



CANNABIS CULTIVATION SALE LEASEBACK INVESTMENT

520 HAMMONTREE DR, MORENCI, MI 49256

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

Presented BY:

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INVESTMENT SUMMARY

List Price:	\$2,806,300
Current NOI:	\$266,600.00
Initial Cap Rate:	9.50%
Land Acreage:	8.47
Year Built	2017
Building Size:	27,000 SF
Price PSF:	\$103.94
Lease Type:	NN
Lease Term:	10 Years

INVESTMENT OFFERING

Fortis Net Lease is pleased to present this two-tenant, free-standing Cannabis Cultivating large scale extraction and processing facility located at 520 Hammontree Dr, Morenci, MI. At the close of escrow, both tenants will sign brand new 10-year leases which will expire in 2034. The NN leases will require minimal landlord responsibilities and features annual CPI increases.

This is an ideal opportunity for an investor to purchase a passive income real estate asset with minimal responsibilities. The Landlords only responsibilities are roof and structure while the tenants are responsible for all other expenses including parking lot, HVAC, property taxes and insurance.



PRICE \$2,806,300



CAP RATE 9.50%



LEASE TYPE NN



TERM REMAINING 10 Years

INVESTMENT HIGHLIGHTS

- New 10-Year Leases Signed at COE
- Newly Built Construction in 2022
- Annual Rent Increases
- NN Lease - Minimal Landlord Responsibility

LEASE SUMMARY

Tenant:	Morenci Bros
Lease Type:	NN
Primary Lease Term:	10 Years
Roof & Structure:	Landlord Responsibility
Taxes, Insurance & CAM:	Tenant Responsibilities
HVAC & Parking Lot:	Tenant Responsibility
Lease Start Date:	New 10 Year Leases will be signed at the Close of Escrow (COE)
Lease Expiration Date:	2034 - 10 Years After COE
Lease Term Remaining:	10 Years
Rent Increases:	2.0% Annual Increases
Renewal Options:	(2) Five Year Options
Lease Guarantor Strength:	Corporate



LEASE SUMMARY

Tenant:	Cannatech 360
Lease Type:	NN
Primary Lease Term:	10 Years
Roof & Structure:	Landlord Responsibility
Taxes, Insurance & CAM:	Tenant Responsibilities
HVAC & Parking Lot:	Tenant Responsibility
Lease Start Date:	New 10 Year Leases will be signed at the Close of Escrow (COE)
Lease Expiration Date:	2034 - 10 Years After COE
Lease Term Remaining:	10 Years
Rent Increases:	2.0% Annual Increases
Renewal Options:	(2) Five Year Options
Lease Guarantor Strength:	Corporate

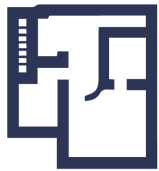


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TENANT NAME	UNIT NUMBER	UNIT SIZE (SF)	ANNUAL RENT	% OF BUILDING	RENT PER SF/YR
Morenci Brothers	Suit A	12,000	\$133,300.00	44.44	\$11.11
Cannatech 360	Suit B	15,000	\$133,300.00	55.56	\$8.89
Totals/Averages		27,000	\$266,600.00		\$9.87



TOTAL SF
27,000



TOTAL ANNUAL RENT
\$266,600.00



OCCUPANCY RATE
100.0%



AVERAGE RENT/SF
\$9.87



NUMBER OF TENANTS
TWO





OVERVIEW

Company: Morenci Brothers 4 LLC

Founded: 2023

Headquarters: Morenci, MI

TENANT HIGHLIGHTS

- Explosive Cannabis Company with Zero Outstanding Debt
- Partner of Cannatech, One of the Largest Extraction Businesses in the State of Michigan
- Yields between 1,730 Pounds to 2,250 Pounds Annual

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP
1-10	\$133,300	\$11,108.33	2.0% Annual

TENANT INFO

Morenci Brothers 4 LLC acquired Morenci Brothers Lot 19 Holding in February 2023. The business occupies Suite A, approximately 12,000 square feet. The business has been ongoing at this location since 2017 and has consistently been a commercial cannabis cultivation facility. Morenci Brothers acquired the business and the building at the same time but could not take possession of, or run the business until they were fully licensed in February 2023.

