Risk Factors Comparison 2024-02-29 to 2023-02-23 Form: 10-K

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Set forth below are the risks that we believe are material to our stockholders. You should carefully consider the following risks in evaluating our Company and our business. The occurrence of any of the following factors, events or circumstances described below could materially adversely impact our financial condition, results of operations, cash flow, the market price of shares of our common stock and preferred stock and our ability to, among other things, satisfy our debt service obligations and to make distributions to our stockholders, which in turn could cause our stockholders to lose all or a part of their investment. Some statements in this report including statements in the following risk factors constitute forward- looking statements. Please refer to the section entitled " Special Note Regarding Forward- Looking Statements " at the beginning of this Annual Report on Form 10- K. Risks Related to Our Business and ~~Properties~~ **PropertiesOur** ~~Our~~ business is dependent in part upon the profitability of our tenants' farming operations, and a sustained downturn in the profitability of their farming operations could have a material adverse effect on the amount of rent we can collect and, consequently, our cash flow and ability to make distributions to our stockholders. We depend on our tenants to operate the farms we own in a manner that generates revenues sufficient to allow them to meet their obligations to us, including their obligations to pay rent and real estate taxes, maintain certain insurance coverage and maintain the properties generally. The ability of our tenants to fulfill their obligations under our leases depends, in part, upon the overall profitability of their farming operations, which could be adversely impacted by, among other things, adverse weather conditions, crop prices, crop disease, pests, and unfavorable or uncertain political, economic, business, trade or regulatory conditions. We are susceptible to any decline in the profitability of our tenants' farming operations, to the extent that it would impact their ability to pay rents. In addition, many farms are dependent on a limited number of key individuals whose injury or death may affect the successful operation of the farm. We can provide no assurances that, if a tenant defaults on its obligations to us under a lease, we will be able to lease or re- lease that farm on economically favorable terms in a timely manner, or at all. In addition, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment. As a result, any downturn in the profitability of the farming operations of our tenants or a downturn in the farming industry as a whole could have a material adverse effect on our financial condition, results of operations, cash flow and ability to make distributions to our stockholders. We have a substantial amount of indebtedness outstanding, which may expose us to the risk of default under our debt obligations, restrict our operations and our ability to grow our business and revenues and restrict our ability to pay distributions to our stockholders. As of December 31, ~~2022~~ **2023** , we had approximately $ ~~439~~ **363** . ~~5~~ **1** million of outstanding indebtedness excluding debt issuance costs, most of which is secured by mortgages on our farms. We intend to incur additional debt in connection with refinancing of existing indebtedness, future acquisitions or for other purposes and, if necessary, we may borrow funds to make distributions to our stockholders in order to qualify and maintain our qualification as a REIT for U. S. federal income tax purposes. In addition, we have sold farms in order to repay indebtedness in the past and may do so in the future. Such dispositions may come at inopportune times or on disadvantageous terms, which could result in losses. In addition, our debt agreements include customary events of default, the occurrence of any of which, after any applicable cure period, would permit the lenders to, among other things, accelerate payment of all amounts outstanding under the loans and to exercise their remedies with respect to the collateral, including foreclosure and sale of the agricultural real estate securing the loans. Certain of our debt agreements also contain cross- default provisions that give the lender the right, in certain circumstances, to declare a default if we are in default under other loans. If any one of these events were to occur, our financial condition, results of operations, cash flow and ability to pay distributions to our stockholders could be materially and adversely affected. Mortgage debt obligations expose us to the possibility of foreclosure, which could result in the loss of our investment in a property or group of properties subject to mortgage debt. As of December 31, ~~2022~~ **2023** , we had approximately $ ~~439~~ **363** . ~~5~~ **1** million of outstanding mortgage indebtedness excluding debt issuance costs. We intend to finance future property acquisitions, in part, with mortgage indebtedness. Mortgage and other secured debt obligations increase our risk of property losses because defaults on indebtedness secured by properties may result in foreclosure actions initiated by lenders and ultimately our loss of the property securing any loans for which we are in default. Any foreclosure on a mortgaged property or group of properties could adversely affect the overall value of our portfolio of properties. For tax purposes, a foreclosure on any of our properties that is subject to a nonrecourse mortgage loan would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure, but would not receive any cash proceeds, which could hinder our ability to meet the REIT distribution requirements imposed by the Code. ~~Our~~ **17Our** debt financing agreements restrict our ability to engage in certain business activities, including our ability to incur additional indebtedness, make capital expenditures and make certain investments. Our existing debt financing agreements contain, and other debt financing agreements we may enter into in the future may contain ~~,~~ customary negative covenants and other financial and operating covenants that, among other things: ● restrict our ability to incur additional indebtedness; ● restrict our ability to incur additional liens; ● restrict our ability to make certain investments (including certain capital expenditures); ● restrict our ability to merge with another company; ● restrict our ability to sell or dispose of assets; ● restrict our ability to make distributions to stockholders; and ● require us to satisfy minimum financial coverage ratios, minimum tangible net worth requirements and maximum leverage ratios. Increases in benchmark interest rates will increase our borrowing costs, which will negatively impact our financial condition, results of operations, growth prospects and ability to make distributions to stockholders. **Beginning in 2022** ~~Over the past year~~ , the Board of Governors of the United States Federal Reserve Bank (the "

Federal Reserve ") has undertaken a significant tightening of monetary policy, which has increased borrowing costs (through the resulting increase in interest rates) and decreased credit availability. The Federal Reserve has ~~indicated that it expects to maintain~~ **maintained** elevated benchmark interest rates during **2022 and** 2023 ~~and 2024~~ to help curb inflation ~~. Rising~~ **, and although the Federal Reserve may reduce benchmark interest rates in 2024, there are no assurances that** interest rates will **be reduced on the anticipated timeline, and interest rates remain high. Future periods of rising interest rates could** increase our borrowing costs on our existing floating- rate indebtedness as well as on any future fixed or floating rate indebtedness used to refinance existing indebtedness or to acquire new properties. As of December 31, ~~2022~~ **2023** , $ ~~262~~ **136** . 0 million of our outstanding indebtedness was subject to interest rates that reset from time to time (excluding our floating rate debt), of which $ ~~174~~ **43** . ~~1~~ **9** million was subject to interest rates that will be reset in ~~2023~~ **2024** . As of December 31, ~~2022~~ **2023** , the weighted average interest rate of the indebtedness subject to interest rate resets in ~~2023~~ **2024** was 3. ~~23~~ **07** %, which we expect to increase significantly if benchmark interest rate levels remain constant ~~or increase~~ as we expect them to during the course of ~~2023~~ **2024** (for more information on rate resets see " Note 7 — Mortgage Notes, Lines of Credit and Bonds Payable "). ~~These expected increases~~ **Increases** in borrowing costs could reduce our income and cash flow and materially and adversely impact our results of operations, financial condition and our ability to make distributions to our stockholders. ~~18Increases~~ -- **Increases** in interest rates will increase our tenants' borrowing costs and make it more difficult for them to obtain credit and may cause land prices to decline. Increasing interest rates result in higher borrowing costs for farmers and may make it more difficult for farm operators to obtain indebtedness to fund their operations, which could have an adverse impact on our ~~tenant~~ **tenants** ' ~~s~~ ability to make rental payments to us. Higher interest rates also tend to decrease U. S. and world economic growth, thus decreasing the demand for **certain** agricultural commodities. All of these consequences could reduce farm income. If increases in interest rates are not accompanied by higher levels of farm income, this could lead to a reduction in our **tenants'** profitability, ~~either of~~ which ~~would~~ **could** have a material adverse effect on our business or results of operations, financial condition, and ability to make distributions to our stockholders. **We have issued Series A preferred units that may be converted to Common units on or after February 10, 2026, which Common units would be immediately redeemable, for cash or shares of common stock at the Company' s option. The conversion of such Series A preferred units and potential redemption of the converted Common units for shares of common stock could have an immediate dilutive effect on the ownership interests of our common stockholders. On or after February 10, 2026 (the " Conversion Right Date "), holders of the Series A preferred units have the right to convert each Series A preferred unit into a number of Common units equal to (i) the $ 1, 000 liquidation preference plus all accrued and unpaid distributions, divided by (ii) the volume-weighted average price per share of the Company' s common 18stock for the 20 trading days immediately preceding the applicable conversion date. All Common units received upon conversion may be immediately tendered for redemption for cash or, at the Company' s option, for shares of common stock on a one- for- one basis, subject to the terms and conditions set forth in the Partnership Agreement. Prior to the Conversion Right Date, the Series A preferred units may not be tendered for redemption by the Holder. To the extent the Series A preferred units are converted to Common units and such Common units are redeemed for shares of common stock, our existing common stockholders would experience an immediate, and potentially significant, dilutive effect on their ownership interest in the Company, which could cause the market price of our common stock to be materially adversely affected.** Global economic conditions, including inflation and supply chain disruptions, could adversely affect our and our tenants' operations. General global economic downturns and macroeconomic trends, including heightened inflation, volatility in the capital markets, interest rate and currency rate fluctuations, the war in Ukraine **and the ongoing conflict in the Middle East, changes in trade policies among nations that import and / or export agricultural products** and economic slowdown or recession, may result in unfavorable conditions that could negatively affect demand for our tenants' crops and exacerbate some of the other risks that affect our business, financial condition and results of operations. ~~Both domestic and international markets experienced significant inflationary pressures in 2022, and inflation rates in the U. S. are currently expected to continue at elevated levels for the near- term.