

SINGLE TENANT ABSOLUTE NNN

Investment Opportunity

Sunnyside*
BAY WEST CENTER

Cresco Labs Guaranty | 2% Annual Increases | Strong Demographics & Six-Figure Incomes



8123 4th Street

ST. PETERSBURG FLORIDA

ACTUAL SITE

SRS | CAPITAL MARKETS

EXCLUSIVELY MARKETING BY

Sunnyside*

WILLIAM WAMBLE

**EVP & Principal
National Net Lease**

william.wamble@srsre.com
D: 813.371.1079 | M: 813.434.8278
1501 W. Cleveland Street, Suite 300
Tampa, FL 33606
FL License No. SL3257920

PATRICK NUTT

**Senior Managing Principal &
Co-Head of National Net Lease**

patrick.nutt@srsre.com
D: 954.302.7365 | M: 703.434.2599
200 SW First Avenue, Suite 970
Fort Lauderdale, FL 33301
FL License No. BK3120739



NATIONAL NET LEASE

Qualifying Broker: Patrick Nutt, SRS Real Estate Partners-SOFLO LLC | FL License No. BK3120739



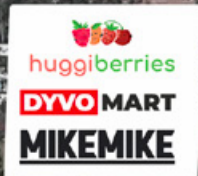




DOWNTOWN ST. PETERSBURG



DUNKIN'



GREENLANE

83RD AVE. N

BETTY'S COIN LAUNDRY

Sunnyside*



GATEWAY



Valentina's Beauty

4TH ST.

32,500
VEHICLES PER DAY

AZALEA COURT MOTEL



6 Miles to Downtown St. Petersburg





WATCH DRONE VIDEO





OFFERING

Pricing	\$2,956,000
Net Operating Income	\$206,936
Cap Rate	7.00%

PROPERTY SPECIFICATIONS

Property Address	8123 4th Street St. Petersburg, Florida 33702
Rentable Area	4,157 SF
Land Area	0.58 AC
Year Remodeled	2022
Tenant	Sunnyside
Guaranty	Corporate (Cresco Labs)
Lease Type	Absolute NNN
Landlord Responsibilities	None
Lease Term Remaining	7 Years
Increases	2% Annually Including Options
Options	2 (5-Year)
Rent Commencement	February 2022
Lease Expiration	February 2032

LEASE TERM						RENTAL RATES			
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	Annually	Cap Rate	Options
Sunnyside	4,157	February 2022	February 2032	March 2025	-	\$17,245	\$206,936	7.00%	2 (5-Year)
				March 2026	2%	\$17,590	\$211,074	7.14%	
				March 2027	2%	\$17,941	\$215,296	7.28%	
				March 2028	2%	\$18,300	\$219,602	7.43%	
				March 2029	2%	\$18,666	\$223,994	7.58%	
				March 2030	2%	\$19,039	\$228,474	7.73%	
				March 2031	2%	\$19,420	\$233,043	7.88%	
				Blended Cap Rate					

2% Annual Increases During Options

7 Years Remaining | Options To Extend | Corporate Guaranteed | 2% Annual Rental Increases | Growing Cannabis Operator

- 7 years remaining with 2 (5-year) options to extend, generating NOI and hedging against inflation
- Corporate guaranteed by Cresco Labs, one of the largest vertically integrated multistate cannabis operators in the United States, with a mission to normalize and professionalize the cannabis industry
- Cresco Labs now has 70+ operating stores in 8 states and does nearly \$750M in annual revenue
- The lease features 2% annual rental increases throughout the initial term and at the beginning of each option, growing NOI and hedging against inflation

Absolute NNN | Fee Simple Ownership | No State Income Tax | No Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor in a state with no state income tax

Fronting 4th Street | Off Signalized, Hard Corner Intersection | Surrounding Retailers | Proximity to Downtown

- Sunnyside is ideally fronting 4th Street, a main North/South thoroughfare serving the city of St. Petersburg
- Off the signalized, hard corner intersection of 4th Street and 83rd Avenue
- 5 miles from Downtown St. Petersburg
- **Half a mile East from Gateway Market Center (218,000 SF), a Publix and Target-anchored community shopping center that ranks in the 90th percentile (680 out of 7,242) of all nationwide community shopping centers according to Placer.ai**

