



# ZONED<sup>®</sup>

## PROPERTIES INC

---

# Corporate Presentation

August 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.

---

# 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 cannabis real estate company, **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, with over a decade of experience.

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 calculated using Straight-Line Accounting per GAAP and sourced from the most recently disclosed information & on on Form 10-Q, filed August 13, 2024, including subsequent events.

\*\* Figures calculated using cost basis of the Company's property portfolio against annual NOI as of the most recently disclosed information on Form 10-Q, filed August 13, 2024, including subsequent events.

# Portfolio Strategy

## Direct to Consumer (DTC) Cannabis Real Estate Strategy



› Retail Dispensaries



› Warehouse / Logistics



› Delivery Hubs

## Innovative Technology Driven Model Catalyzes Robust Cap Rates



# Robust Consumer Demand

**\$115  
Billion**

2024 Est. Economic  
Impact of Cannabis<sup>(3)</sup>

**\$40  
Billion**

Estimated Cannabis  
Industry size by 2024 <sup>(1)</sup>

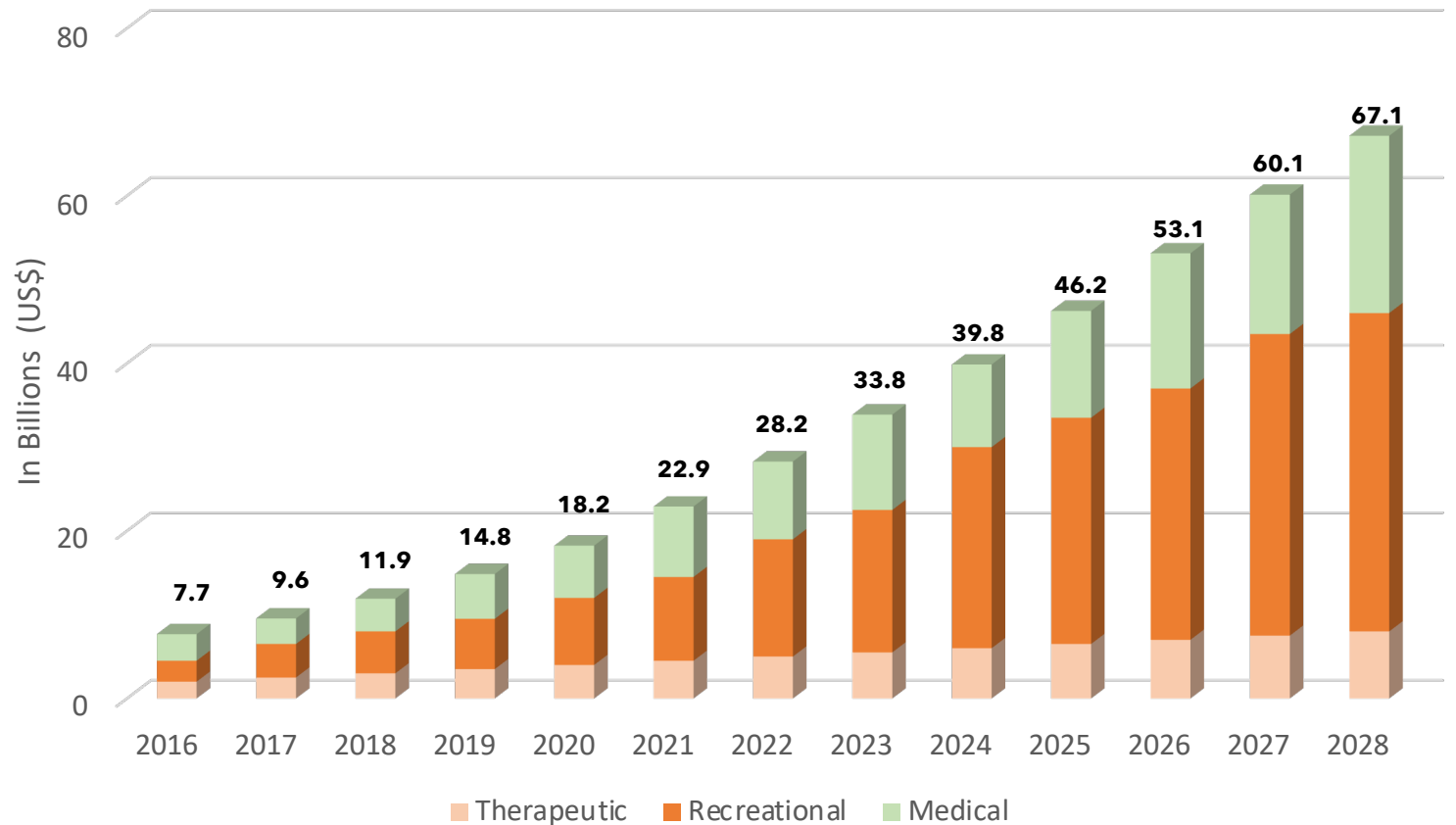
**14.6%  
CAGR**

Projected Industry  
Growth to 2028 <sup>(1)</sup>

**79% of  
Americans**

Live in a county with at  
least one dispensary <sup>(2)</sup>

Projected US Cannabis Industry <sup>(1)</sup>



