FBR & Co.

Financial Services/Real Estate: Specialty REITs

September 13, 2016

Company Update

Farmland Partners to Acquire American Farmland Co. in Stock-for-Stock Transaction

Summary and Recommendation

On the morning of September 12, **Farmland Partners Inc. (FPI – Outperform)** announced that it had entered into an agreement to acquire **American Farmland Company (AFCO – Outperform)** in a stock-for-stock transaction, creating the largest publicly traded farmland REIT. The merger is expected to grow FPI's total acreage by 15% and should yield a combined company with a market cap of roughly $360 million based on yesterday's close. We view the acquisition as a positive for shareholders of FPI as the new company should benefit from increased scale, better access to capital, a more attractive cost of capital, and cost-related synergies, which should ultimately drive AFFO growth. We believe that increased earnings power will further support the company's quarterly dividend of $0.1275, which currently offers a ~4.5% yield to buyers at these levels. Reflecting the announcement, as well as some adjustments made to our AFFO assumptions, we are increasing our FPI estimates for FY16 AFFO per share to $0.38 from $0.19 and our FY17 AFFO per share estimate to $0.48 from $0.26. We are also modestly increasing our NAV per share estimate for FPI from $12.03 to $12.09.

Key Points

- **FPI to benefit from synergies and earnings accretion.** The acquisition will yield a larger and more diversified platform. We believe that the company's increased scale will result in better access to the debt capital markets as a source of funding growth and a more attractive cost of capital as well. On a pro forma basis, the acquisition is expected to increase total revenues by 62% in FY16 to $42 million from $26 million. FPI expects to eliminate certain administrative expenses and costs related to being a public company. The company also expects to recognize 10% AFFO accretion in FY17 and 20% AFFO accretion upon all cost-saving initiatives being recognized. AFCO also has four farms in development that should come on line over the next three years, adding an additional $2.7 million of revenue.
- **Still more growth to come.** Management noted that it has no intention of slowing down its growth despite making such a sizable acquisition. We do not think that another "AFCO-sized" deal is on the horizon necessarily, but we do think the company has some smaller potential acquisitions in the pipeline that will come before the AFCO transaction officially closes. AFCO runs leverage at a more conservative level than FPI given the riskier nature of its portfolio, which should effectively de-leverage the company upon the deal closing. With that in mind, we think FPI can look to take on more debt capital to fund future growth in FY17.
- **Pro forma portfolio snapshot.** The combined company will have total farmland assets in excess of $850 million and 293 farms with a total acreage of roughly 133,000 acres. The portfolio will be diversified throughout 16 states and will have more than 25 major crop types. The management team articulated on its conference call that the AFCO portfolio brings it much more in line with its target portfolio mix, with 74% of the portfolio consisting of permanent and specialty crops and 26% of the portfolio consisting of row crops. Additionally, the acquisition now puts the company in the California market, which is a desirable geography.
- **Terms of the deal.** FPI has agreed to acquire 100% of AFCO's outstanding common stock in a stock-for-stock transaction. The exchange ratio is 0.7417x, and shareholders of FPI are expected to own 65% of the new company, whereas AFCO shareholders are expected to own 35%. We believe this values the company at a market cap of approximately $140 million, or a 33% premium to the company's current market cap of $105 million. We estimate that the deal values AFCO at roughly 80% of net asset value. Under the terms of the deal, AFCO Chairman D. Dixon Boardman and CEO Thomas S.T. Gimbel will join FPI's board of directors, and Robert Cowan, AFCO's president and CIO, will join FPI as president. The transaction is expected to close sometime in late 4Q16 or early 1Q17.

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Pro Forma NAV Suggests Shares Are Trading at a Discount

We calculate the net asset value (NAV) of the combined company to be approximately $418 million, or $12.09 on a per share basis. To derive our NAV estimate, we assigned a blended cap rate of 4.75% on the total in-place NOI of both FPI and AFCO to first calculate the market value of real estate assets. We then added in other assets and subtracted the debt and other liabilities of both companies, which brought us to our estimate. Using the stated exchange ratio of 0.7417x, we calculated a pro forma share count of 34.6 million.

With shares of FPI currently trading at $10.42, our analysis suggests that the company is currently valued at a 14% discount to its NAV. Our $12 price target equates to a 1.0x NAV multiple, which we view to be appropriate given the stability of the asset class and the enhanced scale/liquidity profile following the completion of the AFCO acquisition.