Since acquiring the business, Morenci Brothers has invested the necessary resources and capital to update the facility and its equipment to state of the art industry standards. These investments will further enhance the company's position to compete and thrive in the commercial cannabis cultivation market.

Morenci Brothers currently harvests between 100 and 130 pounds of cannabis every three weeks, so the total yield range is between 1,730 pounds to 2,250 pounds per year.

The business currently has no debt, and with the upgrades that were completed in 2023 Morenci is anticipating explosive growth in 2024 and beyond.



OVERVIEW

Company: Cannatech 360

Founded: 2023

Headquarters: Morenci, MI

TENANT HIGHLIGHTS

- Large Scale Extraction Facility
- Largest Hydrocarbon Capacity in the State of Michigan.
- 80,000 Pounds Extracted in 2023
- Tremendous New Contract With Tyson

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP
1-10	\$133,300	\$11,108.33	2.0% Annual

TENANT INFO

Cannatech 360 resides in suite B, occupying approximately 15,000 square feet. Cannatech 360 is a large-scale hydrocarbon extraction facility and cannabis processor. Currently Cannatech has the largest hydrocarbon capacity in the state of Michigan.

Cannatech 360 extracted just over 80,000 pounds in 2023 and is currently contracted for more than 100,000 pounds in 2024 with more contracts expected in the coming months. The extraction division extracts 800 - 1000 pounds per day for various companies in the State where they convert the oil into one of 5 different finished skew numbers. Cannatechs post processing division also has several contracts to load and package different skews and is consistently at about 45,000 units per month.

Cannatech is currently building out an entire division to satisfy a new contract to manufacture the Tyson brand gummy and package it for the parent company. This contract will initially produce 15,000 units per month.