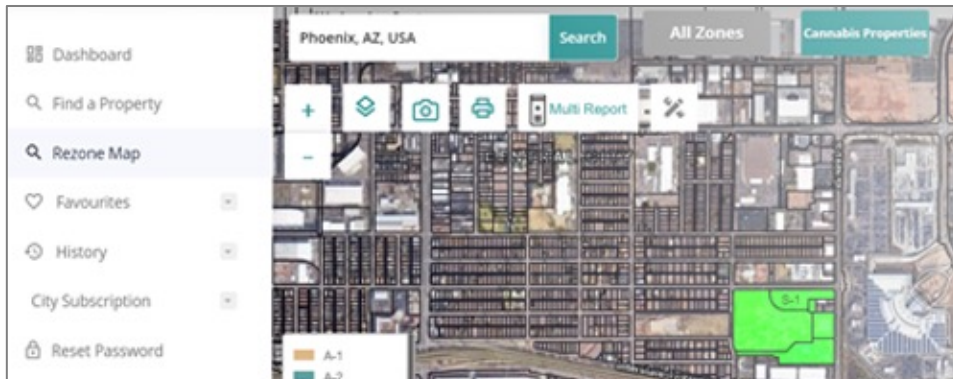


# Marketplace Relationships



# Property Technology

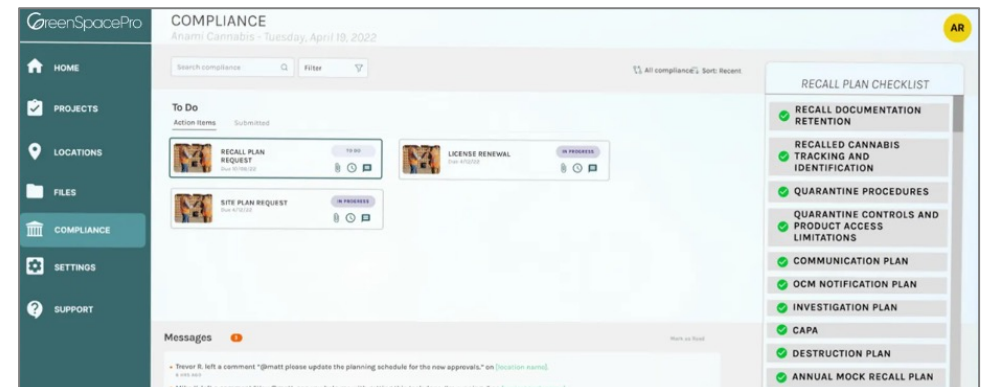
Real estate industry experts believe that Property Technology (PropTech) provides a material competitive advantage and acts as a significant driver of growth and scale in highly regulated real estate industries, especially legalized cannabis.



- 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 Stiizy.



# Recent Transaction Spotlight

## Project Highlights



- › Development Project for future dispensary property located in Surprise, Arizona, which is one of the fastest growing localities in the US.
- › The Investment Property was acquired for approximately **\$1.6 Million**, and the Company will provide a Tenant Improvement Allowance for up to \$1 million for renovation and construction improvements.
- › Project is Leased to the Pharm's retail dispensary brand, Sunday Goods under a long-term, absolute-net lease agreement, which will produce an approximate **13.4% 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 \$350,000 in annual base rental revenue when straight-lined over the life of the lease term.
- › Sunday Goods has been one of the strongest Arizona cannabis operators over the past decade and is vertically integrated with one of the largest cultivation facilities in the state, directly supplying its retail dispensary chain.



