

*Our business is dependent in part upon the profitability of our tenants' farming operations, and any downturn in the profitability of their farming operations could have a material adverse effect on the amount of rent we can collect and, consequently, our cash flow and ability to make distributions to our stockholders.*

We depend on our tenants to operate the farms we own in a manner that generates revenues sufficient to allow them to meet their obligations to us, including their obligations to pay rent and real estate taxes, maintain certain insurance coverage and maintain the farms generally. The ability of our tenants to fulfill their obligations under our leases depends, in part, upon the overall profitability of their farming operations, which could be adversely impacted by, among other things, adverse weather conditions, crop prices, global supply of arable farmland, crop disease, pests, contaminants, and unfavorable or uncertain political, economic, business or regulatory conditions. We do not typically receive financial statements from our tenants in the ordinary course of business. We will be particularly susceptible to any decline in the profitability of our tenants' farming operations in connection with our leases that do not require 100% of the annual rent to be paid in advance of each spring planting season or if we utilize percentage rent clauses, in each case, such as the leases for Kimberly Vineyard, Blue Heron Farms, Quail Run Vineyard, Golden Eagle, Falcon Farms, Kingfisher Ranch and the mature portion of Condor Ranch, pursuant to which a portion of the rent is a fixed base rent and the remaining amount of rent depends on crop yields and prices realized by our tenants. The portion of our revenue that we derive from flexible leases could be adversely affected by a general economic downturn. Also, many farms are dependent on a limited number of key individuals whose injury or death may significantly affect the successful operation of the farm. As a result of such circumstances, our operating results and financial condition would be materially adversely affected. We can provide no assurances that, if a tenant defaults on its obligations to us under a lease, we will be able to lease or re-lease that property on economically favorable terms in a timely manner, or at all. In addition, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment.

The rents we are able to negotiate for the farms we own will be based, in part, on each tenant's expectation of the land's future productivity. To the extent we lease to tenants whose operations become less profitable, prospective tenants may assume reduction in profitability is due, in part, to less productive land, which could make it more difficult to negotiate favorable rental rates for such farms. Our tenants' profitability could also be adversely affected by declines in market prices for permanent crops, specialty/vegetable row crops or commodity row crops grown on our farms.

As a result, any downturn in the profitability of the farming operations of our tenants or a downturn in the agricultural industry as a whole could have a material adverse effect, and to the extent applicable, now or in the future, any tenant concentration in our portfolio may exacerbate any such potential impacts, on our financial condition, results of operations, cash flow and ability to make distributions to our stockholders.

*We may be subject to risks associated with our tenants' financial condition and liquidity position.*

A majority of our leases do not require the full payment of rent in cash in advance of the planting season, which subjects us to credit risk exposure to our farm-operator tenants and the risks associated with farming operations, such as weather, commodity price fluctuations and other factors. We will also be exposed to these risks with respect to flexible leases for which a portion of the rent is based on a percentage of a tenant's farming revenues (such as our leases for Golden Eagle, Kimberly Vineyard, Blue Heron Farms, Falcon Farms, the mature portion of Condor Ranch and Quail Run Vineyard) and leases with terms greater than one year (which as of the date of this prospectus includes all of our leases except for Tillar Farm). We also may not become aware of a tenant's financial distress until the tenant fails to make payments to us when due, which may significantly reduce the amount of time we have to evict the tenant and re-lease the property to a new tenant before the start of the spring planting season, and in the event of a tenant bankruptcy we may not be able to terminate the lease. Further, we expect that many of our future tenants will be independent farming operations, about