St. Petersburg - Several New Developments

- [Historic Gas Plant redevelopment project](#)
 - The new Rays ballpark is estimated to cost \$1.3 billion, with \$600 million in public funds going to construction, according to local NPR station WUSF
 - In addition to the new stadium, the project will transform the 86-acre site of the Rays' current Tropicana Field into 8 million square feet of development affordable housing, hotels and office and retail space
- [400 Central](#)
 - The Residences at 400 Central downtown is the tallest residential building on the west coast of Florida
 - The 46-story, 515-foot building includes 301 luxury condominium units, office space and retail and restaurants on the ground floor
- [Azalea Gateway](#)
 - Porter Development and joint venture partners Falcone Group and Metro Development Group are requesting a \$4.9 million contribution from the City of St. Petersburg and \$9.9 million from Pinellas County
 - Azalea Gateway would bring a total of 1,000 apartments, including 300 affordable apartments, across three phases of development, which would make the project among the largest public-private housing projects in the history of St. Petersburg
- [Waldorf Astoria](#)
 - Standing at a proposed 525 feet from the ground, it would be the tallest building in St. Petersburg
 - The 164-unit residential development will feature approximately 63,251 square feet of Class A office space and ground-floor retail

Dense Demographics In 5-Mile Trade Area | St. Pete MSA | Annual Population Growth | Six-Figure Incomes

- More than 184,000 residents and 124,000 employees support the trade area
- \$108,232 average household income
- St. Petersburg is currently growing at a rate of 0.54% annually and its population has increased by 2.2% since the most recent census



CRESCO LABS

crescolabs.com

Company Type: Public (CSE: CL)

Locations: 70+

Annual Revenue: \$700M+

Operating Cash Flow: ~\$400M

Adjusted EBITDA: 28.5%

Cresco Labs is one of the largest vertically integrated, multistate cannabis operators in the United States, with a mission to normalize and professionalize the cannabis industry. Employing a consumer-packaged goods (“CPG”) approach, Cresco Labs is the largest wholesaler of branded cannabis products in the U.S. Its brands are designed to meet the needs of all consumer segments and comprised of some of the most recognized and trusted national brands including Cresco®, Cresco Reserve®, High Supply®, Mindy’s™, Good News®, Remedi™, Wonder Wellness Co.® and FloraCal®. Sunnyside*®, Cresco Labs’ national dispensary brand, is a wellness-focused retailer created 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 Labs operates the industry’s largest Social Equity and Educational Development initiative, SEED™, which was established to ensure that all members of society have the skills, knowledge and opportunity to work and own businesses in the cannabis industry.

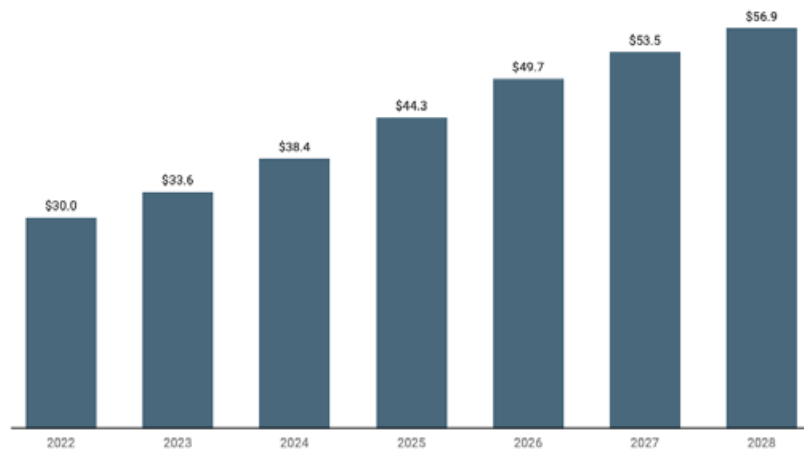
Projected US cannabis market size

Combined U.S. medical and recreational cannabis sales could reach \$33.6 billion by the end of 2023, largely driven by the opening of new adult-use markets.

Retail cannabis sales are projected to be upwards of \$53.5 billion by 2027, according to analysis from the MJBiz Factbook.

U.S. Cannabis Retail Sales Estimates: 2022-28

MJBiz Factbook projections for combined medical and recreational markets, in billions of dollars.



Estimates are high end of range.

Chart: © 2023 MJBiz, a division of Emerald X, LLC • Created with Datawrapper

Both medical and adult-use markets posted strong growth in 2022. While only a few states remain without a regulated medical marijuana market, the outlook for this part of the industry is still strong.

