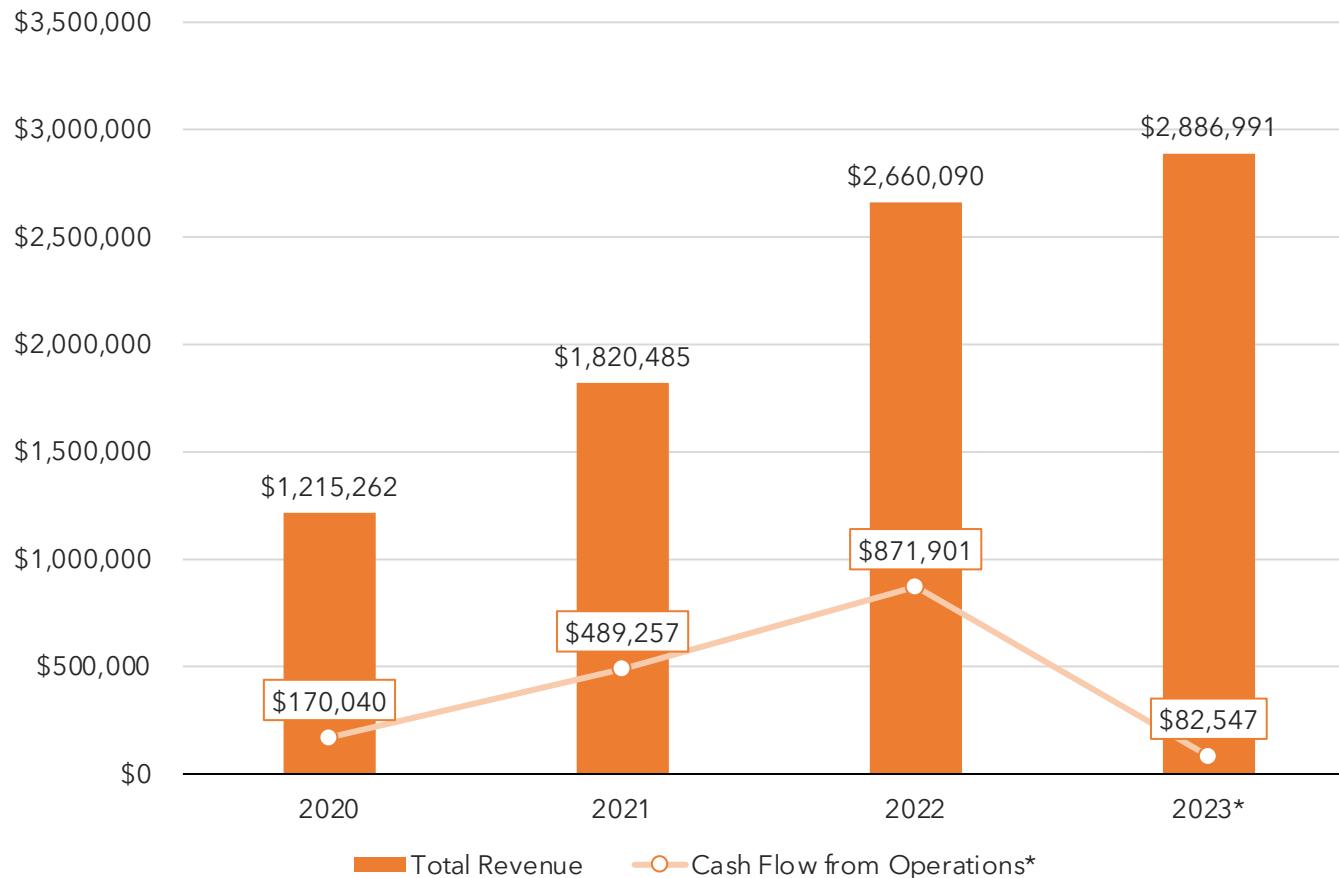
## Subsequent Highlights

- Zoned Properties has listed its cultivation property in Chino Valley, Arizona for sale at a purchase price of \$16 million. This potential transaction marks a significant development in the Company's strategic real estate portfolio optimization
- This potential sale is part of a strategic shift to streamline the Company's portfolio and concentrate efforts on a direct-to-consumer real estate strategy.