Pro Forma Net Asset Value Analysis

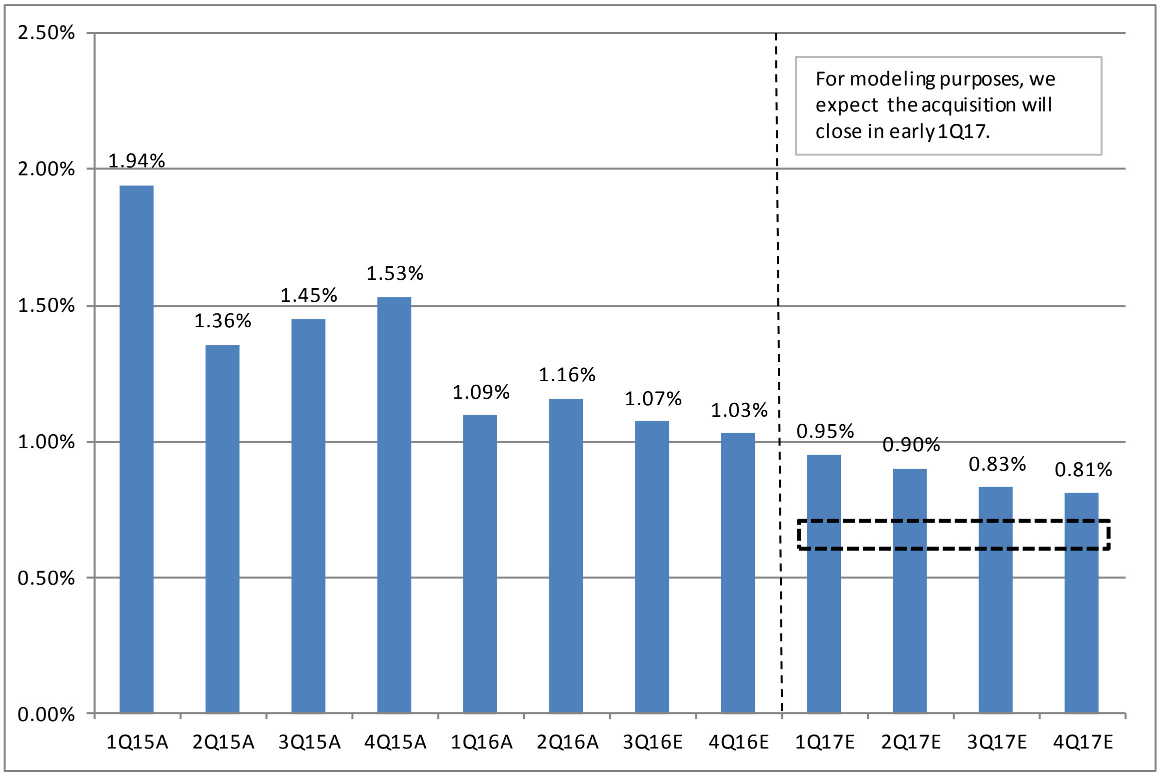
FPI FY16E in-place cash NOI	23,826
AFCO FY16E in-place cash NOI	12,599
Total in-place cash NOI	36,425
Cap rate	**4.75%**
Market value of real estate	**766,851**
Add:	
FPI cash	32,464
AFCO cash	2,374
FPI other assets	7,445
AFCO other assets	2,052
Total market value of assets	**811,186**
Less:	
FPI debt	297,289
AFCO debt	80,950
FPI other liabilities	7,226
AFCO other liabilities	7,719
Total liabilities	**393,184**
Net asset value	**418,002**
Pro forma sharecount	34,567
NAV per share	**$12.09**
Current FPI share price	**$10.42**
Premium (discount) to NAV	**-13.8%**
Implied market cap	**360,185**
Implied market value of assets	**709,034**
Implied cap rate	**5.1%**
Total acreage	**133,000**
Implied price per acre	**5,766**

Share price as of market close on September 12, 2016.
Share count does not include common stock issued outside of AFCO transaction.
$ in thousands, except per share.

Source: Company documents and FBR Research

Enhanced Operating Leverage Could Be Accretive to AFFO

G&A Forecast As a Percentage of Gross Real Estate Assets



Assumes the AFCO acquisition closes in early 1Q17.

Source: Company documents and FBR Research

Management noted in its conference call that it expects to achieve material cost-saving synergies through the transaction as it looks to consolidate company headquarters, reduce head count, and cut out overlapping public company administrative costs. As such, we believe FPI should be able to reduce its G&A as a percentage of gross real estate assets to a level more in line with traditional REIT peers.

- Reflecting the cost savings mentioned above, the company guided to 10% AFFO accretion in FY16 and 20% AFFO accretion upon all cost-related synergies being recognized. Importantly, this guidance does not include any potential benefit from an improved cost of capital or better deal sourcing that it may recognize given the enhanced scale of the platform.

- As we highlight in the chart above, management guided to G&A as a percentage of gross real estate assets in the range of 60 bps to 70 bps upon fully recognizing cost-related synergies. **We currently believe the company can achieve close to 80 bps by the end of FY17 and expect FPI to hone in on its guidance range in FY18 as it continues to take expenses out of the platform and also recognizes synergies linked to being a larger platform on the revenue side.**

Pro Forma Company Snapshot

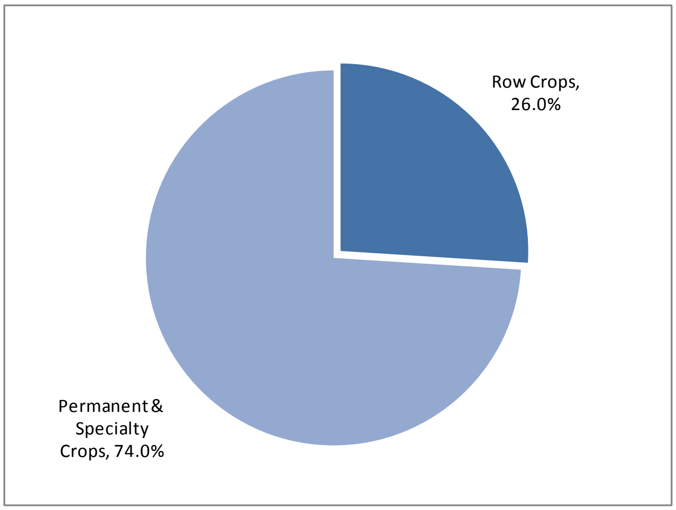
Pro Forma Company Metrics

	FPI		AFCO		Pro Forma Company
Enterprise Value ($000s)	607,636		200,128		856,788
Net Debt to Enterprise Value	44%	+	39%	=	40%
Number of Farms	272		21		293
Total Acres	115,300		17,800		133,000