~~ In addition, **during 2022 and 2023** the Federal Reserve ~~has~~ **repeatedly** raised ~~, and is expected to continue to raise,~~ interest rates in response to concerns about inflation ~~, which, coupled with reduced government spending and volatility in financial markets, may have the effect of further increasing economic uncertainty and heightening these risks~~ . Interest rate increases or other government actions taken to reduce inflation could also result in an economic recession. Our tenants have experienced challenges in their supply chains and related price increases. Continued deterioration in the domestic or international economic environment may cause decreased demand for our tenants' crops, which could result in lower sales volume and lower prices for their crops, as well as increase the cost of operating their businesses and a corresponding adverse effect on their ability to make rental payments to us, which would adversely impact our financial condition and results of operations. Approximately 70 % of our portfolio is comprised of properties used to grow primary crops such as corn, soybeans, wheat, rice and cotton, which subjects us to risks associated with primary row crops. By value, approximately 70 % of our portfolio is used for primary crops, such as corn, soybeans, wheat, rice and cotton. As a result, any development or situation that adversely affects the value of properties generally **,** or the prices of corn, soybeans, wheat, rice or cotton **,** could have a more significant adverse impact on us than if our portfolio had less exposure to primary crops, which could materially and adversely impact our financial condition, results of operations and ability to make distributions to our stockholders. Investments in farmland used for permanent / specialty crops have a different risk profile than farmland used for annual row crops. By value, approximately 30 % of our portfolio is used for permanent crops, and, in the future, we may add to our investments in farmland used for permanent crops, as opposed to annual row crops. Permanent crops have plant structures (such as trees, vines or bushes) that produce yearly crops without being replanted. Examples include blueberries, oranges, apples, almonds and grapes. Permanent crops require more time and capital to plant and bear fruit and are more expensive to replace. If a farmer loses a permanent / specialty crop to drought, flooding, fire or disease, there generally would be significant time and capital needed to return the land to production because a tree or vine may take years to grow before bearing fruit. Permanent crop plantings also reduce a farmer' s ability to adapt to changing market conditions by changing crops. If demand for one type of permanent crop decreases, the permanent crop farmer cannot easily convert the farm to another type of crop because permanent crop farmland is dedicated to one crop during the lifespan of the trees or vines and therefore cannot easily be rotated to adapt to changing environmental or market conditions. 19Our failure to continue to identify and consummate suitable acquisitions would significantly impede our growth and our ability to further diversify our portfolio by geography, crop type and tenant, which could materially and adversely affect our results of operations and cash available for distribution to our stockholders. Our ability to expand through **farmland** acquisitions is important to our business strategy and requires that we identify and consummate suitable acquisition or investment opportunities that meet our investment criteria and are compatible with our growth strategy. We compete for the acquisition of farmland and real estate assets related to farming with many other entities engaged in agricultural and real estate investment activities, including individual and family operators of farming businesses, corporate agriculture companies, financial institutions, institutional pension funds, public REITs, other real estate companies, private equity funds and other private real estate investors. These competitors may prevent us from acquiring desirable properties or may cause an increase in the price we must pay for such properties. Our competitors may adopt transaction structures similar to ours, which would decrease our competitive advantage in offering flexible transaction terms. In addition, the number of entities and the amount of funds competing for suitable investment properties may increase, resulting in increased demand and increased prices paid for these properties. If we pay higher prices for properties, our profitability may decrease, and you may experience a lower return on your investment. Our failure to identify and consummate suitable acquisitions would significantly impede our growth, which would adversely affect our results of operations and cash available for distribution to our stockholders. Failure to succeed in new markets may have adverse consequences. We intend to continue to acquire properties across the U. S. and may from time to time evaluate potential international acquisitions. When we acquire properties located in new geographic areas in the U. S. or internationally, or properties primarily devoted to a crop or industry with which we are less familiar (such as certain specialty crops, energy production, dairy farms or hog farms), we may face risks associated with a lack of market knowledge or understanding of the local market, including the availability and identity of quality tenants, forging new business relationships in the area, developing an understanding of a crop or industry unfamiliar to us, and unfamiliarity with local or crop- specific government requirements and procedures. Furthermore, the negotiation of a potential expansion into new markets or industries may divert management time and other resources. As a result, we may have difficulties executing our business strategy in these new markets, which could have a negative impact on our results of operations and ability to make distributions to our stockholders. We do not continuously monitor and evaluate tenant credit quality, and our financial performance may be subject to risks associated with our tenants' financial condition and liquidity position. Certain of our leases do not require the full payment of rent in cash in advance of the planting season, which subjects us to credit risk exposure to our farm- operator tenants and the risks associated with farming operations, such as weather, commodity price fluctuations and other factors. We also are exposed to these risks with respect to leases for which the rent is based on a percentage of a tenant' s farming revenues and leases with terms greater than one year. Because we do not monitor and evaluate the credit risk exposure related to farm- operator tenants on an ongoing basis, we are subject to the risk that our tenants, particularly those that may depend on ~~debt and~~ leverage to finance their operations, could be susceptible to bankruptcy in the event that their cash flows are insufficient to satisfy their financial obligations, including meeting their obligations to us under their leases. As a result, we may not become aware of a tenant' s financial distress until the tenant fails to make payments to us when due, which may significantly reduce the amount of time we have to evict the tenant and re- lease the farmland to a new tenant before the start of the spring planting season, and in the event of a tenant bankruptcy we may not be able to terminate the lease. If we are unable to re- lease the farmland on a timely basis, it could have a material adverse effect on our revenues. Our short- term leases make us more susceptible to any decreases in prevailing market rental rates than would be the case if we entered into longer- term leases, which could have a material adverse effect on our results of operations and ability to make distributions to our stockholders. Our leases with tenants engaged in farming operations have terms customary in the farming industry, ranging from one to three years, with some extending up to 40 years (e. g., renewable energy leases). We expect that most of the leases ~~20we~~ **we** enter into in the future will have two to seven- year terms. As a result, we are required to frequently re- lease our ~~properties~~ **20properties** upon the expiration of our leases, which will make us more susceptible to declines in market rental rates than we would be if we were to enter into longer term leases. As a result, any decreases in the prevailing market rental rates in the geographic areas in which we own properties could have a material adverse effect on our results of operations and ability to make distributions to our stockholders. We may be unable to collect balances due on our leases from any tenants in financial distress or bankruptcy, which could materially and adversely affect our financial condition, results of operations and cash flow. We are subject to tenant credit risk. Our tenants, particularly those that may depend on ~~debt and~~ leverage, could be susceptible to defaults under their leases or bankruptcy in the event that their cash flows are insufficient to satisfy their financial obligations. Certain of our tenants have defaulted on their lease payments, and we have been forced to pursue alternative arrangements with those tenants in order to recover amounts due under the leases. In the future, we may be forced to enter into similar alternative arrangements or pursue litigation in order to collect payments from tenants who are unable make their lease payments as they come due. We can provide no assurances that we will be able to collect the full amount due under a particular lease if we are forced to pursue alternative payment arrangements or litigation with any of our tenants. If a bankrupt tenant rejects a lease with us, any claim we might have for breach of the lease, excluding a claim against collateral securing the lease, would be treated as a general unsecured claim. In the event of a tenant' s default under its lease or its rejection of the lease in bankruptcy proceedings, we may be unable to locate a replacement tenant in a timely manner or on comparable or better terms. As a result, our financial condition, results of operations and ability to make distributions to our stockholders could be adversely affected. We depend on external sources of capital that are outside of our control and may not be available to us on commercially reasonable terms or at all, which could limit our ability to, among other things, acquire additional properties, meet our capital and operating needs or make the cash distributions to our stockholders necessary to maintain our qualification as a REIT. In order to maintain our qualification as a REIT, we are required under the Code to, among other things, distribute annually at least 90 % of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gain. In addition, we will be subject to income tax at regular corporate rates to the extent that we distribute less than 100 % of our REIT taxable income, including any net capital gains. Because of these distribution requirements, we may not be able to fund future capital needs, including acquisition opportunities and principal and interest payments on any outstanding debt, from operating cash flow. Consequently, we rely on third- party sources to fund our capital needs. We may not be able to obtain such financing on favorable terms, in the time period we desire, or at all. Any debt we incur will increase our leverage, expose us to the risk of default and may impose operating restrictions on us, and any additional equity we raise (including the issuance of common or preferred units) could be dilutive to existing stockholders. Our access to third- party sources of capital depends, in part, on: ● general market conditions, including conditions that are out of our control, such as actions or proposed actions of the current U. S. Presidential administration and the Federal Reserve to curb inflation or the impact of future public health crises; ● novel and unforeseen market volatility and trading strategies, such as short squeeze- rallies caused by retail investors on retail trading platforms; ● the market' s view of the quality of our assets; ● the market' s perception of our growth potential; ● our debt levels; ● our current and expected future earnings; ● our cash flow and cash distributions; and ● the market price per share of our common stock. ~~21If~~ **If** we cannot obtain capital from third- party sources, we may not be able to acquire properties when strategic opportunities exist, meet the capital and operating needs of our existing properties, satisfy our debt service obligations or make the cash distributions to our stockholders necessary to qualify and maintain our qualification as a REIT. ~~Illiquidity~~ **21Illiquidity** of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our properties and harm our financial condition. The real estate investments made, and to be made, by us may be difficult to sell quickly. As a result, our ability to promptly sell one or more properties in our portfolio in response to liquidity needs, changing economic, financial and investment conditions may be limited or we may have to sell properties at a loss. In addition, we seek to opportunistically dispose of properties when we are able to do so at a price we consider attractive and / or recognize a gain on sale. Return of capital and realization of gains, if any, from an investment generally will occur upon disposition or refinancing of the underlying property. We have used dispositions of assets in the past in order to meet our liquidity requirements. If we are required to dispose of additional