# Annual Performance (FY2023)

## Total Revenue & Cash Flow from Operations



## Financial Highlights

- 38% increase in Property Investment Portfolio revenue segment (YoY)
- 9% increase in Total Revenue (YoY)
- 255% increase in Income from Operations (YoY)
- \$3.1mm cash on hand

## Operational Highlights

- Opened access to Capital Sources for prospective Property Acquisitions & Revenue Growth
- Expanded Property Investment Portfolio, increasing Total Annual Revenue to >\$2.8 Million
- Subsequent to year-end, completed geographic expansion with acquisition of prime dispensary location in Chicago, marking an entry into one of the largest urban markets for legalized cannabis



# Executive Management

# Executive Management

---



## **Bryan McLaren, MBA** | Chairman of the Board, Chief Executive Officer, & Chief Financial Officer

Mr. McLaren has a strong professional background in the social, economic, and environmental development of complex business organizations. Over his professional career, he has successfully implemented large-scale projects for corporate and community organizations. Mr. McLaren has been certified as a Licensed REALTOR, Green Roof Professional, LEED Green Associate, and has been an active Forbes Contributor as part of the Forbes Real Estate Council. Prior to his role at Zoned Properties, McLaren worked as a Sustainability Consultant for Waste Management where he led the strategic development and operational implementation of zero-waste programs for Higher Education clients. Sustainable development has been a life-long passion for McLaren, who strives to create a global impact by forging a strong foundation for principles of sustainability in emerging industries.


---



## **Berek Blackwell** | President & Chief Operating Officer

Mr. Blackwell has served as our Chief Operating Officer since July 1, 2021, and as our President since July 1, 2022. Prior to his appointment to these positions and since September 2020, Mr. Blackwell served as our Director of Business Development. From December 2018 until June 2021, Mr. Blackwell also served as President of Daily Jam Holdings LLC. From January 2016 to December 2018, he served as Vice President of Due North Holdings LLC.

Prior to joining the Company, Mr. Blackwell developed domestic and international markets for Kahala Brands, a global franchise organization with more than 3,000 retail locations in over a dozen countries. He also led emerging brand and portfolio operations for several private equity groups investing in the restaurant franchise space. Mr. Blackwell earned his B.A. in Finance from Fort Lewis College.



# Capital Structure

# Capital Structure

## Capital Markets Profile Features Significant Inside Ownership

12.1MM

Common Shares  
Outstanding\*

\$3.1MM

Cash on Hand\*

\$169K

Income From  
Operations\*

23%

Total Inside Beneficial  
Ownership\*

\$6.1MM

Market  
Capitalization\*\*

\* Figures are calculated as of December 31, 2023; the most recently completed Full Year Financials (FY2023) as filed on form 10-K, on March 26, 2024

\*\* Market Capitalization calculated as of March 20, 2024





# Investment Thesis

# Investment Thesis

---

## **Property Investment Portfolio Generating >\$2.5 Million Passive Rental Revenue (Annually)**

Focused on Direct-to-Consumer commercial real estate investments within the regulated cannabis industry

## **Innovative Technology Driven Property Acquisition Model Catalyzes Robust Cap Rates**

Standardized process in conjunction with REZONE platform results in property acquisition closings with attractive cap rates

## **Non-Plant Touching Company in the High Growth Emerging Cannabis Industry**

The commercial cannabis industry topped \$38 billion in 2022, with analysts expecting the industry to reach \$57 billion by 2030

## **Competitive Positioning with Access to Unique Pipeline of New Property Acquisitions**

Technology-driven business model that fuels its property investments, which can produce 12%-20% Cap Rate properties.

## **Increasing Ability to Access Capital with Strong Reputation**

Established Banking Relationships & Capital Broker Partnerships. Most recently, secured a \$4.5mm debt facility @ 7.65%.

# Company Contact Information

---

**Bryan McLaren**  
Chairman, CEO, & CFO

---

Zoned Properties, Inc. | Scottsdale, AZ

[www.ZonedProperties.com](http://www.ZonedProperties.com)

Tel 480.351.8193 | [Investors@ZonedProperties.com](mailto:Investors@ZonedProperties.com)