Several states with programs that have languished well below average, such as Louisiana and Minnesota, implemented new rules with the hopes of expanding participation. However, access remains a problem in many states with limited programs, such as Georgia and Iowa.

Source: MJBizDaily | Read Full Article [HERE](#)

U.S. Medical Cannabis Sales Estimates: 2022-28

MJBiz Factbook projections for medical markets, in billions of dollars.



Estimates are high end of range.

Chart: © 2023 MJBiz, a division of Emerald X, LLC • Created with Datawrapper

The outlook for the adult-use side of the U.S. marijuana industry is even stronger, at least for the near term, as states with the potential for massive markets, such as New York, work out the final details to launch programs that have been approved.

As the industry overall has matured, the transition from medical to recreational markets has accelerated.

U.S. Adult Use Cannabis Sales Estimates: 2022-28

MJBiz Factbook projections for recreational markets, in billions of dollars.

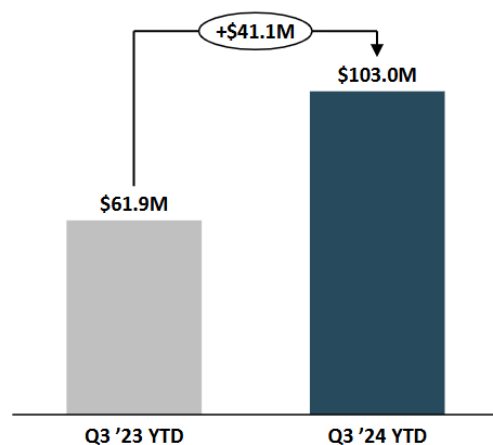


STRENGTHENING OUR BALANCE SHEET

Improving Efficiency and Cashflow, Redeploying Capital with Better Paybacks and Higher Returns

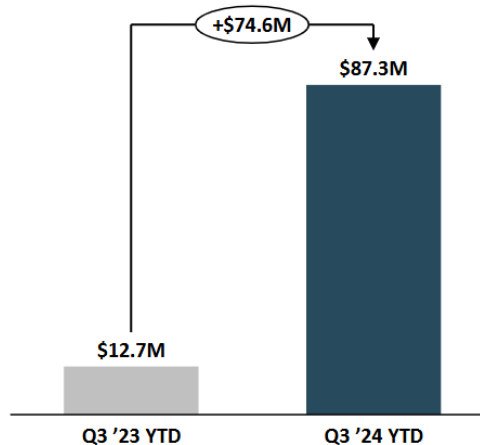
OPERATING CASH FLOW

Prioritizing Profitability and Cash Flow Conversion With Over 66% Increase in Operating Cash Flow



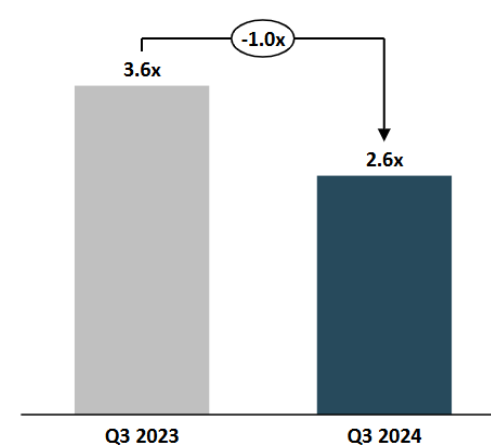
FREE CASH FLOW

Making Smart Investments Focused on Improving Profitability and Operating Leverage, with Near-Term Paybacks



LEVERAGE

Materially Improving Leverage (Net Debt to Annualized Adjusted EBITDA)

CRESCO LABS[®]



US Agency Recommends Reclassifying Marijuana as Less Dangerous Drug

By Josh Wingrove and Tiffany Kary | April 30, 2024

The US Drug Enforcement Administration is recommending cannabis be reclassified as less risky, people familiar with the matter said — a move that could help the legal marijuana industry benefit from tax breaks.

Several steps remain in the process of rescheduling marijuana to Schedule III from Schedule I, said the people, who asked not to be named because the information hasn't yet been made public.

A majority of Americans believe marijuana should be decriminalized for recreational or medical use, a policy that Biden said he would pursue while in office, but still lacks widespread support in Congress. Biden's favorability has waned among key voting blocs that favor legalization that he needs to win reelection, including young voters and Black Americans.