assets for liquidity purposes, we may be unable to realize our investment objectives by sale, other disposition or refinancing at attractive prices within any given period of time or may otherwise be unable to complete any exit strategy. Opportunities to dispose of assets at a gain may not be available to us, which would reduce our cash on hand for stock repurchases, distributions to stockholders, or for any other purpose. In particular, weakness in or even the lack of an established market for a property, changes in the financial condition or prospects of prospective purchasers, changes in national or international economic conditions and changes in laws, regulations or fiscal policies of jurisdictions in which the property is located, in each case may limit our ability to dispose of a property. In addition, the Code imposes restrictions on a REIT' s ability to dispose of properties that are not applicable to other types of real estate companies. In particular, the tax laws applicable to REITs effectively require that we hold our properties for investment, rather than primarily for sale in the ordinary course of business, which may cause us to forego or defer sales of properties that otherwise would be in our best interests. Moreover, if we acquire properties from C corporations (i. e., corporations generally subject to full corporate- level tax) in certain non- taxable transactions, as we have done in the past, built- in gain recognized on the non- taxable disposition of such properties within 5 years of our acquisition will be subject to tax at the highest applicable U. S. federal corporate income tax rate. Therefore, we may not be able to vary our portfolio in response to economic or other conditions promptly or on favorable terms. Some state laws prohibit or restrict the ownership of agricultural land by business entities, which could impede the growth of our portfolio and our ability to diversify geographically. Certain states, including Iowa, North Dakota, South Dakota, Minnesota, Oklahoma, Wisconsin, Missouri and Kansas, in which a substantial amount of primary crop farmland is located, have laws that prohibit or restrict to varying degrees the ownership of agricultural land by corporations or business entities like us. As of December 31, ~~2022~~ **2023** , we owned **320** ~~1, 959~~ acres of farmland in Kansas ~~and~~ **,** 815 acres in Missouri **and 2, 114 acres in Oklahoma** , and our ownership of those farms may be challenged under Kansas, ~~or~~ Missouri **or Oklahoma** law, in which case we may be required to sell those farms at an unfavorable time and on unfavorable terms. Additional states may, in the future, pass similar or more restrictive laws, and we may not be legally permitted, or it may become overly burdensome or expensive, to acquire properties in these states, which could impede the growth of our portfolio and our ability to diversify geographically in states that might otherwise have attractive investment opportunities. Our farms are subject to adverse weather conditions, seasonal variability, crop disease and other contaminants, **natural disasters and other natural conditions, including the effects of climate change and water availability,** which may adversely affect the amount of variable rent or income from direct operations and / or our tenants' ability to pay fixed or variable rent and thereby have a material adverse effect on our results of operations, financial condition, and our ability to make distributions to stockholders. Crops are vulnerable to adverse weather conditions, including windstorms, tornados, floods, drought and temperature extremes, which are common but difficult to predict **, and may occur with higher frequency or be even less predictable in the future due to the effects of climate change** . Unfavorable growing conditions can reduce both crop yield and quality. Seasonal factors, including supply and consumer demand, may also have an effect on the value of crops grown by our tenants. In extreme cases, entire harvests may be lost in some geographic areas. In addition, crops are vulnerable to disease and pests. Damages to tenants ~~'~~ **'** crops may vary in severity and effect, depending on the stage of production at the time of infection or infestation, the type of treatment applied and climatic ~~22conditions~~ -- **conditions** . The costs to control these infestations vary depending on the severity of the damage and the extent of the ~~plantings~~ **22plantings** affected. These infestations can increase the costs and decrease the revenues of our tenants. Tenants may also incur losses from product recalls, fines or litigation due to other contaminants that may cause food borne illness. It is difficult to predict the occurrence or severity of such product recalls, fines or litigation as well as their impact upon our tenants. We are particularly susceptible to adverse weather conditions (such as windstorms, tornados, floods, drought, hail and temperature extremes), transportation conditions (including navigation of the Mississippi River), crop disease, pests and other adverse growing conditions in California, Illinois, North Carolina, Colorado and Arkansas, which generate a significant portion of our revenues. While many of our leases are on a fixed- rent basis that does not change based on the success of the farming operations, we also utilize variable- rent leases pursuant to which the amount of the rent depends on crop yields and prices in regions where such arrangements are prevalent. Adverse weather conditions, seasonal variability, crop disease, pests and contaminants **, natural disasters and other natural conditions, including the effects of climate change,** could adversely affect the value of production on properties. This could impact our variable rent proceeds and our tenants' ability to continue to meet their obligations to us. This could have a material adverse effect on the value of our properties, our results of operations, financial condition, and our ability to make distributions to our stockholders. The market prices of the crops that our tenants may produce on our agricultural properties have exhibited periods of volatility, which may affect our tenants' ability to pay rent and thereby have a material adverse effect on our results of operations and our ability to make distributions to stockholders. The value of a crop is affected by many factors that can differ on a yearly basis. The unpredictability of weather and crop yields in the major crop production regions worldwide creates a significant risk of price volatility, which may either increase or decrease the value of the crops that our tenants produce each year. Other material factors adding to the volatility of crop prices are changes in government regulations and policy, fluctuations in global prosperity, fluctuations in foreign trade and export markets, and eruptions of military conflicts or civil unrest. Although rental payments under the majority of our leases typically are not based on the quality or profitability of our tenants' harvests, any of these factors could adversely affect our tenants' ability to meet their obligations to us and our ability to lease or re- lease properties on favorable terms, or at all, which could have a material adverse effect on the value of our properties, our results of operations and our ability to make distributions to our stockholders. The impacts of trade disputes and geopolitical conflicts, such as the ongoing war in Ukraine **and in the Middle East** , could adversely affect the profitability of our tenants' farming operations, which could have a material adverse effect on our results of operations, financial condition, ability to make distributions to our stockholders and the value of our properties. The potential for trade disputes between the United States and its primary agricultural trade partners has increased in recent years. This impacts the volatility of the market prices of certain crops that our tenants grow on our properties. There can be no assurances as to the impact of any change in trade policy on market prices of crops. Similarly, our and our tenants' operations are subject to risks stemming from geopolitical conflicts, such as the ongoing war in Ukraine **and the conflict in the Middle East** . Food prices were at near record highs before the beginning of the war in Ukraine and have increased as a result of the war. U. S. farmers have seen increased profitability as a result of rising prices. However, we can provide no assurances that this increased profitability is sustainable in light of inflationary pressures on farming costs, rising interest rates and other economic factors or that such increase will result in commensurate increases in rental rates. A reduction in crop prices could adversely affect the profitability of our tenants and negatively impact their ability to make rental payments as they come due. If we are unable to recover the rental payments, our results of operations, financial condition and ability to make distributions to our stockholders could be materially and adversely affected. If we are required to remove a tenant, we may not be able to re-lease the property at current rental rates or at all. Furthermore, prolonged trade disputes or geopolitical conflicts that lead to a continuation of depressed crop prices could materially and adversely affect the underlying value of our properties. 23Adverse changes in government policies related to farming could affect the prices of crops and the profitability of farming operations, which could materially and adversely affect the value of our properties and our results of operations. There are a number of government programs that directly or indirectly affect the profitability of farm operators. These include marketing, export, renewable fuel and insurance policies and programs. Significant changes to or the elimination of programs and policies could adversely affect crop prices and the profitability of farming operations, which could materially and adversely impact the value of our farms and our ability to lease them on favorable terms, or at all, which would have a material adverse effect on our results of operations. We may be subject to unknown or contingent liabilities related to acquired properties and properties that we may acquire in the future, which could have a material adverse effect on us. Properties that we have acquired, and properties that we may acquire in the future, may be subject to unknown or contingent liabilities (for example, environmental or related liabilities or liabilities related to water usage) for which we may have no recourse, or only limited recourse, against the sellers. In general, the representations and warranties provided under the transaction agreements related to the purchase of properties that we acquire may not survive the completion of the transactions. Furthermore, indemnification under such agreements may be limited and subject to various materiality thresholds, a significant deductible or an aggregate cap on losses. As a result, there is no guarantee that we will recover any amounts with respect to losses due to breaches by the sellers of their representations and warranties. In addition, the total amount of costs and expenses that may be incurred with respect to liabilities associated with these properties may exceed our expectations, and we may experience other unanticipated adverse effects, all of which may materially and adversely affect us. The loss of key management personnel, particularly Paul A. Pittman and Luca Fabbri, could have a material adverse effect on our ability to implement our business strategy and to achieve our investment objectives. Our future success depends to a significant extent on the continued service and coordination of our senior management team ~~and the successful implementation of our Chief Executive Officer transition announced in November 2022. Effective following the filing of this Annual Report on Form 10- K, Luca Fabbri will assume the position of Chief Executive Officer and be appointed to the Board of Directors and Paul A. Pittman will continue to serve as Executive Chairman of the Board of Directors~~ . We can provide no assurances that any of our key personnel will continue their employment with us. ~~The~~ **In particular, the** loss of the services of ~~Messrs~~ **Mr. Paul A** . Pittman **,** ~~or~~ **our Executive Chairman of the Board of Directors, or Mr. Luca** Fabbri **, our President, Chief Executive Officer and a member of our Board of Directors,** could have a material adverse effect on our ability to implement our business strategy and to achieve our investment objectives. Joint venture investments could be adversely affected by our lack of sole decision- making authority, our reliance on co- venturers' financial condition and disputes between us and our co- venturers. We have entered into joint investments (including our ownership interest in the OZ Fund) and may in the future, co- invest with third parties through partnerships, joint ventures or other entities, acquiring noncontrolling interests in or