

Kane County Farms

The Property. We acquired Kane County Farms, a commodity row crop farm in the premier corn producing area of North-Central Illinois, in June 2011 for a purchase price of approximately \$17.2 million. Kane County Farms consists of 1,652 gross acres, with 1,617 tillable acres, currently planted with corn in rotation with soybeans on four separate parcels. We hold Kane County Farms in fee simple through our wholly owned subsidiary Abraham (IL) LLC. On June 30, 2015, Cochran Ag Services, Inc., an independent Illinois certified general real estate appraiser, concluded that the market value of the property was \$19.5 million, relying most heavily on the comparable sales approach to valuation. We have no immediate plans to improve the property. We believe that there may be some potential for residential development upon disposition in the future as one parcel abuts the 54th ranked modern golf course, as per Golfweek’s 2015 ratings, and with suburban sprawl of the greater Chicago/ Aurora metropolitan area.

Demand Generators and Competition. Kane County Farms is a commodity row crop farm located in a premier corn-producing area of Illinois for which there is an established and highly competitive tenant market. Continued global growth in population and consumer income and the demand for biofuels (e.g., ethanol from corn) and the increasing need for feed for livestock, as well as the location and high-quality soils (90% Class I) of this property, should, in our opinion, continue to drive leasing demand for this farm.

Operating and Occupancy Information.

	Six Months Ended June 30, 2015	Year Ended December 31,			
		2014	2013	2012	2011 ⁽¹⁾
Occupancy ⁽²⁾	100%	100%	100%	100%	100%
Rental revenue ⁽³⁾	\$351,164	\$701,308	\$764,409	\$721,770	\$257,931
Total leased acreage ⁽⁴⁾	1,611	1,611	1,611	1,611	1,611
Rent per leased acre	\$ 218	\$ 435	\$ 474	\$ 448	\$ 160

- (1) Farm was acquired during 2011 and we assumed existing leases.
- (2) Based on percentage of tillable acres currently leased.
- (3) Subject to a fixed lease.
- (4) Appraisal net acreage totals may differ slightly from tillable acreage totals stated in leases and are rounded.

Description of Tenants

Our farms are leased to 15 separate third-party tenants, of which the tenant at our Golden Eagle Ranch farm represented approximately 38.7% of our 2014 contractual rent. Additionally, our tenants at Blue Heron Farms, Kane County Farms, Pleasant Plains, Sandpiper Ranch, Sweetwater Farm and Quail Run Vineyard represented approximately 11.7%, 10.6%, 7.6%, 6.1%, 5.7% and 5.6%, respectively, of our 2014 contractual rent received through December 31, 2014, which does not include certain rent to be paid under 2014 participating leases that was not recognized in 2014. No other tenant represents greater than 5.0% of our 2014 contractual rent.

The tenant at our Golden Eagle Ranch farm represents approximately 57.6% of our 2015 contractual rent received through June 30, 2015, due in large part to the timing of the sale of the 2014 harvest in 2015 as well as increased almond prices. Our tenants at Kane County Farms, Pleasant Plains and Blue Heron Farms represented approximately 7.5%, 5.4% and 5.2%, respectively, of our 2015 contractual rent received through June 30, 2015, which does not include certain rent to be paid under participating leases that has not yet been recognized. No other tenant represents greater than 5.0% of