The move, if ultimately enacted, would represent a boon to the legal cannabis industry that is estimated to have generated around \$35 billion in sales last year, according to New Frontier Data, a market research firm. It responds to growing cries to reclassify the drug in order to make medical use easier, and bring in more tax dollars through regulated sales. The decision would push back against concerns that reclassifying the drug could make it harder to prosecute drug cartels, and that new high-potency forms of cannabis are addictive.

If marijuana is reclassified as Schedule III it will be treated like substances such as ketamine and anabolic steroids, which require prescriptions but aren't federally prohibited. Marijuana is currently classified as Schedule I, which means it's seen as equally risky to drugs such as heroin. A spokeswoman for the DEA declined to comment, and referred calls to the DOJ.

Source: Bloomberg
Read Full Article [HERE](#)

LOCATION



St. Petersburg, FL
Pinellas County
Tampa-St. Petersburg MSA

ACCESS



4th Street N: 3 Access Points

TRAFFIC COUNTS



4th Street N: 32,500 VPD
Interstate 275: 160,000 VPD

IMPROVEMENTS



There is approximately 4,157 SF of existing building area

PARKING



There are approximately 43 parking spaces on the owned parcel.
The parking ratio is approximately 10.3 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 30-30-17-75528-004-0040
Acres: 0.58
Square Feet: 25,239

