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Is the old mill building in Western Massachusetts the solution? - by Sean Lamontagne

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With Massachusetts vertical market in place, if you want to cash in on selling marijuana, you need to cultivate it as well. Let's step back from all the red tape that comes with buffer zones, distance requirements, and whether or not you're in a cannabis friendly town. We aren't lobbyists. At Nadeau Corporation, we are cannabis-focused certified contractors. I want to get into the brick and mortar questions surrounding these facilities and share our experiences when touring some of these properties. Our team has toured many prospective facilities out in the far off lands of Western, Mass. We are invited to put construction professional eyes on these buildings by clients who are looking to take advantage of the low cost per kilowatt hour as well as the lower property values. While there are challenges to overcome with these aged properties, there are certainly pro's along with the con's.

Electrical Power - PRO

Obviously, these cultivation facilities are going to have a huge draw on the power grid due to the extreme loads needs for lighting and subsequent cooling. Most of these properties are old industrial mills that in a previous life, were the thriving heartbeat of that community. This usually indicates that they have more than adequate electrical capacity for even some of the larger grows being proposed. Put that in the Pro column, because bringing in a larger service can prove to be very costly and time consuming.

Environmental Remediation - CON

Now it's no secret that the reason towns are inviting applicant groups to inhabit their abandoned infrastructure is that more often than not, it's dilapidated. When something that was built 100 years ago hasn't been maintained in the last 60 years, you're going to find some environmental issues that you need to deal with. Two biggies come to mind when talking about old mill buildings. Mold and Heavy Metals. Mold usually just from not being weather tight for decades, and heavy metals are usually found as a result of the previous manufacturing use. Not always, but sometimes the cost to remediate these spaces just to get them to a blank slate can cripple a budget. Even if the towns are literally giving away these facilities, if it costs \$10 Million to make it into a commercial agricultural operation that's usually a non-starter.

Square Footage - PRO

With many applicant groups seeing the approved recreational use as an indicator for increased demand and possible wholesaling opportunities, proposed cultivation operations are growing in desired square footage. If there is one thing old mill buildings have its lots of its square footage. Additionally, the typical high ceilings, cement flooring with drainage makes these sizable spaces a great basic starting point for most cannabis manufacturing operations. Don't need 400,000 square

feet? Groups that acquire these properties can usually securely divide the property into multiple sections with separate entrances and addresses making for profitable lease opportunities as well.

Summary

All in all, some of these mill buildings deserve a look. There are certainly benefits that can be realized both for the applicant group as well as the host community given the right conditions. Obviously there are numerous factors that go into selecting a piece of property for your marijuana cultivation operation. The construction and engineering topics are really the only ones we are qualified to speak to, but there are definitely other very important determining factors.

Each and every building we look at is its own unique structure and poses unique sets of challenges and benefits. One thing that remains a constant for each and every group we assist is this: The groups that enlist the help of professionals early on in the process see the most benefits and are more likely to avoid costly surprises. There is tremendous value in having an architect, engineer, and construction manager put professional eyes on a building prior to seriously considering it for your cultivation operations. Applicants need a team that can help streamline the site selection process and help them get to market quickly.

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