sharing responsibility for developing properties and managing the affairs of a property, partnership, joint venture or other entity. With respect to our ownership interest in the OZ Fund and any similar arrangements that we may enter into in the future, we are not, and in the future may not be, in a position to exercise any decision- making authority regarding the property, partnership, joint venture or other entity. Such joint investments in partnerships, joint ventures or other entities may, under certain circumstances, involve risks not otherwise present with a direct investment in farmland properties, including the possibility that partners or co- venturers might become bankrupt or fail to fund their share of required capital contributions. Partners or co- venturers may have economic or other business interests or goals which are inconsistent with our business interests or goals and may be in a position to take actions contrary to our policies or objectives, and they may have competing interests in our markets that could create conflicts of interest. Such investments may also have the potential risk of impasses on decisions, such as a sale or financing, because neither we nor the partner (s) or co- venturer (s) would have full control over the partnership or joint venture. In addition, a sale or transfer by us to a third party of our interests in the joint venture may be subject to consent rights or rights of first refusal, in favor of our joint venture partners, which would in each case restrict our ability to dispose of our interest in the joint venture. Where we are a limited partner or non- managing member in any partnership or limited liability company, if such entity takes or expects to take actions that could ~~24jeopardize -~~- **jeopardize** our status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. Disputes ~~between~~ **24between** us and partners or co- venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and directors from focusing their time and effort on our business. Consequently, actions by or disputes with partners or co- venturers might result in subjecting properties owned by the partnership or joint venture to additional risk. In addition, we may in certain circumstances be liable for the actions of our third- party partners or co- venturers. Our joint ventures may be subject to debt and, during periods of volatile credit markets, the refinancing of such debt may require equity capital calls. We may fail to realize some or all of the anticipated benefits of our ownership interest in the OZ Fund, our long- term management agreement with the OZ Fund, the acquisition of MWA and the launch of a joint asset management platform with MWA, or those benefits may take longer to realize than expected. We may also encounter significant difficulties in managing the business and operations of OZ Fund and MWA client properties. The future results of our Company will suffer if we do not effectively manage properties on behalf of the OZ Fund and MWA clients. Our ability to realize the anticipated benefits of our ownership interest in the OZ Fund, our long- term management agreement with the OZ Fund, the acquisition of MWA and the ~~launch of a joint~~ asset management platform ~~with~~ **within** MWA depends, in part, on our ability to successfully manage the business and operations of OZ Fund and MWA client properties. Following the consummation of the long- term management agreement with the OZ Fund and the acquisition of MWA, the number of acres of third- party farmland under our management increased significantly. If we fail to operate these ~~new~~ business lines successfully, we may suffer losses. Furthermore, our ownership interest in the OZ Fund, the acquisition of MWA and our management of OZ Fund and MWA client properties could expose us to unknown or contingent liabilities that were not discovered during the course of due diligence. These liabilities could include exposure to unexpected environmental problems, compliance and regulatory violations, key employee and client retention problems and other problems that could result in significant costs to us. Many of these factors are outside our control, and any one of them could result in increased costs and liabilities, decreases in the amount of expected revenues, earnings and cash flows, and diversion of management' s time and energy, which could have a material adverse effect on the business of the OZ Fund, MWA and / or us. All of these factors could negatively impact the asset management fees we expect to earn from the management of OZ Fund and MWA client properties and the returns we anticipate receiving from our ownership interest in the OZ Fund and the acquisition of MWA, all of which could negatively impact the price of our common stock, or have a material adverse effect on our business, financial condition and results of operations. We are exposed to risks associated with the management of third- party owned farmland and ancillary agricultural business activities and failure to succeed in new markets and these new lines of business may have adverse consequences. Through our long- term management agreement with the OZ Fund, property management business activity within MWA and our November 2022 purchase of land and buildings for four agriculture equipment dealerships in Ohio leased to Ag Pro under the John Deere brand, we engage in property management activities on behalf of third- party property owners and lease out new agricultural- related properties, and may continue to pursue similar strategic activities if appropriate opportunities arise. Our historical experience in our existing markets in acquiring, owning and leasing farmland does not ensure that we will be able to operate successfully in new markets or in new lines of business. We may be exposed to a variety of risks when we enter a new market, property management opportunity or ancillary agricultural business activity, including an inability to accurately evaluate local market conditions and a lack of familiarity with local tenants. We may be unsuccessful in managing farmland properties on behalf of third- parties or leasing out agricultural equipment dealerships, which could have a material adverse effect on our results of operations and we may be liable and / or our status as a REIT may be jeopardized if the third- party farmland management or agricultural equipment dealership facilities cause us to fail to comply with various tax or other regulatory matters. 25If we fail to maintain effective internal controls over financial reporting, we may not be able to accurately report our financial results, which may adversely affect investor confidence in our Company and, as a result, the value of our common stock. Our management is responsible for establishing and maintaining adequate internal controls over financial reporting. While our Annual Report on Form 10- K for the year ended December 31, 2019 contained an independent auditor' s attestation report pursuant to Section 404 (b) of the Sarbanes- Oxley Act of 2002, as amended (the " Sarbanes- Oxley Act "), we are not required to include such an audit report in this Annual Report. We have identified material weaknesses in the past. While we believe we have remediated all past material weaknesses, we cannot give any assurances that other material weaknesses will not be identified in the future in connection with our compliance with the provisions of Section 404 of the Sarbanes- Oxley Act. The existence of any material weakness would preclude a conclusion by management and our independent auditors that we maintained effective internal control over financial reporting. Our management may be required to devote significant time and expense to remediate any material weaknesses that may be discovered and may not be able to remediate any material weakness in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause investors to lose confidence in our reported financial information, all of which could lead to a decline in the per- share trading price of our common stock. In addition, at the time we no longer qualify as a smaller reporting company, we will be required to include an auditor attestation report pursuant to Section 404 of the Sarbanes Oxley Act, which will cause us to incur additional expenses, which may be significant. Under the FPI Loan Program, we provide loans to third- party farmers, which exposes us to risks associated with being a lender, including the risk that borrowers default on their obligations to us, which could adversely affect our results of operations and financial condition. Under the FPI Loan Program, we make loans to third- party farmers (both tenant and non- tenant) to provide financing for borrowers' working capital requirements and operational farming activities, farming infrastructure projects, and for other farming and agricultural real estate related purposes. As of **December 31, 2023** ~~the date of this Annual Report on Form 10- K~~, we have made loans to ~~nine~~ **twelve** distinct borrowers with original principal amounts totaling $ ~~24~~ **36** . ~~9~~ **7** million. These loans consist of: ~~12~~ **15** loan agreements which were originally secured by senior first- lien mortgage loans secured against farmland; **one loan is secured by a second mortgage secured against farmland and a personal guaranty;** three loan agreements which were originally secured by working capital assets of the borrower; and one loan agreement which was originally secured by equipment of the borrower. ~~The~~ **As of December 31, 2023, the** remaining loan balances ~~are~~ **total $ 13. 9 million (representing 1 % of our total assets as of December 31, 2023), of which $ 13. 4 million were** secured ~~exclusively~~ by senior first- lien mortgages **and** ~~, with~~ $ ~~4~~ **0** . ~~8~~ **5** million ~~outstanding at December 31, 2022 (representing less than 1 % of our total assets as~~ **was secured by a second mortgage. We** ~~of December 31, 2022), and we~~ intend to make similar loans under the FPI Loan Program in the future. Payments on such loans depend on the profitable operation or management of the farmland or farmland- related property securing the loan or the maintenance of any equipment, or other assets securing the loan. The success of the farmland or farm- related property may be affected by many factors outside the control of the borrower, including adverse weather conditions that prevent the planting of a crop or limit crop yields, declines in market prices for agricultural products (both domestically and internationally) and the impact of government regulations (including changes in price supports, subsidies and environmental regulations). In addition, many farms are dependent on a limited number of key individuals whose injury or death may significantly affect the successful operation of the farm. If the cash flow from a farming operation is diminished, the borrower' s ability to repay the loan may be impaired. If a borrower defaults under a loan for which we are the lender, we may attempt to foreclose on the collateral securing the loan, including by acquiring title to the subject property, crops, or equipment, to protect our investment. In response, the defaulting borrower may contest our enforcement of foreclosure or other available remedies, seek bankruptcy protection against our exercise of enforcement or other available remedies, or bring claims against us for lender liability. If a defaulting borrower seeks bankruptcy protection, the automatic stay provisions of the U. S. Bankruptcy Code would preclude us from enforcing foreclosure or other available remedies against the borrower unless relief is first obtained from the court with jurisdiction over the bankruptcy case. In addition, we may be subject to intercreditor agreements that delay, impact, govern or limit our ability to foreclose on a lien securing a loan or otherwise delay or limit our pursuit of our rights and remedies. Any such delay or limit on our ability to pursue our rights or remedies could adversely affect our business, results of operations and ability to make distributions to our stockholders. In the event of a foreclosure, we may assume direct ownership of the underlying farm. Even if we successfully foreclose on the collateral securing our mortgage loans, foreclosure- related costs, high loan- to- value ratios or 26declines in property values could prevent us from realizing the full amount of our mortgage loans, and we could be required to record a valuation allowance for such losses. Liability for uninsured or underinsured losses could materially and adversely affect our financial condition and cash flow. Our properties may be damaged by adverse weather conditions and natural disasters, such as earthquakes, floods and tornadoes. Our insurance may not be adequate to cover all damages or losses from these events, or we may view it as not economically prudent to purchase insurance for certain types of losses. Should an uninsured loss occur, we could lose our capital investment or anticipated profits and cash flows from one or more properties. If any such loss is