CONSTRUCTION



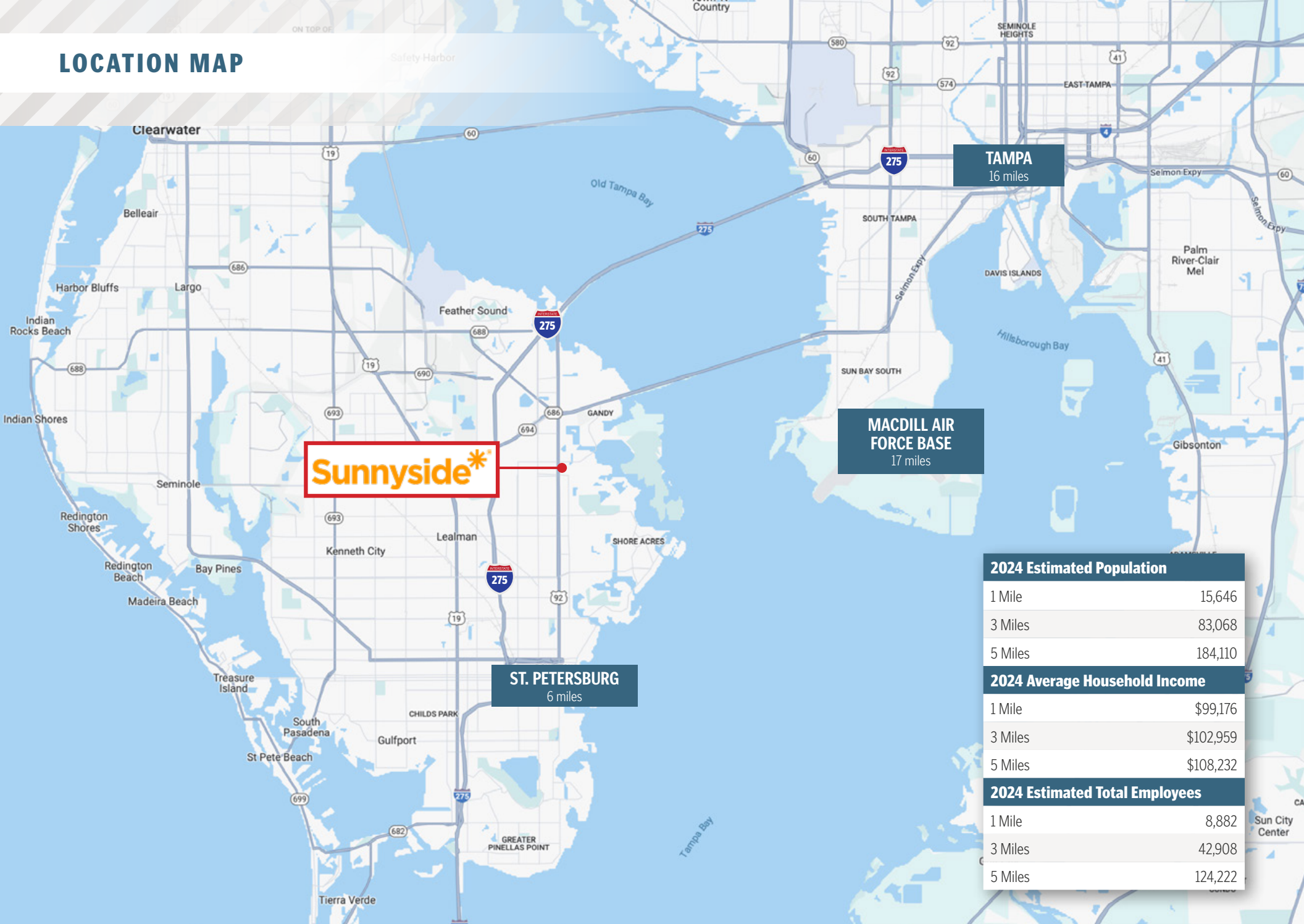
Year Remodeled: 2022

ZONING



Commercial Stores, Retail Outlet

LOCATION MAP



2024 Estimated Population

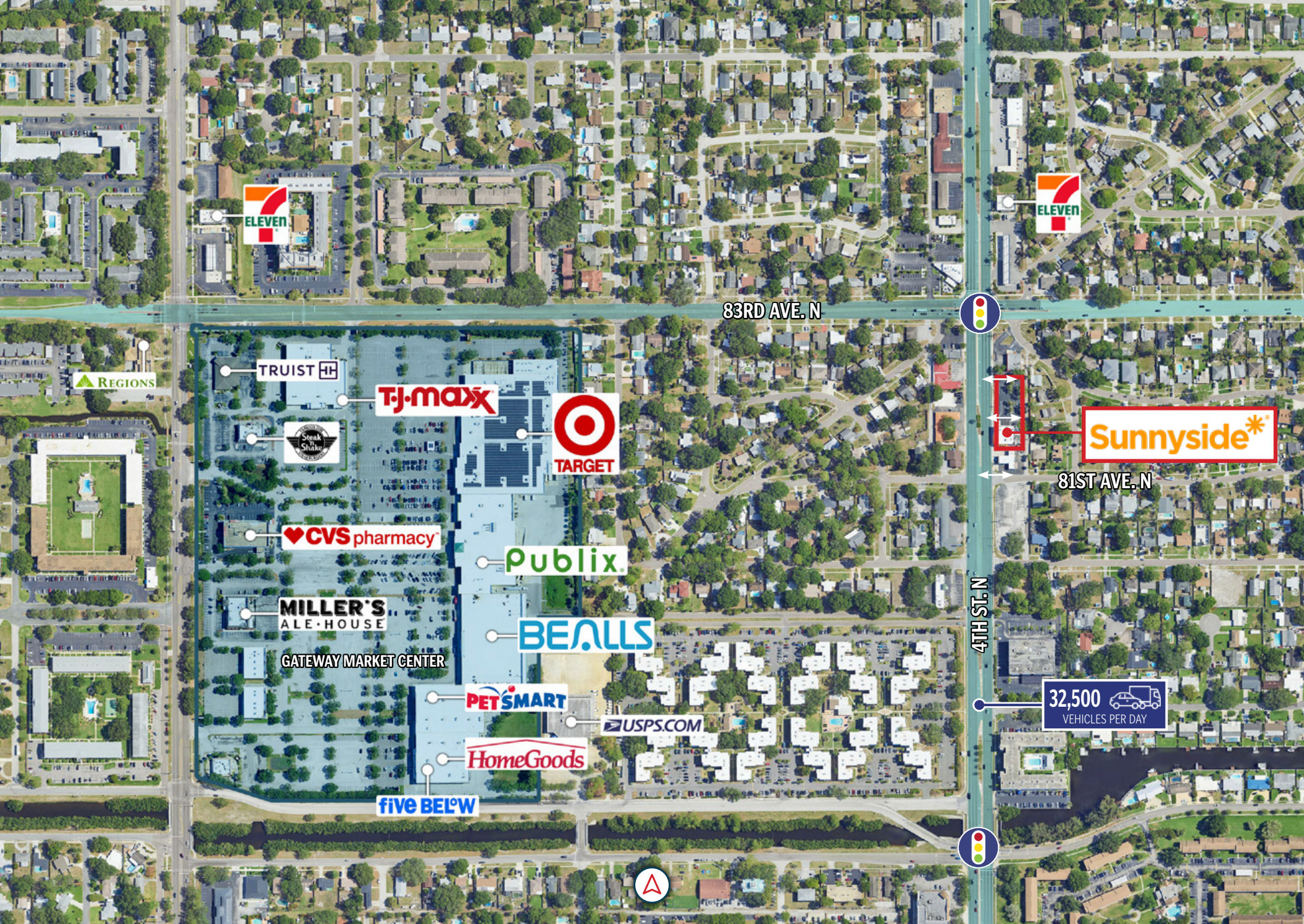
1 Mile	15,646
3 Miles	83,068
5 Miles	184,110

