

Wednesday, October 23, 2019  
2:00 PM – 3:15 PM

Seminar 1

**Blowing Away the Smoke: Financial Opportunities in Marijuana/Hemp Real Estate**

**Scot Crow**

Partner/Practice Group Chair  
Corporate/M&A  
Dickinson Wright  
150 E. Gay Street  
Columbus, OH 43215  
[scrow@dickinson-wright.com](mailto:scrow@dickinson-wright.com)

**Douglas Praw**

Partner/West Coast Real Estate  
Practice Group Leader  
Holland & Knight LLP  
400 S. Hope Street, 8<sup>th</sup> Floor  
Los Angeles, CA 90071  
[doug.praw@hklaw.com](mailto:doug.praw@hklaw.com)

**I. Introduction**

- A. Speaker background
- B. Poll audience about experience with marijuana transactions

**II. Current Commercial Environment**

- A. Size of market and rents
- B. Overview of acquisition, financings, and private equity deals

**III. Federal**

- A. 1970 Controlled Substances Act
  - i. Marijuana – Schedule 1 drug (heroin, meth)
  - ii. Crack House Statute (confiscation)
- B. Supremacy Clause vs. Constitution Article 6, Clause 2
- C. Cole Memorandum
- D. Recent Changes in Attorney General Approach

**IV. Miscellaneous Other Federal Issues**

- A. Taxes § 280
- B. Dept. of Treasury-banks cannot facilitate criminal activity; therefore, banks cannot accept deposits from marijuana retailers
  - i. Financial Crimes Enforcement Network (“FinCen”) requires \$10,000 cash deposits to be disclosed (suspicious activities reports (SARS))
- C. Trademark – not available
- D. Bankruptcy – Gregory Garvin v. Cook Investments NW.

**V. Ethics**

- A. Representing Cannabis Companies
- B. Engagement Letter Policies

**VII. Hemp**

- A. Legal Hemp v. illegal Hemp
- B. CBD
- C. Sales of CBD Seemingly Everywhere

**VIII. Legal Issues**

- A. Permitted Use
- B. On-Site Cash
- C. Payment of Rent
- D. Utilities
- E. Inspection of Premises
- F. Indemnification
- G. Signage/Marketing
- H. Odors
- I. Tenant Improvements
- J. Events of Default
- K. Surrender at End of Term
- L. Duty to Report
- M. Definition of Laws
- N. Obtaining insurance
- O. Security
- P. Limitation of Liability/Personal Guarantees
- Q. Landlord Early Termination Right
- R. Governing Law
- S. Waiver of Defense
- T. Warrant of Sustainability
- U. Environmental Concerns
- V. Insurance