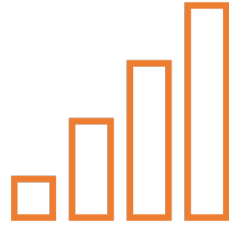
# Market Landscape

# Bullish Industry Environment



**\$38.8B**

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



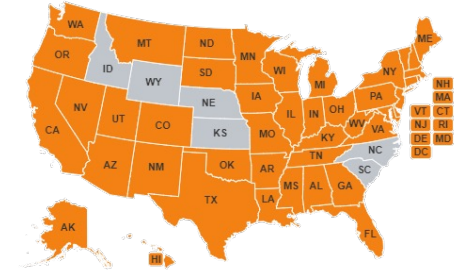
**35%**

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>

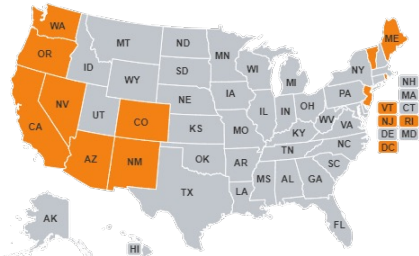


**19,500+**

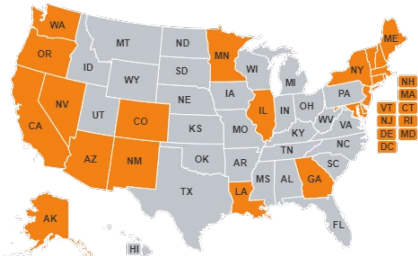
US Localities that will Govern Cannabis Regulations <sup>(6)</sup>

# Geographic Industry Expansion

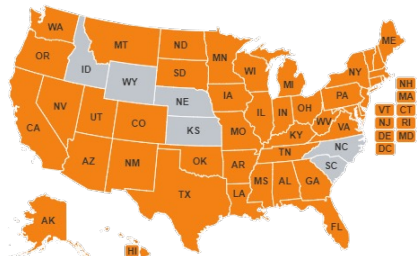
The Cannabis industry has seen unprecedented geographic growth within the last 15 years. As of March 2024, 38 states and the District of Columbia have **approved the legalization and regulation of cannabis programs at the state level**; either medicinally, recreationally, or in a limited capacity (i.e.,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