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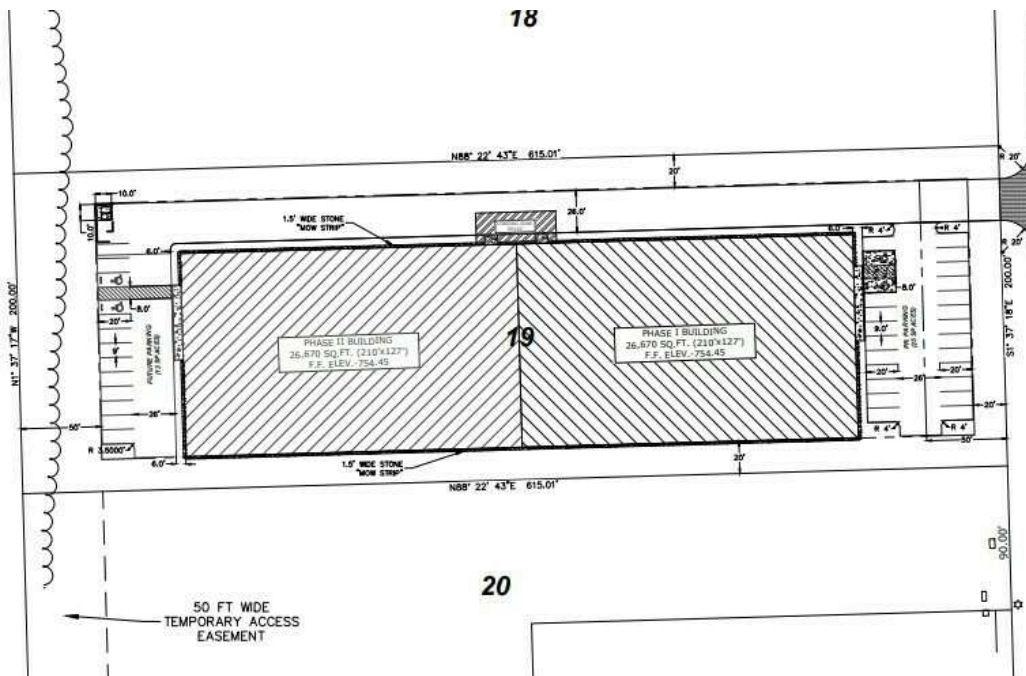
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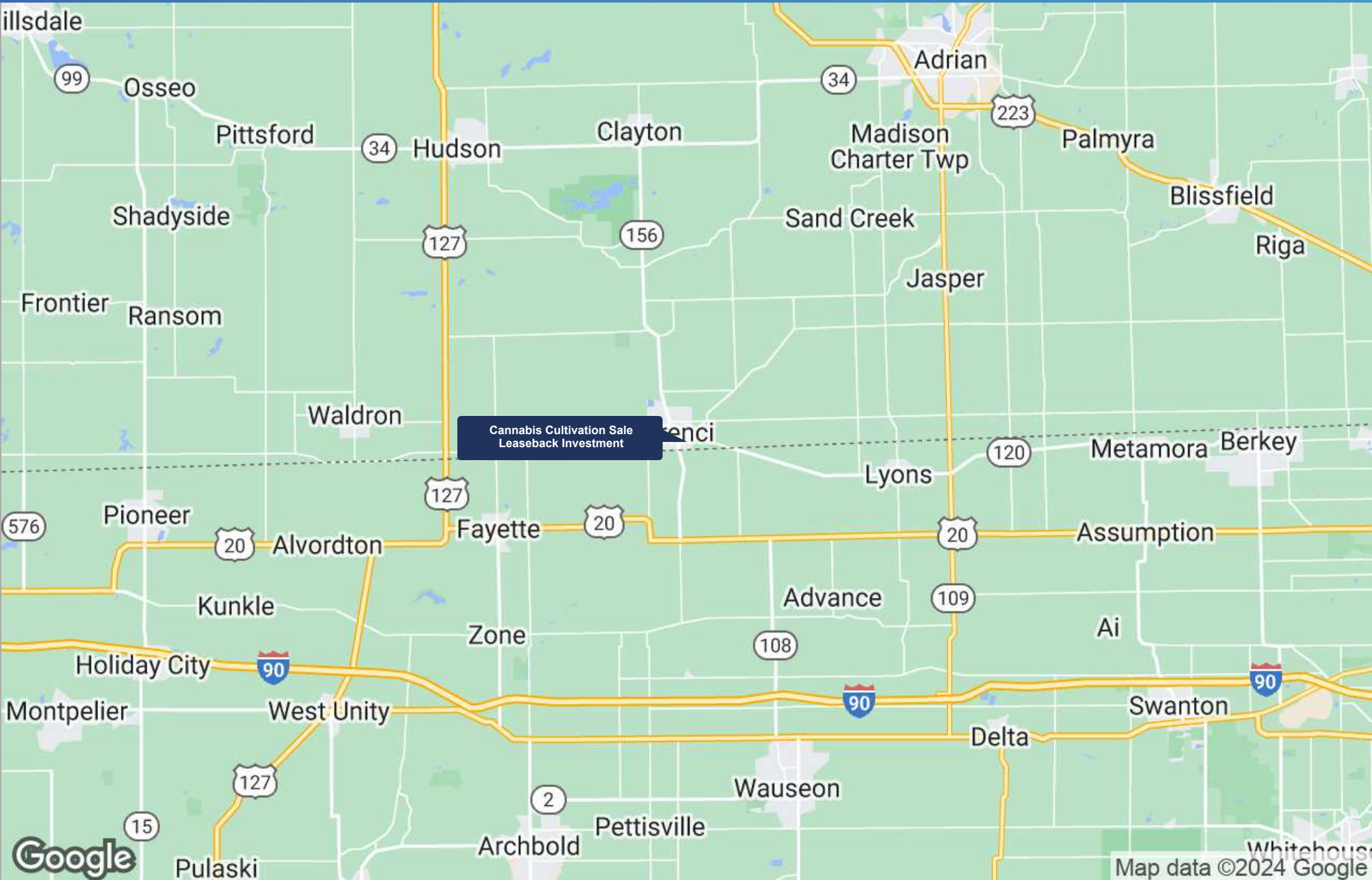
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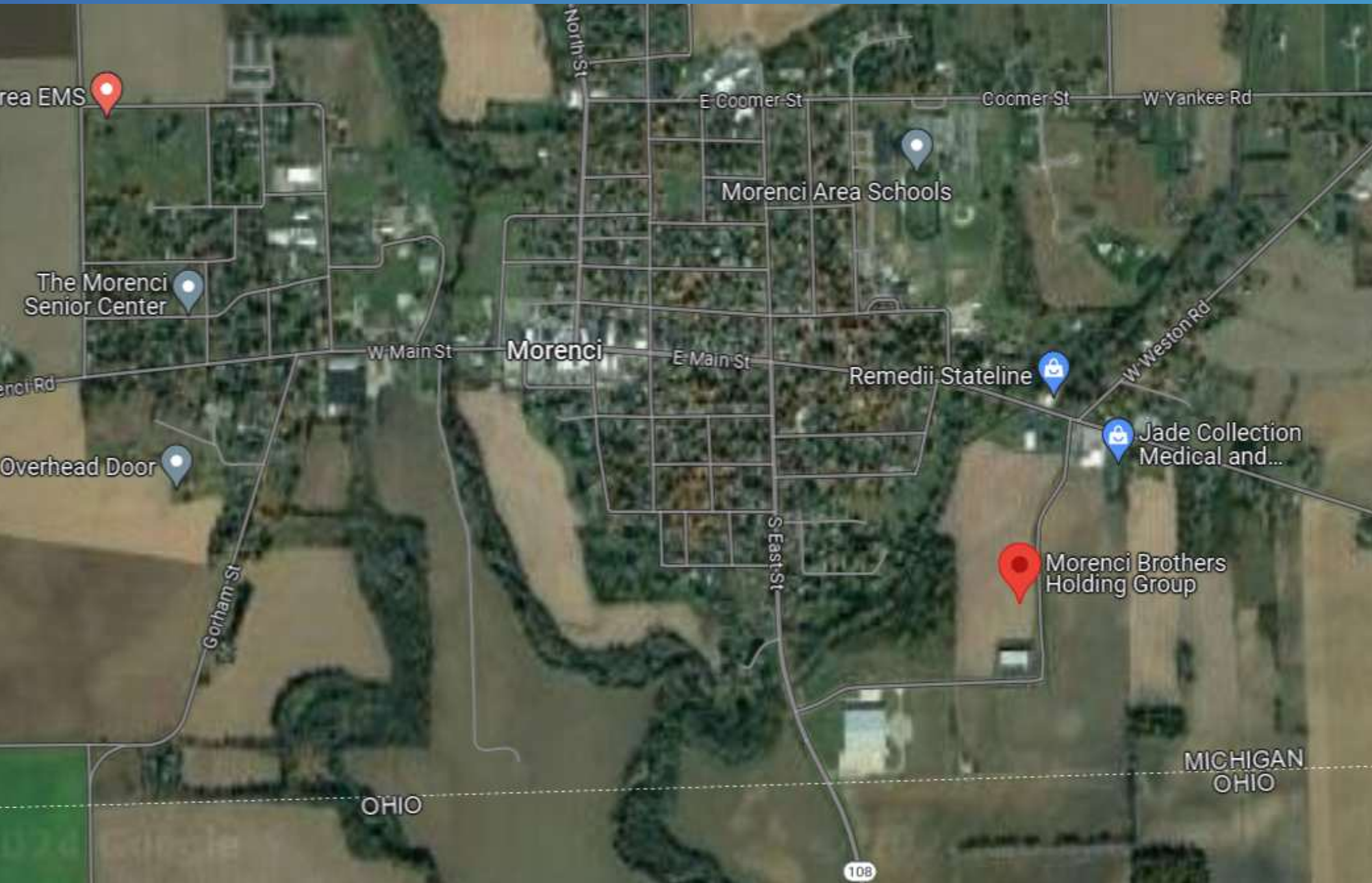
