



Alan Gold, Executive Chairman of Innovative Industrial Properties, Responds to Short-Seller Report

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SAN DIEGO--(BUSINESS WIRE)-- Innovative Industrial Properties, Inc. (IIP), the first and only real estate company on the New York Stock Exchange (NYSE: IIPR) focused on the regulated U.S. cannabis industry, today announced that it is aware of a short-seller report released earlier today, which contains numerous false and misleading statements about IIP and its Executive Chairman, Alan Gold. The report is flawed and demonstrates a fundamental misunderstanding of IIP's business model. As such, most of the report's content does not warrant a response from IIP. Mr. Gold, however, strongly refutes any inference that he is not firmly committed to the long-term success of IIP.

Alan Gold has served as IIP's Executive Chairman since IIP's inception in 2016. Prior to co-founding IIP, Mr. Gold's 30 years of real estate experience included co-founding BioMed Realty Trust, Inc. (formerly NYSE: BMR) in 2004 and serving as chairman, president and chief executive officer of BioMed Realty, leading BioMed Realty for twelve years and through the sale of the company in 2016 to affiliates of Blackstone Real Estate Partners VIII in an \$8 billion transaction.

At IIP's initial public offering in 2016, Mr. Gold purchased \$4.0 million of common stock in IIP at the initial public offering price, and has continued to significantly increase his ownership position over time. As of today, Mr. Gold beneficially owns, either directly or through his children's trusts, 377,086 shares of common stock of IIP valued at approximately \$28.5 million (based on IIP's closing common stock price today). Mr. Gold has not sold a single share of common stock in IIP since inception.

"I am proud of all that our team has accomplished since IIP's inception, providing key growth capital to our tenant operators through creative real estate solutions, and conducting our business as we always have, with an absolute dedication to transparency to all of our partners, including our valued long-term investors," said Mr. Gold. "I am also very excited for the future of IIP, and look forward to continuing to lead IIP and its talented management team every day in our continued execution on IIP's strategy for the years to come."

About Innovative Industrial Properties

Innovative Industrial Properties, Inc. is a self-advised Maryland corporation focused on the acquisition, ownership

and management of specialized industrial properties leased to experienced, state-licensed operators for their regulated medical-use cannabis facilities. Innovative Industrial Properties, Inc. has elected to be taxed as a real estate investment trust, commencing with the year ended December 31, 2017. Additional information is available at www.innovativeindustrialproperties.com.

Innovative Industrial Properties Forward-Looking Statements

This press release contains statements that IIP believes to be “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than historical facts are forward-looking statements. When used in this press release, words such as we “expect,” “intend,” “plan,” “estimate,” “anticipate,” “believe” or “should” or the negative thereof or similar terminology are generally intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, such statements. Investors should not place undue reliance upon forward-looking statements. IIP disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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