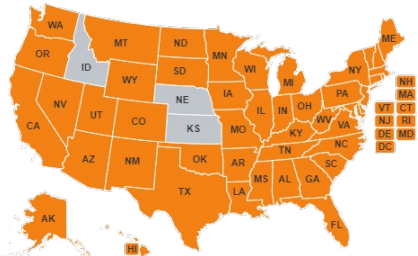
**2010**



**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%

<sup>(1)</sup> DISA

<sup>(2)</sup> Pew Research Center

<sup>(3)</sup> MJ Biz Daily

<sup>(4)</sup> CNBC

<sup>(5)</sup> Cannabis Media

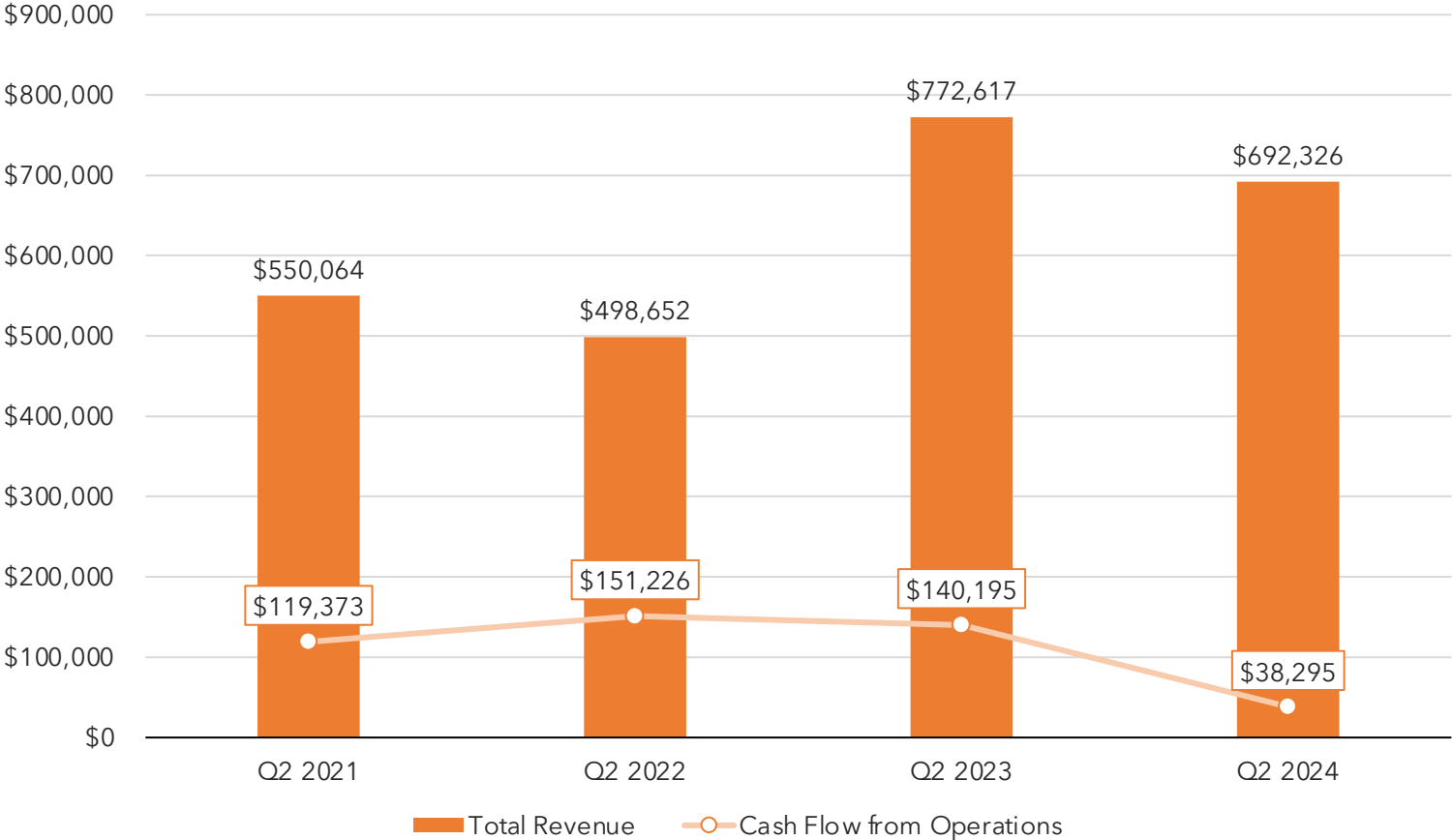
<sup>(6)</sup> Forbes



# Financial Performance

# Quarterly Performance (Q2 2024)

## Total Revenue & Cash Flow from Operations



## Financial Highlights

- › 11% Increase in Q2 Total Rental Revenue (YoY)
- › 17% Decrease in Q2 Operating Expenses (YoY)
- › 59% Increase in Q2 Operating Income (YoY)
- › 71% Increase in YTD Operating Cash Flow (YoY)
- › 460% Increase in YTD Operating Income (YoY)

