

# Venable Represents Glass House Brands in Its Acquisition of a 5.5 Million Square Foot Southern California Greenhouse Facility

Venable LLP represented Glass House Brands Inc. (NEO: GLAS.A.U and GLAS.WT.U) (OTCQX: GLASF and GHBWF), one of the fastest-growing, vertically integrated cannabis and hemp companies in the United States, in the acquisition through a subsidiary of an approximately 5.5 million square foot greenhouse facility located in Southern California (the “SoCal Facility”) for total consideration of \$93.0 million in cash payable to the owner of the SoCal Facility plus additional stock considerations payable to the original holder of the option to purchase the SoCal Facility.

The SoCal Facility is located in Ventura County, California and consists of approximately 125 acres of ultra-high-tech and efficient KUBO greenhouses, including an on-site well, water treatment facilities, and natural gas generation facilities producing its own power, heat, and CO<sub>2</sub>, and six greenhouses totaling approximately 5.5 million square feet. Phase 1 of the SoCal Facility conversion to cannabis use will include the retrofit of two greenhouses and two packhouses totaling approximately 1.7 million square feet and is expected to be completed in Q1 2022. The remaining 3.8 million square feet of greenhouses will be converted in phases to cannabis use through Q4 2024.

Planned upgrades of the SoCal Facility include installation of

blackout curtains, ebb and flood floors, a higher-density gutter system, dry rooms, and processing facilities, an energy-efficient supplemental LED lighting system, an upgraded HVAC system to further optimize climate conditions, and automated nutrient delivery and irrigation systems. Upon completion of approximately \$40.0 million of planned upgrades, the SoCal Facility is expected to produce approximately 1.7 million dry weight pounds of cannabis biomass per year.

The Venable attorneys who represented Glass House in its acquisition of the SoCal Facility included Matthew A. Portnoff, Valentin Aguilar, and Paul Levin.