

The third revolving credit facility of \$25 million (i) has a maturity date of August 1, 2020, (ii) bears interest at a rate per annum equal to the 90 day LIBOR, plus 130 basis points, and (iii) requires us to make quarterly interest payments on April 1, July 1, October 1 and January 1 of each calendar year. Additionally, the third revolving credit facility requires us to pay a quarterly non-usage fee equal to (x) 0.25%, on an annualized basis, multiplied by (y) an amount equal to the total funds drawn under the facility subtracted from the aggregate principal amount of \$25 million.

Events of Default

The revolving credit facilities contain customary events of default, including defaults in the payment of principal or interest, defaults in compliance in all material respects with the terms and conditions of the agreement and other documents evidencing the credit facilities, defaults in payments relating to any other indebtedness owed to the lender, and bankruptcy or other insolvency events. As of June 30, 2015, we were in compliance with all covenants contained in the credit facility agreement.

Security

The original revolving credit facility is secured by first lien mortgages on our Pleasant Plains, Macomb Farm, Sweetwater Farm, Tillar Farm and Kane County Farms properties, with the loan commitment amount not to exceed 50% of the current appraised value of the farms pledged as collateral.

The second revolving credit facility is secured by first lien mortgages on our Sandpiper Ranch, Quail Run Vineyard, Golden Eagle Ranch and Blue Heron Farms properties, with the loan commitment amount not to exceed 50% of the current appraised value of the farms pledged as collateral.

The third revolving credit facility is secured by first lien mortgages on our Kimberly Vineyard 2, Condor Ranch, Roadrunner Ranch, Blue Cypress, Grassy Island Groves properties, with the loan commitment amount not to exceed 50% of the current appraised value of the farms pledged as collateral.

Distributions and Equity Transactions

In order to qualify as a REIT, we generally are required to distribute to our stockholders, on an annual basis, at least 90% of our REIT taxable income, determined without regard to the deduction for dividends paid and excluding net capital gains. We expect to make quarterly distributions to our stockholders in a manner intended to satisfy this requirement. Prior to making any distributions for U.S. federal tax purposes or otherwise, we must first satisfy our operating and debt service obligations. It is possible that it would be necessary to utilize cash reserves, liquidate assets at unfavorable prices or incur additional indebtedness in order to make required distributions. It is also possible that our Board of Directors could decide to make required distributions in part by using shares of our stock.

We previously maintained a distribution reinvestment program, or DRP, which allowed our stockholders who have purchased shares in our private placements to automatically reinvest dividends by purchasing additional shares from us. Such purchases under our DRP are not subject to brokerage commission fees or service charges. As of June 30, 2015, we had issued approximately 82,412 shares pursuant to the DRP for aggregate proceeds of \$911,867. During the six months ended June 30, 2015 and year ended December 31, 2014, we received \$0 and \$351,198, respectively, in investor proceeds through our DRP. The Board of Directors temporarily suspended the DRP at its February 2015 meeting.