insured, we may be required to pay a significant deductible on any claim for recovery of such a loss prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss, which could have an adverse effect on our cash flow. We have previously been subject to, and may in the future be subject to, litigation or threatened litigation, which may require us to pay damages and expenses or restrict the operation of our business. We have previously been subject to, and may be subject in the future, to litigation or threatened litigation, including claims relating to the actions of our tenants, claims brought by stockholders, and otherwise in the ordinary course of business. In particular, we are subject to the risk of complaints by our tenants involving premises liability claims and alleged violations of landlord- tenant laws, which may give rise to litigation or governmental investigations, as well as claims and litigation relating to real estate rights or uses of our properties. Additionally, whether or not any dispute actually proceeds to litigation, we may be required to pay damages or expenses, which may be significant, or involve our agreement with terms that restrict the operation of our business. We generally intend to vigorously defend ourselves; however, we cannot be certain of the ultimate outcomes of pending claims against the Company or of those claims that may arise in the future. Resolution of these types of matters against us may result in our having to pay significant fines, judgments, or settlements, which, if uninsured, or if the fines, judgments, and settlements exceed insured levels, could adversely impact our earnings and cash flows, thereby having an adverse effect on our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our common stock. Certain litigation or the resolution of certain litigation may affect the availability or cost of some of our insurance coverage and could expose us to increased risks that would be uninsured, and / or adversely impact our ability to attract officers and directors, which could adversely impact our results of operations, cash flows and our ability to pay distributions on, and the value of, our common and preferred stock. For more information about our resolved and ongoing legal proceedings see **“** Note 8 **— Commitments and Contingencies ”** to our Consolidated Financial Statements included in Part IV, Item 8 of this Annual Report on Form 10- K. We may incur significant unrecoverable costs if we are not successful in connection with the litigation we have filed against Sabrepoint. As described in further detail in **“** Note 8 **— Commitments and Contingencies ”** to our Consolidated Financial Statements included in Part IV, Item 8 of this Annual Report on Form 10- K, on July 2, 2021, the Company filed a complaint against First Sabrepoint Capital Management, LP, Sabrepoint Capital Partners, LP, Sabrepoint Capital Participation, LP, George Baxter, and Donald Marchiony (collectively, “ Sabrepoint ”) seeking relief for Sabrepoint’ s alleged role in a “ short and distort scheme ” to profit from an artificial decline in the Company’ s stock price stemming from an article posted on Seeking Alpha, which contained numerous false statements about the Company. On December 17, 2021, the Company' s claims against Sabrepoint were dismissed by the court **, which granted (i) Sabrepoint' s motion for summary judgment on collateral estoppel grounds, and (ii) motion to dismiss pursuant to the Texas Citizens Participation Act (“ TCPA ”)** . ~~We~~ **On March 21, 2022, after the Company filed a notice signaling an intent to appeal both orders, the Court of Appeals for the Fifth District of Texas (the “ Court of Appeals ”) entered an order declaring the trial court' s TCPA order “ VOID because the motion was denied by operation of law …. ” Accordingly, the Company narrowed its appeal to the trial court' s grant of summary judgment. On January 26, 2022, Sabrepoint filed a motion for attorney' s fees relating to the defense of that action. The trial court granted the motion for certain fees claimed by Sabrepoint as relating to its pursuit of its TCPA motion, but as noted above, the Court of Appeals subsequently overturned the TCPA order that formed the basis of Sabrepoint’ s fee request, mooting the motion and the Court’ s order on the same. On June 30, 2023, the Court of Appeals granted the 27Company’ s appeal, determining that the Company’ s claims against Sabrepoint** are ~~pursuing~~ **not barred, reversing the trial court** ~~an~~ **and remanding the case for further proceedings on the merits. On October 13, 2023, Sabrepoint filed a Petition for Review with the Texas Supreme Court, requesting the court to review the Court of** ~~appeal~~ **Appeals ’ decision** ~~of that order~~ . The ~~parties have~~ **Company filed a response to the Sabrepoint Petition for Review with the Texas Supreme Court on December 27, 2023, and on February 16, 2024, the Texas Supreme Court requested a briefing on the merits. The petition is now fully** briefed **and pending a decision from** the ~~narrowed appeal before the Texas Court~~ **court** ~~of Appeals~~ **. For more information see “ Note 8 — Commitments** and ~~oral argument was conducted~~ **Contingencies ” to our Consolidated Financial Statements included in Part IV, Item 8 of this Annual Report** on ~~November 30, 2022~~ **Form 10- K** . We may not be successful in this litigation, in which case we would have incurred significant costs and expenses. Even if we are successful, there can be no assurance that we will be able to recover damages. To the extent that any such adverse effects exceed any benefits we may realize from pursuing this litigation, our business, prospects, financial condition and results of operations may suffer materially. ~~27A~~ **A** cybersecurity incident and other technology disruptions could result in a violation of law or negatively impact our reputation and relationships with our tenants, any of which could have a material adverse effect on our results of operations and our financial condition. Information and security risks have generally increased in recent years due to the rise in new technologies and the increased sophistication and activities of perpetrators of cyber- attacks. We use computers in substantially all aspects of our business operations, and we also use mobile devices and other online activities to connect with our employees and tenants. Such uses give rise to cybersecurity risks, including security breach, espionage, system disruption, theft and inadvertent release of information. We have in the past experienced cyberattacks on our computers and computer networks, and, while none to date have been material, we expect that additional cyberattacks will occur in the future. Our business involves the storage and transmission of numerous classes of sensitive and / or confidential information and intellectual property, including tenants’, suppliers’ and employees’ personally identifiable information and financial and strategic information about us. If we fail to assess and identify cybersecurity risks associated with our operations, we may become increasingly vulnerable to such risks. Even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, we and our suppliers may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us and our suppliers to entirely mitigate this risk. Further, in the future we may be required to expend additional resources to continue to enhance information security measures and / or to investigate and remediate any information security vulnerabilities. We can provide no assurances that the measures we have implemented to prevent security breaches and cyber incidents will be effective in the event of a cyber- attack. The theft, destruction, loss, misappropriation or release of sensitive and / or confidential information or intellectual property, or interference with our information technology systems or the technology systems of third- parties on which we rely, could result in business disruption, negative publicity, violation of privacy laws, loss of tenants, potential liability and competitive disadvantage, any of which could result in a material adverse effect on financial condition or results of operations. **For more information on cybersecurity, see “ Item 1C. Cybersecurity Disclosure. ”** Potential liability for environmental matters could materially and adversely affect our results of operations and financial condition. We are subject to the risk of liabilities under federal, state and local environmental laws applicable to agricultural properties, including those related to wetlands, groundwater and water runoff. Some of these laws could subject us to: ● responsibility and liability for the cost of removal or remediation of hazardous substances released on our properties, generally without regard to our knowledge of or responsibility for the presence of the contaminants; ● liability for the costs of investigation, removal or remediation of hazardous substances or chemical releases at disposal facilities for persons who arrange for the disposal or treatment of these substances; ~~and~~ **and28** ● potential liability for claims by third parties for damages resulting from environmental contaminants. Environmental site assessments were not conducted on all the farms in our portfolio and we do not expect to conduct environment site assessments on all farms we acquire in the future. Our costs of investigation, remediation or removal of hazardous substances may be substantial. In addition, the presence of hazardous substances on one of our properties, or the failure to properly remediate a contaminated property, could adversely affect our ability to sell or lease the property or to borrow using the property as collateral. We may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from the property. Additionally, we could become subject to new, stricter environmental regulations, which could diminish the utility of our properties and have a material adverse impact on our results of operations and financial condition. ~~28We~~ **We** may be required to permit the owners of certain third- party access rights on our properties to enter and occupy parts of the properties, including owners of mineral rights and power generation and transportation infrastructure, which could materially and adversely impact the rental value of our properties. Although we own the surface rights to our farms and expect to own the surface rights to properties that we acquire in the future, other persons or entities may own third- party access rights on our properties based upon their ownership of certain minerals, power generation and transportation infrastructure or similar property rights. Some of these third- party access rights, such as those related to oil, water or natural gas may be located under the surfaces of these properties, while others, particularly those third- party access rights related to power generation and transportation infrastructure such as wind turbines or oil pipelines, may be located on or above the surfaces of these properties. For example, in connection with our acquisition of a group of farms in Colorado and Kansas, the seller retained 50 % of the mineral rights related to the farm. Currently there is no mineral development or significant power generation and transportation infrastructure on the farms in our portfolio other than on properties for which we own the rights, but we can provide no assurances that third parties will not assert claims for mineral rights, third- party access rights related to power generation and transportation infrastructure and other related property rights on the farms in our portfolio or that farmland that we acquire in the future will not be subject to these third- party access rights. To the extent that third parties have third- party rights on farmland that we currently own or acquire in the future, we expect that we would be required to permit third parties to enter our properties for the purpose of such activities as drilling and operating oil or gas wells, operating and maintaining oil pipelines and operating and maintaining wind turbines on the premises. We may also be required to set aside a reasonable portion of the surface area of our properties to accommodate these operations. The devotion of a portion of our properties to these operations would reduce the amount of the surface available for farming or farm- related uses. Such activities might also disrupt the productivity of the farmland or property related to farming or increase the risk of environmental liabilities, any of which could adversely impact the rents that we receive from leasing these properties. ~~Changes to the base rate on our floating rate indebtedness could increase our borrowing costs. As of December 31, 2022, $ 59. 