



# EMERALD COAST HOLDING COMPANY

## Emerald Coast Holding Company – Executive Summary 2020

*2/11/2020*

**Overview:** ECHC provides a roadmap for primary investment in non-plant-touching subsectors of the cannabis market, with opportunities in multi-state operations and secondary opportunities in plant-touching subsidiaries with vertical integration. National cannabis sales in the USA in 2018 topped \$10.4 billion, with California alone representing 24% - 36% of the national market. With the inclusion of the hemp sector and additional states legalizing every year, high growth projections are anticipated for the next 5-10 years. Emerald Coast Holding Company functions similarly to a Real Estate Investment Trust, with layers of liability protection and legal separation between the parent company (C-Corporation), property management subsidiaries (LLC's) and tenants (Commercial Cannabis and Hemp License Holders). ECHC will purchase and develop multiple properties in several states, starting in California, with a primary emphasis on long-term property and equipment lease revenues, with occasional sales of turnkey operations.

**Market Strategy:** The target markets for ECHC are a combination of long-term renewable commercial leases and turn-key property sales in the cannabis / hemp real estate and equipment sectors. Both markets are relatively wide open, with only a small fraction of potential market share currently occupied. Our target market consists of commercial license holders in the cannabis and hemp industries throughout the USA, starting in California and the west coast. Emerald Coast Holding Company will serve our clients by offering direct assistance with obtaining and maintaining commercial license status, through our subsidiary Consulting Services. ECHC will also provide financial security to smaller operations, while providing us with long-term revenues, through our Lease-Back Program. Our operations will offer a full package of products to meet our client's location, equipment and licensing needs. The few companies like ours that have emerged so far have shown stable and accelerated growth in the short time they've been in operation. Emerald Coast Holding Company is poised to achieve sustained market share in several key demographics, where no such company currently exists.

Additionally, ECHC possesses unique and sometimes exclusive access to upcoming real estate opportunities, due to our personal connections and history within the cannabis industry, and our familiarity with many areas throughout northern California.

Our Strategic Advisors increase our access to unique properties, through their own extensive connections in the real estate sector. The primary ways that ECHC will access our target market are:

- Establishing contracts with commercial licensees while our properties are being developed.
- Establishing long term leases with our own subsidiary companies that will operate their own commercial licenses.
- Offering existing commercial licensees access to our Lease Back Program.

**Operational Highlights:** Emerald Coast Holding Company will maintain an office location in Humboldt County, which is centrally located between our initial real estate projects throughout northern California. This location will also provide us with ready access to purchase turn-key properties, before they're listed on the market. ECHC is a C-Corporation, and each property we control shall be managed by a solely owned LLC, providing our investors with layers of separation from any financial or legal liabilities associated with plant touching operations.

**Forecasting:** Each real estate project is anticipated to have a two-year window from purchase, to complete development or mitigations necessary to ensure commercial license status, with land, building and equipment leases or turnkey sales initiating by year three. Our break-even point and profitability are anticipated between month-24 and month-36 for each project. Shareholder benefits shall be cumulative, as our real estate and equipment holdings continue to expand. We anticipate returns of at least 2.5X to 5X for each project, with higher returns possible over time.

**Investment Needs:** Emerald Coast Holding Company has secured relationships with several private lending companies to match funds with our investors in order to complete each real estate project in a timely fashion, once they're initiated. Our lenders will fund 25% - 75% of each project, simultaneously securing ECHC significant resources to assure investor returns, while significantly reducing the initial funding needed from investors to complete each project. While each project has unique financial needs, our first two opportunities have an initial investment cost of approximately \$6 million each. With matching loans of at least 50%, investment needs are roughly \$3 million each. Our first capitol raise tops out at \$36 million, to enable ECHC to purchase and develop several real estate projects over time. This will ensure that we're able to offer new opportunities to our investors on a regular basis, and that we're poised to secure holding deposits as soon as new properties become available.