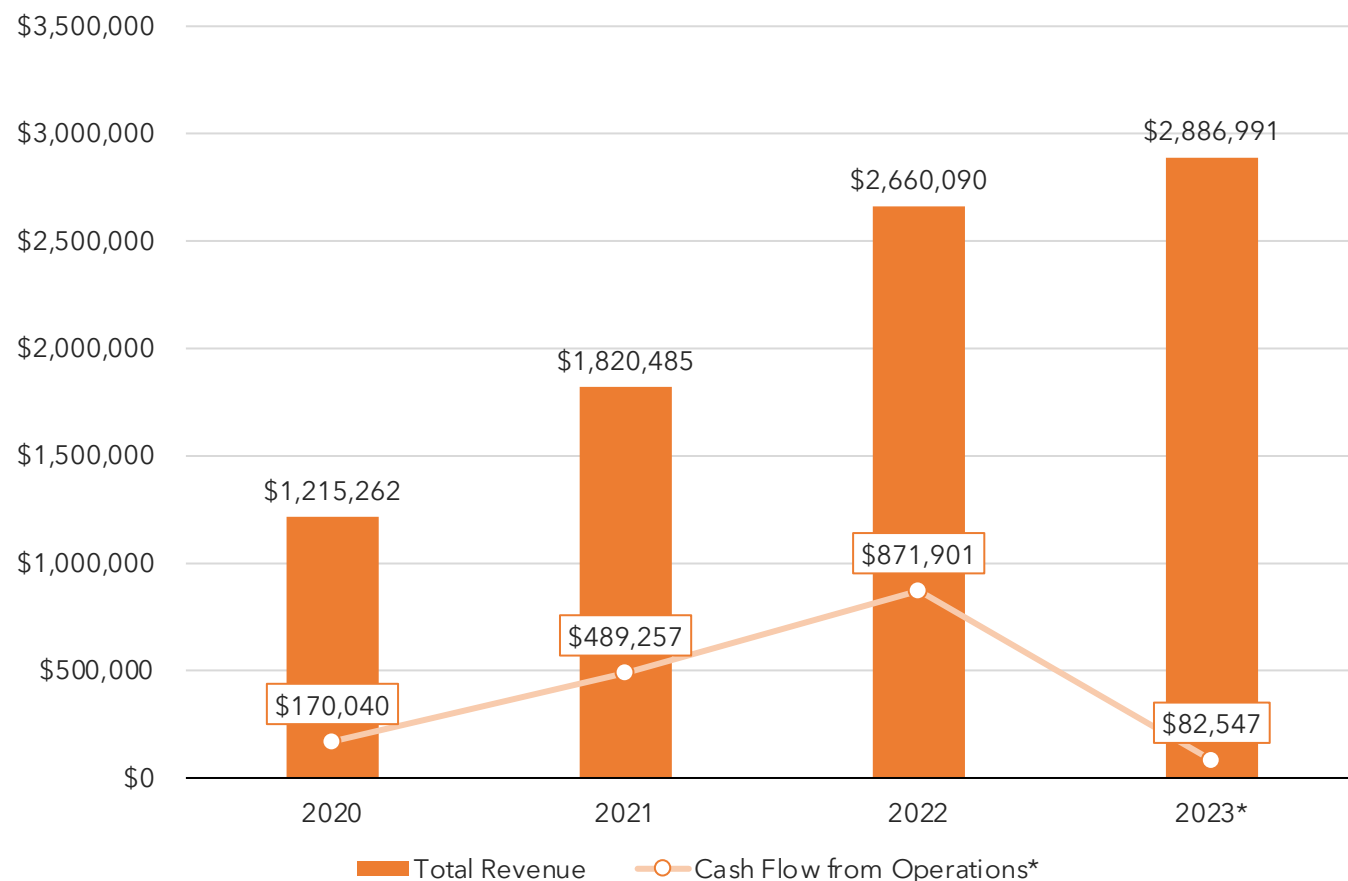
## Recent Highlights

- › Zoned Properties has announced a stock repurchase program, up to \$1 Million of its common stock over an unlimited time period
- › 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



# 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)

## 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\*

\$1.5MM

Cash on Hand\*

\$245K

Operating Cash Flow\*

23%

Total Inside Beneficial  
Ownership\*

\$7.4 MM

Market  
Capitalization\*\*

\* Figures are as of June 30, 2024, the most recently completed quarter, as reported in the Company's Quarterly Report on Form 10-Q filed with the SEC on August 13, 2024

\*\* Market Capitalization calculated as of July 29, 2024



# Investment Thesis

---

# Investment Thesis

---

**Property Investment Portfolio Generating \$3 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.

**Initiated Share Repurchase Program for up to \$1 Million Over Unlimited Time Period**

Enhancing shareholder value through a flexible capital allocation

---

# 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)