5 million of our outstanding indebtedness bears interest at floating rates based on the London interbank offered rate (" LIBOR ") and has maturity dates beyond December 31, 2022. The use of LIBOR was phased out at the end of 2021, although the phase out of U. S. dollar LIBOR has been delayed until mid- 2023. Currently, the Company is in process of converting its remaining LIBOR- based indebtedness to a Secured Overnight Financing Rate (" SOFR ") based instrument. The impact of the transition from LIBOR on us could result in interest rate increases on our debt, which could adversely affect our cash flow, operating results and ability to make distributions to our stockholders at expected levels or at all.~~ We are subject to risks associated with public health crises, such as pandemics and epidemics ~~, including the COVID- 19 pandemic,~~ which may have a material adverse effect on our business. The nature and extent of future impacts are highly uncertain and unpredictable. We are subject to risks associated with public health crises, such as pandemics and epidemics ~~, including the COVID- 19 pandemic. While many countries around the world have removed or reduced the restrictions taken in response to the COVID- 19 pandemic, the emergence of new variants of COVID- 19 virus may result in new governmental lockdowns, quarantine requirements or other restrictions to slow the spread of the virus. In addition, any such measures could also impact the global economy more broadly, for example by leading to further economic slowdowns. While COVID- 19 case volumes have decreased in the U. S and certain other countries, the global outlook remains uncertain as case counts fluctuate and vaccination and booster rates remain relatively low in many parts of the world. In particular, as COVID- 19 cases increase in China, demand for U. S. agricultural products in that market may be reduced, which could reduce our tenants' profitability~~ . Our rental revenue and operating results depend significantly on the ability of our tenants to meet their rent and other obligations to us. ~~While in general our tenants' businesses were not materially affected, certain sectors of the agricultural industry saw a decreased demand for their products as a result of the economic disruptions caused by COVID- 19. Such decreases in demands could further exacerbate, and demand may never recover to its pre- pandemic levels.~~ If the impacts of ~~the pandemic or~~ a future public health crisis continue for an extended period of time, we expect that certain tenants may ~~29experience~~ -- **experience** ~~greater~~ financial distress, which could result in late payments, requests for rental relief, business closures, rent concessions or other accommodations, as applicable. In some cases, we may have to restructure tenants' long- term rent obligations and may not be able to do so on terms that are as favorable to us as those currently in place. The scope and duration of any future public health crisis, including the potential emergence of new variants of the COVID- 19 virus, the pace at which government restrictions are imposed and lifted, the scope of additional actions taken to mitigate the spread of disease, global vaccination and booster rates, the speed and extent to which global markets and utilization rates for our products fully recover from the disruptions caused by such a public health crisis, and the impact of these factors on our business, financial condition and results of operations, will depend on future developments that are highly uncertain and cannot be predicted with confidence. ~~To~~ **29To** the extent ~~the COVID- 19 pandemic or other~~ public health crises adversely affect our operations and global economic conditions more generally, it may also have the effect of heightening many of the other risks described herein. Risks Related to Our Organizational StructureConflicts of interest may exist or could arise in the future between the interests of our stockholders and the interests of holders of units in our Operating Partnership, which may impede business decisions that could benefit our stockholders. Although holders of our Common units do not have voting rights or the power to direct the Company' s affairs, there could be potential conflicts, conflicts of interest may exist or could arise in the future as a result of the relationships between us and our affiliates, on the one hand, and our Operating Partnership or any partner thereof. Our directors and officers have duties to our company under Maryland law in connection with their management of our Company. At the same time, our wholly owned subsidiary, Farmland Partners OP GP, LLC, as the general partner of our Operating Partnership, has fiduciary duties and obligations to our Operating Partnership and its limited partners under Delaware law and the partnership agreement in connection with the management of our Operating Partnership. The general partner' s fiduciary duties and obligations as the general partner of our Operating Partnership may come into conflict with the duties of our directors and officers to our Company. These conflicts of interest could lead to decisions that are not in the best interests of the Company and its stockholders. Unless otherwise provided for in a partnership agreement, Delaware law generally requires a general partner of a Delaware limited partnership to adhere to fiduciary duty standards under which it owes its limited partners the highest duties of good faith, fairness and loyalty and which generally prohibit such general partner from taking any action or engaging in any transaction as to which it has a conflict of interest. The partnership agreement provides that, in the event of a conflict between the interests of the limited partners of our Operating Partnership, on the one hand, and the separate interests of our stockholders, on the other hand, the general partner, in its capacity as the general partner of our Operating Partnership, shall act in the interests of our stockholders and is under no obligation to consider the separate interests of the limited partners of our Operating Partnership in deciding whether to cause our Operating Partnership to take or not to take any actions. The partnership agreement further provides that any decisions or actions not taken by the general partner in accordance with the partnership agreement will not violate any duties, including the duty of loyalty, that the general partner, in its capacity as the general partner of our Operating Partnership, owes to our Operating Partnership and its partners. Additionally, the partnership agreement provides that the general partner will not be liable to our Operating Partnership or any partner for monetary damages for losses sustained, liabilities incurred or benefits not derived by our Operating Partnership or any limited partner unless the general partner acted in bad faith and the act or omission was material to the matter giving rise to the loss, liability or benefit not derived. Our Operating Partnership must indemnify the general partner, us, our directors and officers, officers of our Operating Partnership and others designated by the general partner from and against any and all claims that relate to the operations of our Operating Partnership, unless (1) an act or omission of the indemnified person was material to the matter giving rise to the action and either was committed in bad faith or was the result of active and deliberate dishonesty, (2) the indemnified person actually received an improper personal benefit in money, property or services or (3) in the case of a criminal proceeding, the indemnified person had ~~30reasonable~~ -- **reasonable** cause to believe that the act or omission was unlawful. Our Operating Partnership must also pay or reimburse the reasonable expenses of any such person upon its receipt of a written affirmation of the person' s good faith belief that the standard of conduct necessary for indemnification has been met and a written undertaking to repay any amounts paid or advanced if it is ultimately determined that the person did not meet the standard of conduct for indemnification. Our Operating Partnership will not indemnify or advance funds to any person with respect to any action initiated by the person seeking indemnification without our approval (except for any proceeding brought to enforce such person' s right to indemnification under the partnership agreement) or if the person is found to be liable to our Operating Partnership on any portion of any claim in the action. No reported decision of a Delaware appellate court has interpreted provisions similar to the provisions of the partnership agreement that modify and reduce our fiduciary duties or obligations as the sole member of the general partner or reduce or eliminate our liability for money damages to our Operating Partnership and its partners, and we have not obtained an opinion of counsel as to the enforceability of the provisions set forth in the partnership ~~agreement~~ **30agreement** that purport to modify or reduce the fiduciary duties that would be in effect were it not for the partnership agreement. Our charter contains certain provisions restricting the ownership and transfer of our stock that may delay, defer or prevent a change of control transaction that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests. Our charter contains certain ownership limits with respect to our stock. Our charter, among other restrictions, prohibits the beneficial or constructive ownership by any person of more than 9. 8 % in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our stock, excluding any shares that are not treated as outstanding for U. S. federal income tax purposes. Our Board of Directors, in its sole and absolute discretion, may exempt a person, prospectively or retroactively, from this ownership limit if certain conditions are satisfied. This ownership limit as well as other restrictions on ownership and transfer of our stock in our charter may: ● discourage a tender offer or other transactions or a change in management or of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests; and ● result in the transfer of shares acquired in excess of the restrictions to a trust for the benefit of a charitable beneficiary and, as a result, the forfeiture by the acquirer of certain of the benefits of owning the additional shares. We could increase the number of authorized shares of stock, classify and reclassify unissued stock and issue stock without stockholder approval, which may delay, defer or prevent a transaction that our stockholders believe to be in their best interests. Our Board of Directors, without stockholder approval, has the power under our charter to amend our charter to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we are authorized to issue. In addition, under our charter, our Board of Directors, without stockholder approval, has the power to authorize us to issue authorized but unissued shares of our common stock or preferred stock and to classify or reclassify any unissued shares of our common stock or preferred stock into one or more classes or series of stock and set the preference, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications or terms or conditions of redemption for such newly classified or reclassified shares. As a result, we may issue series or classes of common stock or preferred stock with preferences, dividends, powers and rights, voting or otherwise, that are senior to, or otherwise conflict with, the rights of holders of our common stock. Although our Board of Directors has no such intention at the present time, it could establish a class or series of preferred stock that could, depending on the terms of such series, delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests. Certain provisions of Maryland law could inhibit changes in control, which may discourage third parties from conducting a tender offer or seeking other change of control transactions that could involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests. Certain provisions of the Maryland General Corporation Law **(** ~~, or~~ the **“** MGCL ~~,~~ **”)** may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control under certain circumstances that otherwise ~~31could~~ -- **could** provide the holders of shares of our common stock with the opportunity to realize a premium over the then-prevailing market price of such shares, including: ● “ business combination ” provisions that, subject to limitations, prohibit certain business combinations between us and an “ interested stockholder ” (defined generally as any person who beneficially owns 10 % or more of the voting power of our outstanding voting stock or any affiliate or associate of ours who, at any time within the two- year period immediately prior to the date in question, was the beneficial owner of 10 % or more of the voting power of our then outstanding stock) or an affiliate thereof for five years after the most recent date on which the stockholder becomes an interested stockholder and thereafter impose fair price and / or supermajority voting requirements on these combinations; and ● “ control share ” provisions that provide that “ control shares ” of our Company (defined as shares which, when aggregated with other shares controlled by the stockholder, except solely by virtue of a revocable proxy, entitle ~~the~~ **31the** stockholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a “ control share acquisition ” (defined as the direct or indirect acquisition of ownership or control of issued and outstanding “ control shares ”) have no voting rights with respect to their control shares except to the extent approved by our stockholders by the affirmative vote of at least two- thirds of all the votes entitled to be cast on the matter, excluding all interested shares. By resolution of our Board of Directors, we have opted out of the business combination provisions of the MGCL and provided that any business combination between us and any other person is exempt from the business combination provisions of the MGCL, provided that the business combination is first approved by our Board of Directors (including a majority of directors who are not affiliates or associates of such persons). In addition, pursuant to a provision in our bylaws, we have opted out of the control share provisions of the MGCL. However, our Board of Directors may by resolution elect to opt in to the business combination provisions of the MGCL and we may, by amendment to our bylaws, opt in to the control share provisions of the MGCL in the future. Additionally, certain provisions of the MGCL permit our Board of Directors, without stockholder approval and regardless of what is currently provided in our charter or our bylaws, to implement takeover defenses, some of which (for example, a classified board) we do not currently employ. These provisions may have the effect of inhibiting a third party from making an acquisition proposal for our Company or of delaying, deferring, or preventing a change in control of our Company under circumstances that otherwise could provide the holders of our common stock with the opportunity to realize a premium over the then- current market price. Our charter contains a provision whereby we elect to be subject to the provisions of Title 3, Subtitle 8 of the MGCL relating to the filling of vacancies on our Board of Directors. Our charter, our bylaws and Maryland law also contain other provisions, including the provisions of our charter on removal of directors and the advance notice provisions of our bylaws, that may delay, defer, or prevent a transaction or a change of control that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders. Certain provisions in the partnership agreement may delay or prevent unsolicited acquisitions of us. Provisions in the partnership agreement may delay, or make more difficult, unsolicited acquisitions of us or changes of our control. These provisions could discourage third parties from making proposals involving an unsolicited acquisition of us or change of our control, although some of our stockholders might consider such proposals, if made, desirable. These provisions include, among others: ● redemption rights; ● a requirement that the general partner may not be removed as the general partner of our Operating Partnership without our consent; ● transfer restrictions on Common units; ● our ability, as general partner, in some cases, to amend the partnership agreement and to cause our Operating Partnership to issue units with terms that could delay, defer or prevent a merger or other change of control of us or our Operating Partnership without the consent of the limited partners; ~~and32~~ -- **and** ● the right of the limited partners to consent to direct or indirect transfers of the general partnership interest, including as a result of a merger or a sale of all or substantially all of our assets, in the event that such transfer requires approval by our common stockholders. Our Board of Directors may change our strategies, policies and procedures without stockholder approval. Our investment, financing, leverage and distribution policies, and our policies with respect to all other activities, including growth, capitalization and operations, are determined exclusively by our Board of Directors, and may be amended or revised at any time by our Board of Directors without notice to or a vote of our stockholders. This could result in us conducting operational matters, making investments or pursuing different business or growth strategies than those contemplated in this Annual Report on Form 10- K. Further, our charter and bylaws do not limit the amount or percentage of indebtedness, funded or otherwise, that we may incur. Our Board of Directors may alter or eliminate our current policy on borrowing at any time without stockholder approval. If this policy changed, we could become more highly leveraged ~~which~~ **32which** could result in an increase in our debt service. Higher leverage also increases the risk of default on our obligations. In addition, a change in our investment policies, including the manner in which we allocate our resources across our portfolio or the types of assets in which we seek to invest, may increase our exposure to interest rate risk, real estate market fluctuations and liquidity risk. Changes to our policies with regards to the foregoing could materially adversely affect our financial condition, results of operations and cash flow. Our rights and the rights of our stockholders to take action against our directors and officers are limited, which could limit your recourse in the event that we take certain actions which are not in our stockholders' best interests. Maryland law provides that a director or officer has no liability in that capacity if he or she performs his or her duties in good faith, in a manner that he or she reasonably believes to be in our best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. Under the MGCL, directors are presumed to have acted with this standard of care. As permitted by Maryland law, our charter eliminates the liability of our directors and officers to us and our stockholders for money damages, except for liability resulting from: ● actual receipt of an improper benefit or profit in money, property or services; or ● active and deliberate dishonesty by the director or officer that was established by a final judgment as being material to the cause of action adjudicated. Our charter and bylaws obligate us to indemnify each present and former director or officer, to the maximum extent permitted by Maryland law, in the defense of any proceeding to which he or she is made, or threatened to be made, a party by reason of his or her service to us. In addition, we may be obligated to advance the defense costs incurred by our directors and officers. We also have entered into indemnification agreements with our officers and directors granting them express indemnification rights. As a result, we and our stockholders may have more limited rights against our directors and officers than might otherwise exist absent the current provisions in our charter, bylaws and indemnification agreements or that might exist for other public companies. Our charter contains provisions that make removal of our directors difficult, which could make it difficult for our stockholders to effect changes to our management. Our charter contains provisions that make removal of our directors difficult, which could make it difficult for our stockholders to effect changes to our senior management and may prevent a change in control of our Company that is in the best interests of our stockholders. Our charter provides that a director may only be removed for cause upon the affirmative vote of holders of two- thirds of all the votes entitled to be cast generally in the election of directors. Vacancies may be filled only by a majority of the remaining directors in office, even if less than a quorum. These requirements make it more difficult to change our senior management by removing and replacing directors and may prevent a change in control of our Company that is in the best interests of our stockholders. ~~33Our~~ -- **Our** Operating Partnership may issue additional Common units or one or more classes of preferred units to third parties without the consent of our stockholders, which would reduce our ownership percentage in our Operating Partnership and could have a dilutive effect on the amount of distributions made to us by our Operating Partnership and, therefore, the amount of distributions we can make to our stockholders. As of December 31, ~~2022~~ **2023** , we owned approximately 97. ~~8~~ **6** % of the outstanding Common units in our Operating Partnership (on a fully diluted basis). Since our initial public offering, we have issued a total of 8. 0 million Common units and a total of 117, 000 Series A preferred units as consideration in connection with our acquisition of properties, and we may issue additional Common units and Series A preferred units of one or more classes in connection with our acquisition of properties, as compensation or otherwise. Such issuances would reduce our ownership percentage in our Operating Partnership and could affect the amount of distributions made to us by our Operating Partnership and, therefore, the amount of distributions we can make to our stockholders. Our common stockholders do not have any voting rights with respect to any such issuances or other partnership level activities of our Operating Partnership. ~~Certain~~ **33Certain** aspects of our Series A preferred units may limit our ability to make distributions to our common stockholders. The distribution rate on our Series A preferred units is fixed, and no distributions can be paid to our common stockholders unless we have paid all cumulative dividends on our Series A preferred units. The distribution preference of our Series A preferred units could materially and adversely affect our cash flow and ability to make distributions to our common stockholders. U. S. Federal Income Tax RisksFailure to maintain qualification as a REIT for U. S. federal income tax purposes would subject us to U. S. federal income tax on our taxable income at regular corporate rates, which would substantially reduce our ability to make distributions to our stockholders. We elected to be taxed as a REIT for U. S. federal income tax purposes beginning with our short taxable year ended December 31, 2014. To maintain qualification as a REIT, we must meet various requirements set forth in the Code concerning, among other things, the ownership of our outstanding stock, the nature of our assets, the sources of our income and the amount of our distributions. The REIT qualification requirements are extremely complex, and interpretations of the U. S. federal income tax laws governing qualification as a REIT are limited. We believe that our current organization and method of operation will enable us to continue to qualify as a REIT. However, at any time, new laws, interpretations or court decisions may change the U. S. federal tax laws relating to, or the U. S. federal income tax consequences of, qualification as a REIT. It is possible that future economic, market, legal, tax or other considerations may cause our Board of Directors to determine that it is not in our best interest to qualify as a REIT and to revoke our REIT election, which it may do without stockholder approval. If we fail to qualify as a REIT for any taxable year, we will be subject to U. S. federal income tax on our taxable income at regular corporate rates. In addition, we generally would be disqualified from treatment as a REIT for the four taxable years following the year in which we lost our REIT status. Losing our REIT status would reduce our net earnings available for investment or distribution because of the additional tax liability. In addition, distributions would no longer qualify for the dividends paid deduction, and we would no longer be required to make distributions. If this occurs, we might be required to borrow funds or liquidate some investments in order to pay the applicable tax. As a result of all these factors, our failure to qualify as a REIT could impair our ability to expand our business and raise capital, and would substantially reduce our ability to make distributions to our stockholders. To qualify as a REIT and to avoid the payment of U. S. federal income and excise taxes, we may be forced to borrow funds, use proceeds from the issuance of securities, pay taxable dividends of our stock or debt securities or sell assets to make distributions, which may result in our distributing amounts that may otherwise be used for our operations. To obtain the favorable tax treatment accorded to REITs, we normally are required each year to distribute to our stockholders at least 90 % of our REIT taxable income, determined without regard to the deduction for dividends paid and by excluding net capital gains. We will be subject to U. S. federal income tax on our undistributed taxable income and net ~~34capital~~ -- **capital** gain and to a 4 % nondeductible excise tax on any amount by which distributions we pay with respect to any calendar year are less than the sum of (1) 85 % of our ordinary income, (2) 95 % of our capital gain net income and (3) 100 % of our undistributed income from prior years. These requirements could cause us to distribute amounts that otherwise would be spent on