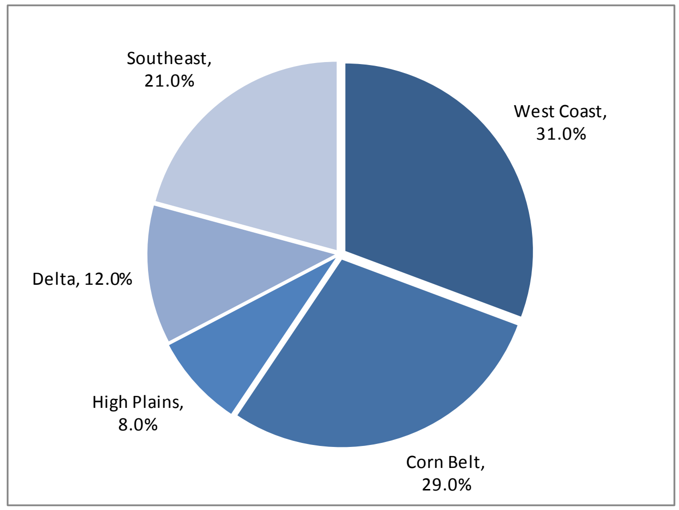
AFCO total acreage does not include 2,000 acres of developmental land.
Enterprise value is based off of 09/09/2016 30-day VWAP market cap and balance sheet items as of 6/30/2016.

Source: Company documents and FBR Research

Portfolio by Crop Type



Portfolio by Geography



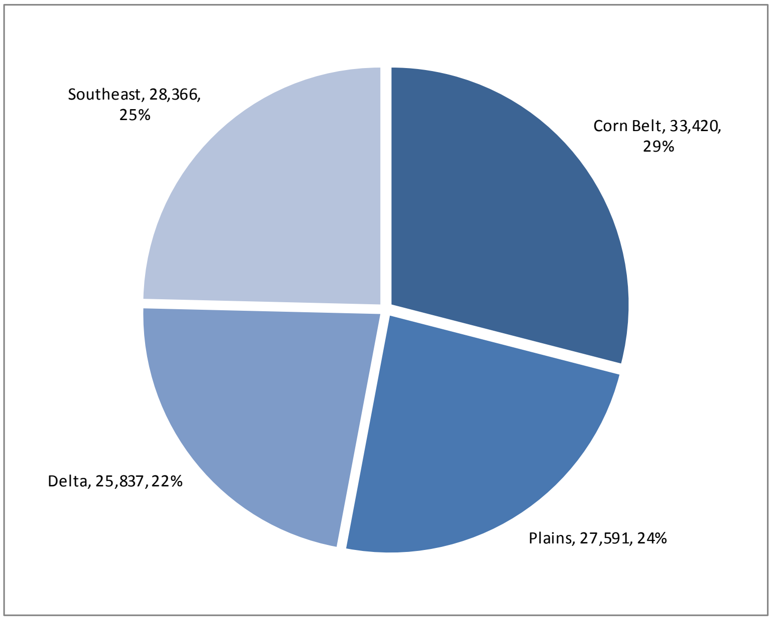
Source: Company documents and FBR Research

Farmland Partners Inc.—Company Overview

Farmland Partners is an internally managed REIT that owns primarily row crop farmland, which includes grains (such as corn, wheat, and rice), oilseeds (such as soybeans and rapeseed), forage crops (such as alfalfa, grass hay, and corn silage), and cotton.

As of August 9, 2016, the company had 270 farms with 115,214 acres owned or under contract across 14 states. This includes four farms with 3,974 acres under contract. This compares to just 73 farms and 48,348 acres as of January 2015. The company also originates loans for farmers to help finance farm operations and upkeep.

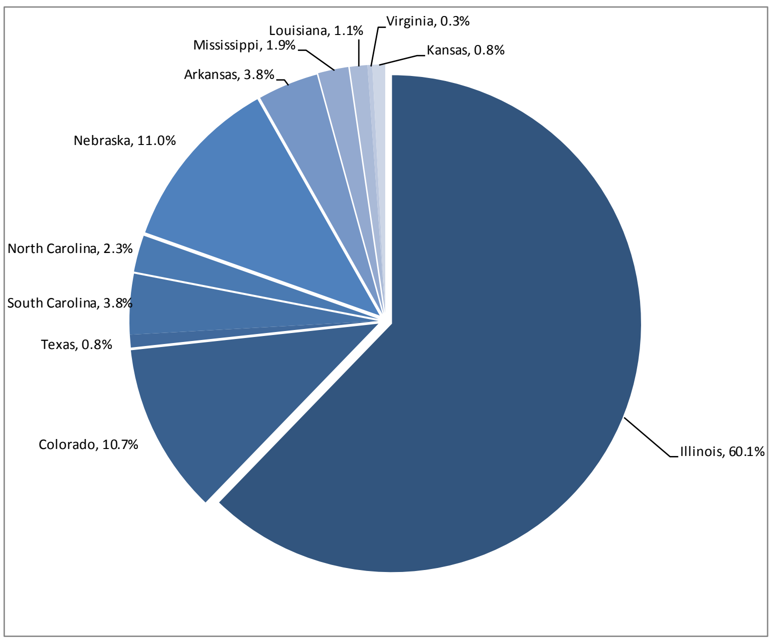
Acres Owned or under Contract by Region



Includes owned and under contract.
As of August 9, 2016.

