Cannabis real estate boom: How long will the high returns last?

With the current $6.7 billion legal cannabis market expected to grow at 27 percent compound annual growth rate over the next five years, the largest horticultural Green Rush since the Dutch went wild over tulips back in the 1630s, is now spawning an all-out land grab for American real estate. What’s driving the boom? Coincidentally, it's the federal prohibitions that keep most traditional players, lenders and investors, at bay -- dampening competition and juicing prospective returns -- that's now fueling the current craze. Investors, on the other hand, view real estate as a relatively safe vehicle to profit from the budding industry growth without getting involved in the production itself. It's hard to argue with their logic: brick-and-mortar assets are far more tangible than bongs and munchies. Many of these same investors are also lured by the once-in-a-lifetime opportunity to tap a large underground market ($46.4 billion) with a loyal consumer base (so loyal, in fact, tha...

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