

Harvest Health & Recreation Inc. Announces Sale Leaseback Transaction with Innovative Industrial Properties

PHOENIX, January 25, 2021 -- [Harvest Health & Recreation Inc.](#) (“Harvest”) ([CSE: HARV](#), [OTCQX: HRVSF](#)), a vertically integrated cannabis company and multi-state operator in the U.S., today announced the closing of a sale leaseback transaction with Innovative Industrial Properties, Inc. (“IIP”) (NYSE:IIPR).

Harvest sold an industrial property totaling approximately 292,000 square feet for \$23.8 million. Concurrent with the sale Harvest entered into a triple net lease with IIP. Harvest plans to continue to operate the property as a licensed cultivation and processing facility and expects to recover up to approximately \$10.8 million in tenant improvements from IIP. The total proceeds for the transaction are expected to be approximately \$34.6 million.

“We are pleased to secure real estate financing to support expansion activities at our Alachua cultivation and processing facility,” said Chief Executive Officer Steve White. “Florida is one of our core markets with a rapidly growing medical patient population. We look forward to opening new retail locations in Florida after additional capacity at Alachua comes online.”

Harvest currently operates six medical dispensaries in Gainesville, Jacksonville, Kissimmee, Longwood, North Port, and Tallahassee supported by a cultivation and processing facility in Alachua and a cultivation facility in Gainesville.

About Harvest Health & Recreation Inc.

Headquartered in Tempe, Arizona, Harvest Health & Recreation Inc. is a vertically integrated cannabis company and multi-state operator. Since 2011, Harvest has been committed to expanding its retail and wholesale presence throughout the U.S., acquiring, manufacturing, and selling cannabis products for patients and consumers in addition to providing services to retail dispensaries. Through organic license wins, service agreements, and targeted acquisitions, Harvest has assembled an operational footprint spanning multiple states in the U.S. Harvest’s mission is to improve lives through the goodness of cannabis. We hope you’ll join us on our journey: <https://harvesthoc.com>

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Forward-looking Statements

This press release may contain “forward-looking statements” regarding Harvest’s business strategies or prospects, which may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions. Such statements include, but are not limited to, the following: our growth potential in our core cannabis markets and the sustainability of such growth; our ability to successfully and timely execute our business and operational plans; the development of favorable federal and state cannabis regulatory frameworks in the United States applicable to multi-state cannabis operators; and adverse changes in the public perception of cannabis. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including assumptions in respect of current and future market conditions. Actual results, performance or achievement could differ materially from that expressed in, or implied.

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