Source: Company documents and FBR Research

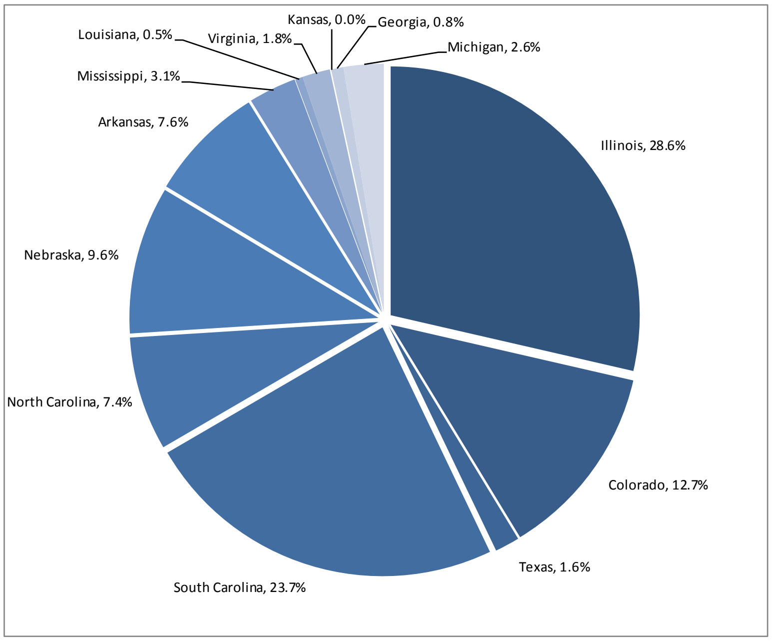
Total Acres Owned by Geography



As of June 30, 2016

Source: Company documents and FBR Research

Rental Income Recognized by Geography



Through the six months ended June 30, 2016

Source: Company documents and FBR Research

American Farmland Company—Company Overview

American Farmland Company is an internally managed REIT that owns and develops farmland throughout the U.S. Importantly, American Farmland does NOT directly farm the properties; it is simply the owner of the properties. As of June 30, 2016, American Farmland's portfolio comprised 22 properties with more than 18,322 gross acres (14,979 tillable acres) that stretch across 13 states with 21 different crops.

Property Summary

Farm Type	Number of Farms	Tillable Acres	Gross Acres	Net Book Value	% Allocation
Permanent crop	10	5,428	6,826	147,059	62%
Specialty/vegetable row crop	3	3,644	4,502	24,054	10%
Commodity row crop	4	4,446	4,726	32,560	14%
Farmland development	5	1,461	2,268	33,224	14%
Total	**22**	**14,979**	**18,322**	**236,896**	**100%**

As of June 30, 2016.
$ in thousands.

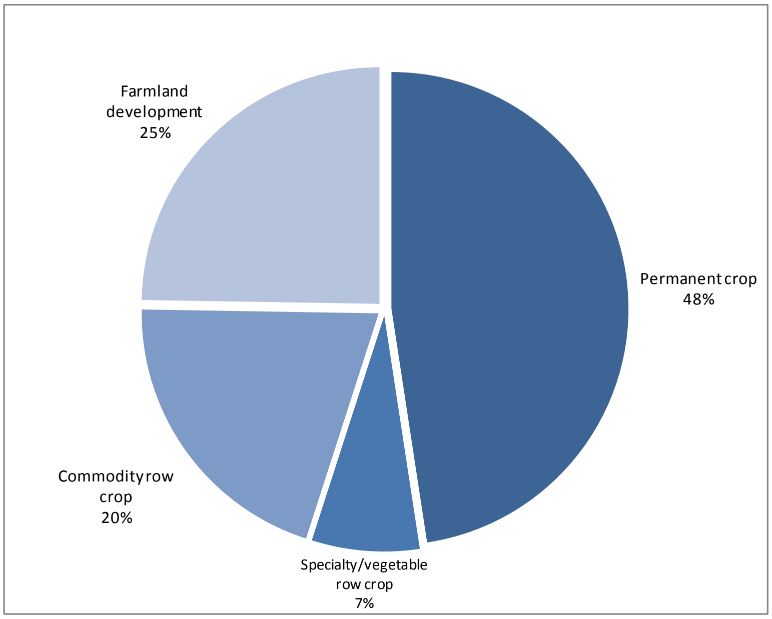
Source: Company documents and FBR Research

Portfolio Attributes

The company's portfolio as attributed by total appraised market value is comprised of the following:

- **48% permanent crops:** plant, vine, or tree structures that produce yearly crops without having to be replanted (e.g., almonds, walnuts, pistachios, grapes, lemons, citrus, and avocados).
- **7% specialty/vegetable row crops:** planted annually but may have longer life spans up to several years (e.g., strawberries, onions, peppers, melons, and peanuts).
- **20% commodity row crops:** planted and harvested annually (e.g., corn, wheat, soybeans, and rice).
- **25% farmland for development** that is intended to grow wine grapes, citrus, pistachios, avocados, and lemons.

Appraised Value of Portfolio by Crop Type



As of June 30, 2016

Source: Company documents and FBR Research

- Approximately 81% of American Farmland's gross acres are currently located in California, Florida, and Illinois.
- These three states accounted for 36%, 27%, and, 18%, respectively, of American Farmland's 2016 contractual rent through 2Q16.

Farmland Crop Type Overview

Farm crops can generally be divided into two principal categories: annual row crops and permanent crops.

- Annual row crops are planted and harvested annually or more frequently. Annual row crops can be further divided into two subcategories: primary row crops and fresh produce. Primary row crops include grains (such as corn, wheat, and rice), oilseeds (such as soybeans and rapeseed), forage crops (such as alfalfa, grass hay, and corn silage), and cotton. Fresh produce generally encompasses nonpermanent fruits and vegetables such as strawberries, lettuce, melons, and peppers.
- Permanent crops, such as oranges, apples, almonds, and grapes, have plant structures that produce yearly crops without being replanted.
- **We think investors in permanent crops should be rewarded with higher returns, as there is more risk than with row crops.** For example, permanent crops take longer to grow and mature before generating yield or output. Additionally, if a permanent planting becomes damaged to due weather, fire, disease, etc., it can take substantially longer to regrow the planting than a row crop, which is replanted again and again every year.

