

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those expected or implied in these forward looking statements as a result of certain factors, including those set forth under the heading "Risk Factors" and elsewhere in this prospectus. See "Cautionary Note Regarding Forward-Looking Statements." The following discussion and analysis should be read in conjunction with our unaudited consolidated financial statements and related notes thereto as of and for the six months ended June 30, 2015, our audited consolidated financial statements and related notes thereto as of and for the years ended December 31, 2014 and 2013, and the unaudited pro forma consolidated financial statements and related notes thereto, each included elsewhere in this prospectus. Where appropriate, the following discussion includes analysis of the effects of this offering, the Internalization and the redemption of our Series A Preferred Stock. These effects are reflected in our unaudited pro forma consolidated financial statements located elsewhere in this prospectus.

Our Company

While we will be internally managed upon completion of this offering, we have previously been an externally managed real estate company. We focus primarily on the acquisition of a diversified portfolio of permanent crop, specialty/vegetable row crop and commodity row crop farmland, including development farmland located in the U.S. in select major agricultural states. We lease our farms to experienced professional farmer tenants under a variety of lease structures with staggered durations, including fixed leases and participating leases. As of June 30, 2015, our portfolio was comprised of 17 farms with approximately 15,378 gross acres, including nine farms in California, three farms in Florida, three farms in Illinois, one property in Arkansas and one property consisting of two aggregated parcels, one of which is in Alabama and the other of which is in Georgia. Subsequent to June 30, 2015, we have acquired two additional properties (one of which was aggregated with an existing farm), increasing our total portfolio to approximately 16,136 gross acres with a value of approximately \$207.7 million, holding the two recent acquisitions at cost. For a more detailed discussion of our farms, see "Our Business and Farms—Our Portfolio."

We were formed as a Maryland corporation in October 2009, and we have elected to qualify as a real estate investment trust, or REIT, for U.S. federal income tax purposes commencing with our taxable year ended December 31, 2012. We conduct all of our business activities through our operating partnership, of which we will be the sole general partner following the Internalization.

Internalization

Since commencing operations in October 2009, we have been externally managed by AFA, which is an affiliate of Optima. On November 25, 2014, we and our operating partnership entered into a Contribution Agreement with AFTRS and each of the holders of equity ownership interests in AFA pursuant to which, upon the completion of this offering, we will internalize the management functions historically provided by AFA. As consideration in the Internalization, our operating partnership will issue Common Units with an aggregate value of \$12 million to AFTRS and each of the holders of equity ownership interests in AFA. On December 15, 2014, we received the requisite consent from a majority of our disinterested stockholders approving the Internalization. We expect that the Internalization will be completed simultaneously with, and conditioned upon, the completion of this offering. See "Structure of Our Company—Internalization."

We expect that, after the Internalization, our management team will be comprised of the current employees of our company as well as shared employees with Optima pursuant to an arrangement described below. See "Certain Relationships and Related Party Transactions—Transitional Services