

adverse effect on us, including our financial condition, results of operations, cash flow and per share trading price of our common stock.

*We do not have any specific farms under contract or other legally binding obligation, or that could be considered probable acquisitions, that we will acquire with the net proceeds from this offering and, therefore, you will not have the opportunity to evaluate any acquisitions funded with the net proceeds from this offering before we make them.*

We have not yet entered into any legally binding agreements to acquire any specific farmland properties in the future, and we will not provide you with information to evaluate our investments prior to our acquisition of additional farms, other than through our disclosures required by the rules of the SEC. For a discussion of our business and growth strategies, see “Our Business and Properties—Our Business and Growth Strategies” and “Our Business and Properties—Investment Focus,” and for a discussion of certain potential acquisitions that we are currently evaluating, see “Our Business and Properties—Cropland Acquisitions under Evaluation.” We have not entered into binding commitments with respect to any of the potential acquisition opportunities described in this prospectus and there can be no assurance that we will complete any of them on favorable terms, or at all. See “—Risks Related to Our Business and Farms—Our failure to identify and consummate acquisitions that meet our investment criteria would significantly impede our ability to achieve our business objectives, including growing our portfolio and diversifying by geography, crop type and tenant, which could materially adversely affect our results of operations and ability to make distributions to our stockholders.

Although we intend to use the net proceeds from this offering (exclusive of the portion used to repay outstanding indebtedness) to acquire farms, we cannot assure you that we will be able to do so. Our failure to apply the net proceeds from this offering effectively or find suitable assets to acquire in a timely manner or on acceptable terms could result in losses or returns that are substantially below expectations.

Pending application of the net proceeds from this offering, we intend to invest the net proceeds in interest-bearing accounts, money market accounts and interest-bearing securities in a manner that is consistent with our intention to qualify for taxation as a REIT. We expect that these initial investments will provide a lower net return than we expect to receive from the investments described above. We may not be successful in completing any investments we identify and the farms we acquire may not produce our anticipated, or any, positive returns.

*Our cash available for distribution to stockholders may not be sufficient to make distributions, and we may need to borrow in order to make such distributions or may not be able to make such distributions at all.*

In order to remain competitive with alternative investments, our distribution rate may exceed our cash available for distribution, including cash generated from operations. In the event this happens, we intend to fund the difference out of any excess cash on hand, from borrowings or from the net proceeds from this offering. To the extent we borrow to fund distributions, our future interest costs would increase, thereby reducing our earnings and ability to make distributions from what they otherwise would have been. If we do not have sufficient cash available for distribution generated by our assets to pay the quarterly distribution set by our Board of Directors, or if cash available for distribution decreases in future periods, the market price of our common stock could decrease.

All distributions will be made at the discretion of our Board of Directors and will depend on our earnings, our financial condition, whether or not we have qualified as a REIT, and other factors as our Board of Directors may deem relevant from time to time. We may not be able to make distributions in the future. In addition, some of our distributions may include a return of capital. To the extent that our Board of Directors approves distributions in excess of our then current and accumulated earnings and profits, these excess distributions would generally be considered a return of capital for U.S. federal