Investment Risks

FPI - Farmland Partners Inc.

Geographic concentration risk. The company's ownership of farmland is generally concentrated in Colorado, North Carolina, South Carolina, and Arkansas. Adverse developments related to weather, economic, or regulatory changes in these locations could negatively affect results.

Asset concentration risk. Farmland Partners' properties typically grow primary row crops, including corn, soybeans, and wheat. Lower prices on these types of crops could have potential adverse consequences for the company.

Short lease terms. The company's leases generally expire within one to three years. There is risk that the company may not be able to secure the same or new tenants for its properties and/or may be subject to lower rents upon renewal or lease.

Interest rate risk. The company may use debt to finance acquisitions, which leads to the potential for negative development upon interest rate volatility. Additionally, real estate values are generally negatively correlated to interest rates.

Related-party ownership risk. Year to date through September 30, 2015, 23% of rental income recognized was to Astoria Farms and Hough Farms, which are related parties. These farms are leased to Paul Pittman, Farmland Partners' CEO, and other related parties. If Mr. Pittman were not to renew his leases, this could have a materially negative impact on the business. In addition, these leases were not negotiated on an arms-length basis, and the terms, including rent and other items, may not be as favorable to the company as if the leases had been negotiated with an unaffiliated third party. These related-party transactions are clearly acknowledged in the company's SEC public filings.

AFCO – American Farmland Company

Geographic concentration risk. The company's ownership of farmland is generally concentrated in California, Florida, and Illinois. Adverse developments related to weather, economic, or regulatory changes in these locations could negatively affect results.

Commodity price risk. Volatility in crop prices could negatively affect farmland prices, which could lead to a lower valuation of American Farmland's investments and thus the company's stock.

Lease structure risk. American Farmland's investments in permanent crop farms have participating leases. Because the company invests in properties under participating leases, some of the cash flow is tied to the performance of the farm, thus exposing the company to risks including declining crop prices, lower-than-average crop production, interest rate risk, and risk of farmers being unable to take advantage of market rates.

Development risk. Developmental properties have a longer period between development and positive operating cash flow than other investment property types, as well as increased risks of higher development costs, lower profitability of newly developed farms, and possibly higher ongoing costs.

Interest rate risk. The company may use debt to finance acquisitions, which leads to the potential for a negative development upon interest rate volatility. Additionally, real estate values are generally thought to be negatively correlated to interest rates.

Sub-advisor risk. American Farmland uses a sub-advisor, Prudential Agricultural Investments (PAI), which is a unit of Prudential Financial, Inc. PAI provides American Farmland with various investment, acquisition, and property management services. If American Farmland does not renew its sub-advisory agreement with PAI, the company could be negatively affected.

Income Statement—Farmland Partners Inc. (FPI)