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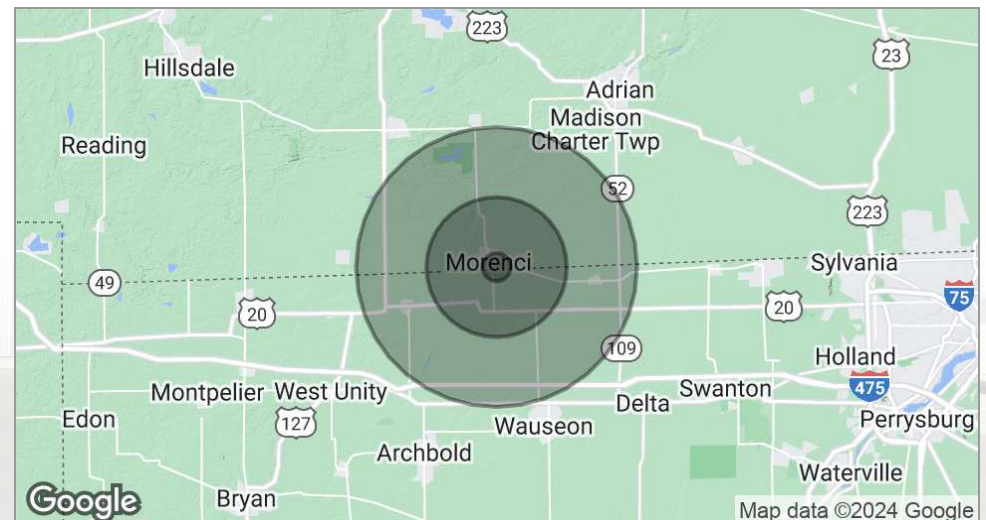
Morenci is a charming city nestled in Lenawee County, Michigan, near the state's southern border with Ohio. Known for its picturesque surroundings and small-town atmosphere, Morenci offers a welcoming community and a blend of rural beauty.