2024 Average Household Income

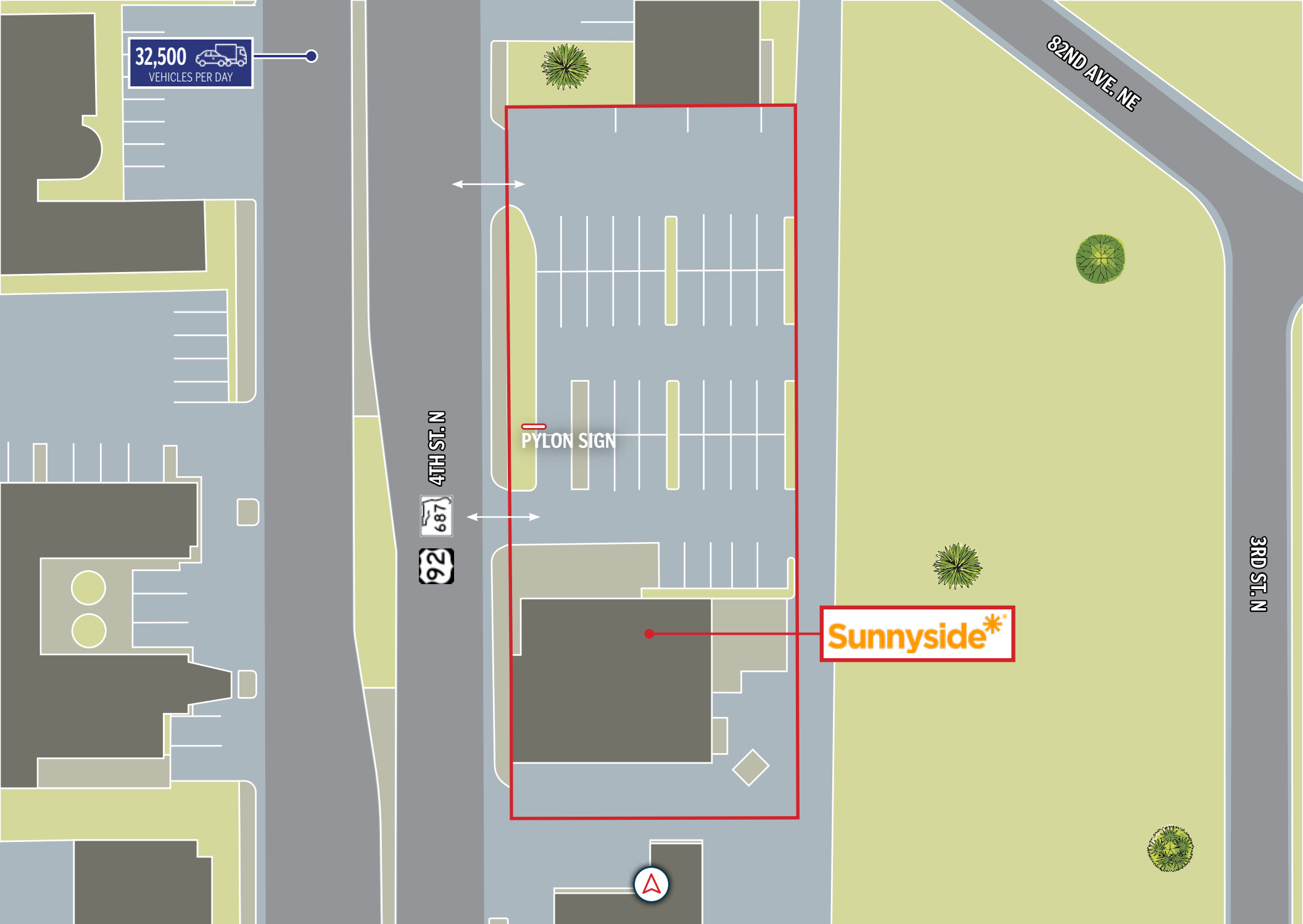
1 Mile	\$99,176
3 Miles	\$102,959
5 Miles	\$108,232

