

with respect to the registration of shares of our common stock for which Common Units held by such Contributors may be redeemed. See “Shares Eligible for Future Sale—Registration Rights.” Additionally, we will enter into a Second Amended and Restated Agreement of Limited Partnership of our operating partnership, pursuant to which, among other matters, AFA will withdraw as a co-general partner of our operating partnership and we will serve as its sole general partner. See “Our Operating Partnership and the Amended Partnership Agreement.”

Special Committee, Board and Stockholder Approval

Some of our directors are, or are affiliated with, equity owners of AFA or are employees of Optima. As a result, those directors have, or may have, interests in the Internalization that differ from those of our existing stockholders. To address these potential conflicts of interest, our Board of Directors formed a special committee comprised of two of our independent and disinterested directors, James B. Hoover and Mark Wilkinson, to review, consider and negotiate the proposed Internalization on our behalf. Among other responsibilities, the special committee was asked to ultimately determine whether or not we should pursue the Internalization and to make a recommendation to the full Board of Directors. To advise it in these matters, the special committee engaged an independent financial advisor and independent legal counsel and received a fairness opinion from its independent financial advisor. On the morning of November 25, 2014, the special committee approved the Internalization and related agreements, and recommended that our Board of Directors also approve the Internalization and the related agreements. On November 25, 2014, our Board of Directors considered the special committee’s recommendation and, based in part on such recommendation, approved the Internalization and recommended that our stockholders approve the Internalization. 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.

Our Operating Entities

Our Company

We are currently an externally managed Maryland corporation focused primarily on the acquisition of a diversified portfolio of specialty/vegetable row crop, commodity row crop and permanent crop farmland located in the U.S. in select major agricultural states. We have structured our portfolio with the goal of achieving annual returns both from income and capital appreciation that meet or exceed returns from comparable farms and that display low correlation to other asset class returns and limited volatility. We generate virtually all of our revenue by leasing our portfolio of farms. As of June 30, 2015, we owned 17 farms located in Alabama, Arkansas, California, Florida, Georgia and Illinois.

We were incorporated in Maryland and commenced operations on October 15, 2009. Because we did not have taxable income for the years ended December 31, 2009 through December 31, 2011, we did not elect REIT status for those years and were treated for U.S. federal tax purposes as a regular C corporation. We elected to be treated as a REIT for U.S. federal tax purposes, commencing with, and in connection with the filing of our federal tax return for, the taxable year ended December 31, 2012. As a REIT, we generally are not subject to federal income tax on the taxable income that we distribute to our stockholders. If we fail to qualify as a REIT in any taxable year, we will be subject to federal income tax at regular corporate rates. Even if we qualify for taxation as a REIT, we may be subject to some federal, state and local taxes on our income or property. In addition, the income of any taxable REIT subsidiary that we own will be subject to taxation at regular corporate rates.

We conduct our business and own all of our farms through our operating partnership. As of June 30, 2015, we owned approximately 81.2% of the partnership interests in our operating partnership, which includes the Co-General Partner interest, and, following the Internalization described in “—Internalization,” we anticipate owning approximately 76.5% of the partnership interests in our operating partnership.

Our Operating Partnership

Our operating partnership is a Delaware limited partnership formed on August 14, 2009, which commenced operations on October 15, 2009. Our operating partnership holds substantially all of our assets and conducts all of our operations. Following this offering and the Internalization as described above under “—Internalization,” we will be the exclusive general partner of our operating partnership.