The city features a mix of residential neighborhoods, parks, and local businesses, creating a tight-knit community feel. With its proximity to the Michigan-Ohio border, Morenci enjoys a strategic location that adds to its cultural diversity and regional influences.

Residents and visitors alike can explore the town's history through its historic architecture, including well-preserved buildings that reflect the area's heritage. The city's parks provide recreational spaces for outdoor activities and gatherings, contributing to the overall quality of life.

Morenci's community spirit is evident through local events, festivals, and a strong sense of civic engagement. The city embraces its roots while embracing modern amenities, making it a delightful place to call home or visit for those seeking a peaceful and scenic escape in the heart of the Midwest.

POPULATION	1 MILE	5 MILES	10 MILES
Total Population 2024	1,891	4,204	14,077
Total Population 2029	1,907	4,210	14,042
Median Age	38.5	40.6	42.6
# Of Persons Per HH	2.7	2.6	2.6
HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
Total Households	693	1,575	5,338
Average HH Income	\$62,704	\$66,462	\$70,381
Median House Value	\$79,510	\$93,855	\$123,964
Consumer Spending	\$19.5M	\$45.6M	\$162.4M





TOTAL SALES VOLUME

\$9.0B

PROPERTIES SOLD

4,000+

BROKER & BUYER REACH

400K+

STATES SOLD IN

46

Click to Meet Team Fortis

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Presented BY:

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