$ in thousands, except per share

	1Q15A	2Q15A	3Q15A	4Q15A	2015E	1Q16A	2Q16A	3Q16E	4Q16E	2016E	1Q17E	2Q17E	3Q17E	4Q17E	2017E
Operating revenue															
Rental income	2,030	2,788	4,047	4,682	**13,548**	4,417	5,881	6,572	7,003	**23,872**	8,406	9,462	9,924	10,167	**37,959**
Other revenue			18	55	**64**	206	95	62	144	**507**	210	239	253	253	**956**
Tenant reimbursements	73	96	104	(138)	**135**	69	55	234	244	**602**	308	347	356	365	**1,375**
Total operating revenue	**2,103**	**2,884**	**4,169**	**4,600**	**13,747**	**4,692**	**6,031**	**6,868**	**7,390**	**24,981**	**8,924**	**10,048**	**10,533**	**10,785**	**40,290**
Expenses															
Depreciation	173	203	237	280	**893**	317	365	358	373	**1,414**	467	479	491	503	**1,940**
Property taxes	200	259	338	306	**1,104**	440	541	585	610	**2,176**	771	867	889	911	**3,439**
Acquisition and due diligence costs	11	57	112	81	**260**	57	48	50	50	**205**	75	75	75	75	**300**
General and administrative	875	989	1,112	1,216	**4,192**	1,526	1,657	1,600	1,600	**6,383**	1,850	1,800	1,700	1,700	**7,050**
Legal and professional fees	268	162	216	444	**1,090**	367	186	185	185	**923**	185	185	185	185	**740**
Other operating expenses					**0**	89	0	0	0	**89**	0	0	0	0	**0**
Total operating expenses	**1,528**	**1,670**	**2,015**	**2,327**	**7,539**	**2,796**	**2,797**	**2,778**	**2,818**	**11,190**	**3,348**	**3,406**	**3,340**	**3,374**	**13,469**
Operating income (loss)	**576**	**1,213**	**2,154**	**2,273**	**6,208**	**1,896**	**3,234**	**4,090**	**4,572**	**13,791**	**5,576**	**6,641**	**7,193**	**7,410**	**26,821**
Other income	0	0	(98)	0	**(98)**	(28)	(33)	0	0	**(61)**	0	0	0	0	**0**
Interest expense	773	1,069	1,391	1,384	**4,616**	3,854	1,950	1,982	2,092	**9,878**	2,224	2,408	2,591	2,775	**9,998**
Income tax expense	0.0	0.0	4.4	6	**10.0**	0	0	0	0	**0**	0	0	0	0	**0.0**
Net income (loss) from continuing operations before non-controlling interest	**(197)**	**145**	**858**	**883**	**1,690**	**(1,930)**	**1,317**	**2,107**	**2,480**	**3,975**	**3,353**	**4,234**	**4,602**	**4,635**	**16,823**
Net loss (income) attributable to non-controlling interests - OP	40	(34)	(184)	(182)	**(360)**	475	(408)	(755)	(888)	**(1,576)**	(681)	(849)	(923)	(929)	**(3,382)**
Net loss (income) attributable to redeemable non-controlling interests - OP	0	(4)	(49)	(49)	**(102)**	101	(37)	(116)	(136)	**(188)**	(184)	(233)	(253)	(255)	**(925)**
Net (loss) income attributable to the company	**(156)**	**107**	**624**	**653**	**1,228**	**(1,354)**	**872**	**1,237**	**1,456**	**2,211**	**2,487**	**3,152**	**3,426**	**3,451**	**12,516**
Non-forfeitable dividends allocated to unvested restricted shares	(25)	(18)	(19)	(18)	**(80)**	(30)	(23)	(18)	(18)	**(89)**	(18)	(18)	(18)	(18)	**(72)**
Dividends on redeemable, common units	0	(113)	(113)	(113)	**(338)**	(113)	0	0	0	**(113)**	0	0	0	0	**0**
Dividends on redeemable , preferred units	0	0	0	0	**0**	(283)	(887)	(886)	(886)	**(2,943)**	(886)	(886)	(886)	(886)	**(3,545)**
Net loss available to common stockholders of Farmland Partners Inc.	**(181)**	**(24)**	**492**	**522**	**810**	**(1,780)**	**(38)**	**333**	**551**	**2,009**	**1,583**	**2,248**	**2,522**	**2,547**	**12,444**
EPS, diluted	**($0.02)**	**($0.00)**	**$0.04**	**$0.04**	**$0.08**	**($0.15)**	**($0.00)**	**$0.03**	**$0.04**	**$0.16**	**$0.06**	**$0.08**	**$0.09**	**$0.09**	**$0.45**
FFO, diluted	**($0.00)**	**$0.03**	**$0.07**	**$0.07**	**$0.20**	**($0.09)**	**$0.09**	**$0.13**	**$0.15**	**$0.29**	**$0.11**	**$0.14**	**$0.15**	**$0.15**	**$0.54**
AFFO, diluted	**$0.04**	**$0.16**	**$0.11**	**$0.12**	**$0.45**	**$0.11**	**$0.06**	**$0.10**	**$0.12**	**$0.38**	**$0.10**	**$0.12**	**$0.13**	**$0.13**	**$0.48**
Dividend per share	**$0.12**	**$0.13**	**$0.13**	**$0.13**	**$0.50**	**$0.13**	**$0.13**	**$0.13**	**$0.13**	**$0.51**	**$0.13**	**$0.13**	**$0.13**	**$0.13**	**$0.51**
FFO															
Net income (loss) from continuing operations before non-controlling interest	(197)	145	858	883	**1,689**	(1,930)	1,317	2,107	2,480	**3,975**	3,353	4,234	4,602	4,635	**16,823**
Depreciation	173	203	237	280	**893**	317	365	358	373	**1,414**	467	479	491	503	**1,940**
FFO, diluted	**(24)**	**348**	**1,095**	**1,163**	**2,582**	**(1,613)**	**1,682**	**2,466**	**2,854**	**5,388**	**3,820**	**4,713**	**5,093**	**5,138**	**18,764**
Crop year adjusted revenue	70	1,099	295	303	**1,767**	1,101	0	0	0	**1,101**	0	0	0	0	**0**
Stock-based compensation	239	241	229	233	**942**	243	314	250	250	**1,057**	250	250	250	250	**1,000**
Indirect equity offering costs	0	0	10	24	**34**	24	24	24	24	**96**	24	24	24	24	**96**
Real estate acquisition related audit fees	70	20	17	147	**254**	2,294	0	0	0	**2,294**	0	0	0	0	**0**
Real estate related acquisition and due diligence	11	57	112	81	**260**	77	66	50	50	**243**	75	75	75	75	**300**
Distributions on Preferred units	0	0	0	0	**0**	(283)	(887)	(887)	(887)	**(2,944)**	(887)	(887)	(887)	(887)	**(3,548)**
AFFO, diluted	**366**	**1,765**	**1,757**	**1,950**	**5,838**	**1,843**	**1,199**	**1,903**	**2,291**	**7,235**	**3,282**	**4,175**	**4,555**	**4,600**	**16,612**
Weighted average common shares outstanding	7,530	7,893	11,158	11,851	**9,619**	11,834	12,146	12,494	12,494	**12,242**	27,338	27,792	27,792	27,792	**27,678**
Weighted average common shares + OP units outstanding	9,689	11,243	15,476	16,158	**13,060**	17,463	19,115	19,464	19,464	**18,876**	34,307	34,761	34,761	34,761	**34,647**
Common shares + OP units outstanding	9,689	12,797	16,300	16,286	**16,286**	18,894	19,591	19,591	19,591	**19,591**	35,476	35,476	35,476	35,476	**35,476**

Proprietary to FBR Capital Markets & Co. September 13, 2016

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Source: Company reports and FBR Research

Balance Sheet—Farmland Partners Inc. (FPI)