2024 Estimated Total Employees

1 Mile	8,882
3 Miles	42,908
5 Miles	124,222







32,500
VEHICLES PER DAY

4TH ST. N

687
92

PYLON SIGN

Sunnyside*

82ND AVE. NE

3RD ST. N



	1 Mile	3 Miles	5 Miles
Population			
2024 Estimated Population	15,646	83,068	184,110
2029 Projected Population	15,639	83,903	184,508
2024 Median Age	44.4	43.1	44.0
Households & Growth			
2024 Estimated Households	7,599	41,187	87,816
2029 Projected Households	7,681	42,261	89,488
Income			
2024 Estimated Average Household Income	\$99,176	\$102,959	\$108,232
2024 Estimated Median Household Income	\$62,350	\$72,734	\$73,757
Businesses & Employees			
2024 Estimated Total Businesses	1,630	3,983	10,877
2024 Estimated Total Employees	8,882	42,908	124,222



ST. PETERSBURG, FLORIDA

St. Petersburg is a city in Pinellads County, Florida. The City of Saint Petersburg is the 5th largest city in Florida with a population of 261,111 as of July 1, 2023. St. Petersburg still retains much of the resort-town flavor its founders so cherished, a community of pelicans, porpoises, endless sunshine and sailboats. St. Petersburg has emerged as a top destination for the arts with the dynamic new Dali Museum opening in 2011, the Dale Chihuly world renowned glass collection, and six art districts. As St. Petersburg steps boldly into the 21st century, the downtown core continues its revitalization with projects that include retail shops, restaurants, and movie theaters.

The city has the largest financial services cluster in the state and the largest marine research center in the south. St. Petersburg anchors the Florida High Tech Corridor, which ranks as one of the Top 6 high-tech employment centers in the nation, comprised of more than half of the state's high-tech firms. These qualities provide a superior workforce and the ability to readily develop an extensive network of business partners. The largest industries in St. Petersburg, FL are Health Care & Social Assistance, Retail Trade, and Accommodation & Food Services, and the highest paying industries are Utilities, Agriculture, Forestry, Fishing & Hunting, & Mining, and Wholesale Trade.

More than 900 events bring over 10 million people each year to the Sunshine City to experience yacht races, triathlons, baseball, basketball, cycling, festivals, cultural exhibits, and music. The city easily attracts tourists with its cultural district that includes seven museums in the downtown district. A state university, 10 marine institutes and more than two dozen galleries, and the All Children's Research Center attest to the city's commitment to education and health care. Historic neighborhoods continue to be restored, as residents invest in their communities with a great source of pride. Impressively, the city's annual growth rate has tripled since 2010. In the past two decades, the city has benefited from surging economic growth and has proven it has the right ingredients to grow major industries in Marine and Life Sciences, Specialized Manufacturing, Financial Services, Data Analytics, and Creative Arts and Design. The nearest major airport is St. Petersburg-Clearwater International Airport. Other major airport is Tampa International Airport and Sarasota-Bradenton International Airport.

#4 TAMPA-ST. PETERSBURG

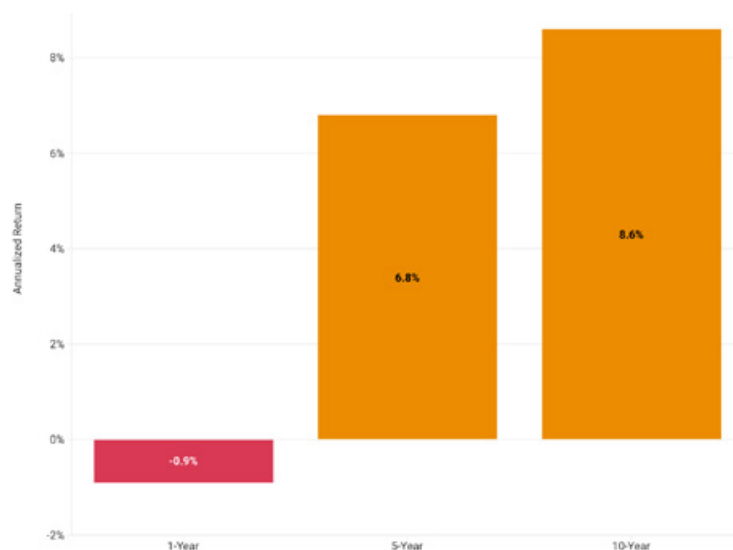
Though Tampa-St. Petersburg might fly under the radar compared to its neighbors—the colorful Miami and heavily touristed Orlando—the metro area is no slouch amid Florida’s formidable peers. Tampa’s sunny climate, year-round sports, no state income tax, and booming economy have created a longtime draw for workers and retirees alike, leading Money magazine to name Tampa the ninth best place to live in the United States in 2022. The metro area has proven a good place for real estate investment capital to live as well, with 10-year annualized total returns of 8.6 percent in NCREIF’s NPI. Tampa moved up 14 spots in Emerging Trends’ U.S. Markets to Watch over the past year, the most improved ranking among Florida’s major metro areas (and tied for highest upward movement in the state with Deltona/Daytona Beach and Gainesville); Tampa is also the first U.S. Market to Watch for homebuilding prospects.