$ in thousands, except per share

	1Q15A	2Q15A	3Q15A	4Q15A	2015E	1Q16A	2Q16A	3Q16E	4Q16E	2016E	1Q17E	2Q17E	3Q17E	4Q17E	2017E
Assets															
Land	162,931	269,123	281,315	290,828	290,828	524,285	534,389	559,389	584,389	584,389	740,435	760,435	780,435	800,435	800,435
Grain facilities	2,651	2,651	4,260	4,830	4,830	5,447	5,447	5,447	5,447	5,447	5,447	5,447	5,447	5,447	5,447
Groundwater	5,631	6,333	6,333	6,333	6,333	7,767	8,401	8,401	8,401	8,401	8,401	8,401	8,401	8,401	8,401
Irrigation improvements	5,652	9,717	11,130	11,909	11,909	13,851	15,244	15,244	15,244	15,244	15,244	15,244	15,244	15,244	15,244
Drainage improvements	783	1,073	1,531	1,641	1,641	2,755	2,860	2,860	2,860	2,860	2,860	2,860	2,860	2,860	2,860
Permanent plantings	0	0	1,168	1,168	1,168	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845
Other real estate assets	644	681	933	913	913	1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,363
Construction in progress	1,927	1,953	216	286	286	603	2,899	2,899	2,899	2,899	2,899	2,899	2,899	2,899	2,899
Real estate, at cost	180,218	291,529	306,886	317,908	317,908	557,916	572,448	597,448	622,448	622,448	778,494	798,494	818,494	838,494	838,494
Accumulated depreciation	(950)	(1,154)	(1,391)	(1,671)	(1,671)	(1,988)	(2,353)	(2,711)	(3,085)	(3,085)	(3,552)	(4,031)	(4,522)	(5,025)	(5,025)
Total real estate, net	179,268	290,376	305,495	316,238	316,238	555,928	570,095	594,737	619,363	619,363	774,942	794,463	813,972	833,469	833,469
FPI loan receivables	0	0	1,806	2,812	2,812	2,760	1,134	3,186	6,812	6,812	7,812	8,812	8,812	8,812	8,812
Deposits	947	283	227	765	765	264	2,815	2,815	2,815	2,815	2,815	2,815	2,815	2,815	2,815
Cash and cash equivalents	18,184	20,820	42,505	23,514	23,514	35,732	32,464	20,647	12,643	12,643	51,339	60,870	71,780	82,736	82,736
Deferred financing fees, net	408	386	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred offering costs	0	188	286	267	267	267	238	238	238	238	238	238	238	238	238
Accounts receivable	363	332	1,141	703	703	1,721	1,949	1,949	1,949	1,949	1,949	1,949	1,949	1,949	1,949
Inventory	0	184	199	249	249	225	390	390	390	390	390	390	390	390	390
Other	311	417	432	407	407	941	919	919	919	919	919	919	919	919	919
Total assets	199,480	312,986	352,090	344,954	344,954	597,838	610,004	624,880	645,129	645,129	840,404	870,455	900,875	931,328	931,328
Liabilities															
Mortgage notes payable	107,776	183,453	190,061	187,074	187,074	289,604	297,289	312,289	332,289	332,289	362,289	392,289	422,289	452,289	452,289
Dividends payable	1,130	1,632	2,060	2,060	2,060	2,404	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498
Bonds payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued interest	496	559	1,457	681	681	1,539	1,478	1,478	1,478	1,478	1,478	1,478	1,478	1,478	1,478
Accrued property taxes	281	386	565	765	765	923	892	892	892	892	892	892	892	892	892
Deferred revenue	5,913	10,160	7,383	4,854	4,854	12,045	8,795	8,795	8,795	8,795	8,795	8,795	8,795	8,795	8,795
Accrued expenses	733	1,216	1,338	1,292	1,292	1,361	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358
Total liabilities	116,329	197,406	202,864	196,726	196,726	307,876	313,310	328,310	348,310	348,310	378,310	408,310	438,310	468,310	468,310
Commitments and contingencies															
Redeemable non-controlling interest in OP, common	0	9,757	9,558	9,694	9,694	9,519	0	0	0	0	0	0	0	0	0
Redeemable non-controlling interest in OP, preferred	0	0	0	0	0	117,283	118,170	118,170	118,170	118,170	118,170	118,170	118,170	118,170	118,170
Equity															
Common stock	76	84	118	118	118	118	130	130	130	130	130	130	130	130	130
Additional paid-in capital	69,857	80,876	114,796	114,783	114,783	118,171	130,138	130,138	130,138	130,138	296,184	296,184	296,184	296,184	296,184
Retained earnings	(725)	(618)	6	659	659	(695)	177	53	301	301	(470)	(418)	1	454	454
Distribution in excess of earnings	(3,034)	(4,133)	(5,661)	(7,188)	(7,188)	(8,728)	(10,470)	(10,470)	(10,470)	(10,470)	(10,470)	(10,470)	(10,470)	(10,470)	(10,470)
Members' deficit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-controlling interest in operating partnership	16,978	29,614	30,409	30,162	30,162	54,294	58,549	58,549	58,549	58,549	58,549	58,549	58,549	58,549	58,549
Total equity	83,151	105,823	139,668	138,534	138,534	163,160	178,524	178,400	178,648	178,648	343,923	343,975	344,395	344,848	344,848
Debt/gross real estate	59.8%	62.9%	61.9%	58.8%		51.9%	51.9%	52.3%	53.4%		46.5%	49.1%	51.6%	53.9%	
Debt+preferred/gross real estate	59.8%	62.9%	61.9%	58.8%		72.9%	72.6%	72.0%	72.4%		61.7%	63.9%	66.0%	68.0%	
Debt/gross assets	53.8%	58.4%	53.8%	54.0%		48.3%	48.5%	49.8%	51.3%		42.9%	44.9%	46.6%	48.3%	
Debt+preferred/gross assets	53.8%	58.4%	53.8%	54.0%		67.8%	67.8%	68.6%	69.5%		56.9%	58.4%	59.7%	60.9%	
Debt/EBITDA	23.7x	16.2x	15.1x	14.1x		19.6x	18.4x	16.4x	15.8x		14.2x	13.0x	13.1x	13.6x	
EBITDA/interest	1.5x	2.7x	2.3x	2.4x		1.0x	2.1x	2.4x	2.5x		2.9x	3.1x	3.1x	3.0x	

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Source: Company reports and FBR Research

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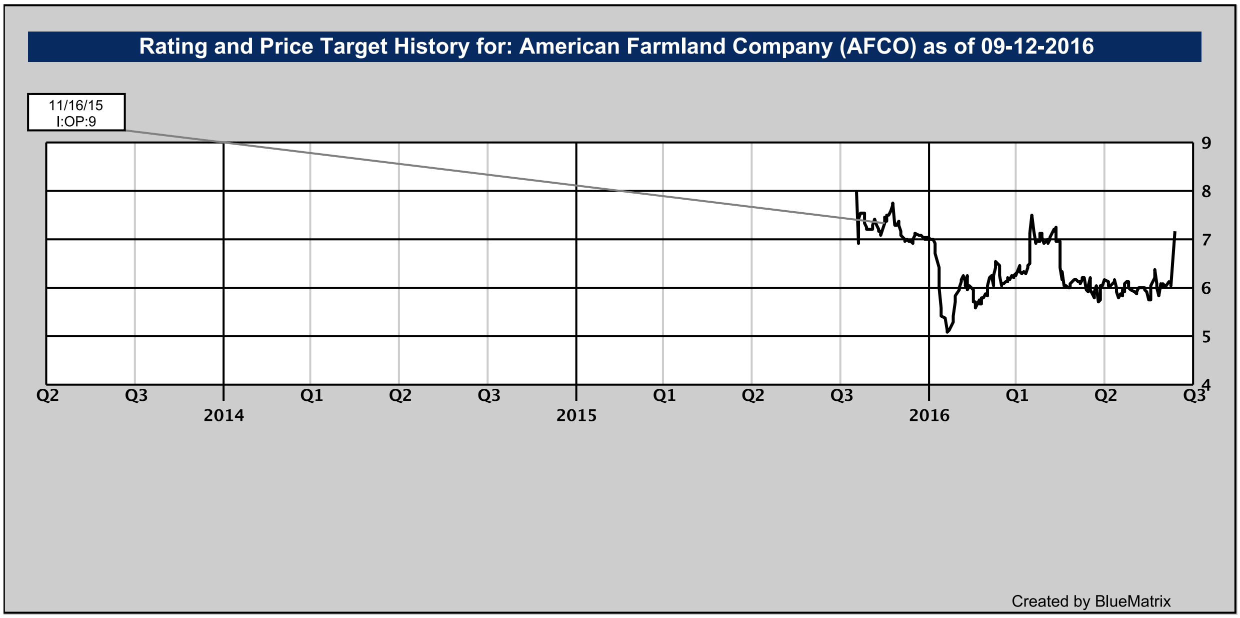
Rating and Price Target History for: American Farmland Company (AFCO) as of 09-12-2016
11/16/15
I:OP:9
9
8
7
6
5
4
Q2
Q3
2014
Q1
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Q3
2015
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2016
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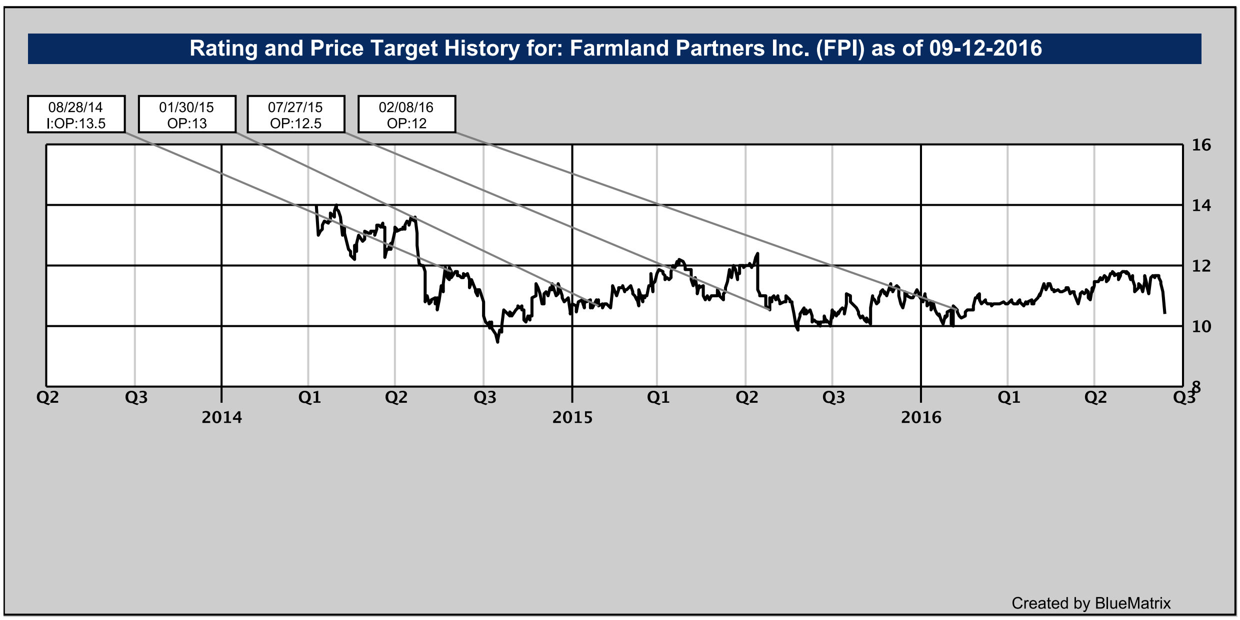
Rating and Price Target History for: Farmland Partners Inc. (FPI) as of 09-12-2016
08/28/14
I:OP:13.5
01/30/15
OP:13
07/27/15
OP:12.5
02/08/16
OP:12
16
14
12
10
8
Q2
Q3
2014
Q1
Q2
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2015
Q1
Q2
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2016
Q1
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