Tampa moved up 14 spots in *Emerging Trends'* U.S. Markets to Watch over the past year.

TAMPA-ST. PETERSBURG TRAILING TOTAL RETURNS ANNUALIZED AS OF 2024 Q2

Source: NCREIF NPI Database, accessed 2024 Q3



Tampa models an enviable economy with strong growth, high-paying job drivers, and economic diversity. The MSA’s population grew 1.5 percent per year from 2013 to 2023, approximately 2.5 times the national pace. Similarly, Tampa’s job growth has nearly doubled the national pace over the 10 years ending August 2024. The metro area is driven by white-collar jobs, particularly in the financial services sector. The share of private office-using jobs is 39 percent higher in Tampa than in the United States overall, while financial services jobs’ share is 59 percent higher here. There are four noteworthy finance and insurance companies with over 5,000 jobs in the metro area. But despite this notably outsized industry cluster, Moody’s Analytics gives the area an industrial diversity score of 0.83 (U.S. = 1.0), which ranks fourth most diverse among the 390 ranked MSAs.

Housing affordability is perhaps Tampa’s greatest headwind, as Moody’s data on the cost of living puts Tampa’s relative costs at 111 percent of the national average. Homeowner’s insurance expense now ranks among the 10 highest

nationally. Rising costs might slow in-migration from the 50,000 to 70,000 the metro area saw each year from 2021 to 2023, which calculated to a top 10 rate per capita for metro areas with more than 1 million residents. Some relief will come from lower interest rates, while Tampa home prices have moderated a bit since their January 2024 peak. But with house prices up 66 percent in the four years ending July 2024, much of Tampa’s previous housing affordability has eroded, with little hope of returning in the near term. On the bright side, costs of doing business remain below national averages (95 percent of the national rate, per Moody’s), with costs considerably lower than U.S. averages for energy, state, and local taxes, and office rent.

Despite these outlined risks, local economic growth is expected to be conducive to outsized real estate returns. Continued in-migration, an attractive business climate, and job growth forecast at 2.3 times the nation’s five-year forecast set the stage for continued demand for Tampa real estate.

[Read Full Article Here](#)



THE EXCLUSIVE NATIONAL NET LEASE TEAM

of SRS Real Estate Partners

300+

TEAM
MEMBERS

25+

OFFICES

5B+

RETAIL
TRANSACTIONS

company-wide
in 2024

600+

CAPITAL MARKETS
PROPERTIES

SOLD
in 2024

\$2.5B+

CAPITAL MARKETS
TRANSACTION

VALUE
in 2024

©Copyright 2025 SRS Real Estate Partners LLC. All Rights Reserved.

This document has been prepared by SRS Real Estate Partners LLC (SRS) and has been approved for distribution by all necessary parties. Although effort has been made to provide accurate information, SRS and those represented by SRS make no guarantees, warranties, or representations as to the completeness of the materials presented herein or in any other written or oral communications transmitted or made available. Documents may have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither SRS or those represented by SRS represent that this document is all inclusive or contains all of the information you may require. Any financial projections and/or conclusions presented herein are provided strictly for reference and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in economic performance, local market conditions, economic and demographic statistics, or further business activities since the date of preparation of this document. Recipients of this document are urged to undertake their own independent evaluation of the subject and/or asset(s) being shared in this document.

SRSRE.COM/CapitalMarkets