acquisitions of properties and it is possible that we might be required to borrow funds, use proceeds from the issuance of securities, pay taxable dividends of our stock or debt securities or sell assets in order to distribute enough of our taxable income to maintain our qualification as a REIT and to avoid the payment of U. S. federal income and excise taxes. Future sales of properties may result in penalty taxes or may be made through TRSs, each of which would diminish the return to you. It is possible that one or more sales of our properties may be " prohibited transactions " under provisions of the Code. If we are deemed to have engaged in a " prohibited transaction " (i. e., we sell a property held by us primarily for sale in the ordinary course of our trade or business), all income that we derive from such sale would be subject to a 100 % tax. The ~~Code~~ **34Code** sets forth a safe harbor for REITs that wish to sell property without risking the imposition of the 100 % tax. A principal requirement of the safe harbor is that the REIT must hold the applicable property for not less than two years prior to its sale for the production of rental income. It is entirely possible that a future sale of one or more of our properties will not fall within the prohibited transaction safe harbor. If we acquire a property that we anticipate will not fall within the safe harbor from the 100 % penalty tax upon disposition, we may acquire such property through a TRS in order to avoid the possibility that the sale of such property will be a prohibited transaction and subject to the 100 % penalty tax. If we already own such a property directly or indirectly through an entity other than a TRS, we may contribute the property to a TRS. Though a sale of such property by a TRS likely would mitigate the risk of incurring a 100 % penalty tax, the TRS itself would be subject to regular corporate income tax at the U. S. federal level, and potentially at the state and local levels, on the gain recognized on the sale of the property as well as any income earned while the property is operated by the TRS. Such tax would diminish the amount of proceeds from the sale of such property ultimately distributable to our stockholders. Our ability to use TRSs in the foregoing manner is subject to limitation. Among other things, the value of our securities in TRSs may not exceed 20 % of the value of our assets and dividends from our TRSs, when aggregated with all other non- real estate income with respect to any one year, generally may not exceed 25 % of our gross income with respect to such year. No assurances can be provided that we would be able to successfully avoid the 100 % penalty tax through the use of TRSs. In addition, if we acquire any asset from a C corporation (i. e., a corporation generally subject to full corporate- level tax) in a merger or other transaction in which we acquire a basis in the asset determined by reference either to the C corporation' s basis in the asset or to another asset, we will pay tax, at the highest U. S. federal corporate income tax rate, on any built- in gain recognized on a taxable disposition of the asset during the 5- year period after its acquisition. As a result of the manner in which we acquired the Hudye Farm in 2014, a subsequent taxable disposition by us of any such assets generally would be subject to the foregoing built- in gain rules. In certain circumstances, we may be subject to U. S. federal and state income taxes as a REIT, which would reduce our cash available for distribution to our stockholders. Even if we qualify as a REIT, we may be subject to U. S. federal income taxes or state taxes. As discussed above, net income from a " prohibited transaction " will be subject to a 100 % penalty tax and built- in gain recognized on the taxable disposition of assets acquired from C corporations in certain non- taxable transactions will be subject to tax at the highest applicable U. S. federal corporate income tax rate. To the extent we satisfy the distribution requirements applicable to REITs, but distribute less than 100 % or our taxable income, we will be subject to U. S. federal income tax at regular corporate rates on our undistributed income. We may not be able to make sufficient distributions to avoid excise taxes applicable to REITs. We may also decide to retain capital gains we earn from the sale or other disposition of our properties and pay income tax directly on such income. In that event, our stockholders would be treated as if they earned that income and paid the tax on it directly. However, our stockholders that are tax- exempt, such as charities or qualified pension plans, would have no benefit from their deemed payment of such tax liability. We may also be subject to state and local taxes on our income or property, either directly or at the level of the companies through which we indirectly own our assets. Any U. S. federal or state taxes we pay will reduce our cash available for distribution to our stockholders. ~~35The~~ -- **The** ability of our Board of Directors to revoke or otherwise terminate our REIT qualification without stockholder approval may cause adverse consequences to our stockholders. Our charter provides that our Board of Directors may revoke or otherwise terminate our REIT election, without the approval of our stockholders, if it determines that it is no longer in our best interest to continue to qualify as a REIT. If we cease to qualify as a REIT, we would become subject to U. S. federal income tax on our taxable income at regular corporate rates and would no longer be required to distribute most of our taxable income to our stockholders, which may have adverse consequences on our total return to our stockholders. ~~If~~ **35If** our Operating Partnership were classified as a " publicly traded partnership " taxable as a corporation for U. S. federal income tax purposes, we would fail to qualify as a REIT and would suffer other adverse tax consequences. We intend for our Operating Partnership to be treated as a " partnership " for U. S. federal income tax purposes. If the IRS were to successfully assert our Operating Partnership was " publicly traded, " our Operating Partnership could be taxable as a corporation if less than 90 % of its gross income consisted of certain qualifying passive income. In such event, we likely would fail to qualify as a REIT for U. S. federal income tax purposes, and the resulting corporate income tax burden would reduce the amount of distributions that our Operating Partnership could make to us. This would substantially reduce the cash available to pay distributions to our stockholders. Complying with the REIT requirements may cause us to forego otherwise attractive opportunities or sell properties earlier than we wish. To maintain our qualification as a REIT for U. S. federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders and the ownership of shares of our stock. We may be required to make distributions to our stockholders at disadvantageous times or when we do not have funds readily available for distribution, or we may be required to forego or liquidate otherwise attractive investments in order to comply with the REIT tests. Thus, compliance with the REIT requirements may hinder our ability to operate solely on the basis of maximizing profits. You may be restricted from acquiring or transferring certain amounts of our common stock. Certain provisions of the Code and the stock ownership limits in our charter may inhibit market activity in our capital stock and restrict our business combination opportunities. In order to maintain our qualification as a REIT, five or fewer individuals, as defined in the Code, may not own, beneficially or constructively, more than 50 % in value of our issued and outstanding stock at any time during the last half of a taxable year. Attribution rules in the Code determine if any individual or entity beneficially or constructively owns our capital stock under this requirement. Additionally, at least 100 persons must beneficially own our capital stock during at least 335 days of a taxable year. To help ensure that we meet these tests, our charter restricts the acquisition and ownership of shares of our stock. Our charter, with certain exceptions, authorizes our Board of Directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. Unless exempted by our Board of Directors, our charter prohibits any person from beneficially or constructively owning more than 9. 8 % in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our capital stock. Our Board of Directors may not grant an exemption from these restrictions to any proposed transferee whose ownership in excess of such ownership limit would result in our failing to qualify as a REIT. Dividends paid by REITs generally do not qualify for the favorable tax rates available for some dividends. The maximum U. S. federal income tax rate applicable to qualified dividend income paid to U. S. stockholders that are individuals, trusts and estates currently is 20 %. Dividends paid by REITs generally are not eligible for such reduced tax rate. Instead, our ordinary dividends generally are taxed at the higher tax rates applicable to ordinary income, the current maximum rate of which is 37 %. Although the favorable tax rates applicable to qualified dividend income do not adversely affect the taxation of REITs or dividends paid by REITs, such favorable tax rates could cause investors who are individuals, ~~36trusts~~ -- **trusts** and estates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non- REIT corporations that pay dividends, which could adversely affect the value of the shares of REITs, including our common stock. However, for taxable years prior to 2026, individual stockholders are generally allowed to deduct 20 % of the aggregate amount of ordinary dividends distributed by us, subject to certain limitations, which would reduce the maximum marginal effective federal income tax rate for individuals on the receipt of such ordinary dividends to 29. 6 %. ~~Changes~~ **36Changes** to the U. S. federal income tax laws, including the enactment of certain tax reform measures, could have an adverse impact on our business and financial results. In recent years, numerous legislative, judicial and administrative changes have been made to the U. S. federal income tax laws applicable to investments in real estate and REITs. There can be no assurance that future changes to the U. S. federal income tax laws or regulatory changes will not be proposed or enacted that could impact our business and financial results. The REIT rules are regularly under review by persons involved in the legislative process and by the Internal Revenue Service and the U. S. Treasury Department, which may result in revisions to regulations and interpretations in addition to statutory changes. If enacted, certain of such changes could have an adverse impact on our business and financial results. We cannot predict whether, when or to what extent any new U. S. federal tax laws, regulations, interpretations or rulings will impact the real estate investment industry or REITs. Prospective investors are urged to consult their tax advisors regarding the effect of potential future changes to the federal tax laws on an investment in our shares. Risks Related to the Market for Our Capital StockWe may be unable to make distributions at expected levels, which could result in a decrease in the market price of our common stock. We intend to continue to pay regular quarterly distributions to our stockholders. However, we significantly reduced the amount of distributions on our common stock beginning in the third quarter of 2018, and we may be required to reduce our distributions further in the future. All distributions will be made at the discretion of our Board of Directors and will be based upon, among other factors, our historical and projected results of operations, financial condition, cash flows and liquidity, maintenance of our REIT qualification and other tax considerations, capital expenditure and other expense obligations, debt covenants, contractual prohibitions or other limitations and applicable law and such other matters as our Board of Directors may deem relevant from time to time. If sufficient cash is not available for distribution from our operations, we may have to fund distributions from working capital, borrow to provide funds for such distributions, or reduce the amount of such distributions. To the extent we borrow to fund distributions, our future interest costs would increase, thereby reducing our earnings and cash available for distribution from what they otherwise would have been. If cash available for distribution generated by our assets is less than our current estimate, or if such cash available for distribution decreases in future periods from expected levels, our inability to make the expected distributions could result in a decrease in the market price of our common stock. Continued increases in market interest rates may have an adverse effect on the market price of our common stock. One of the factors that investors may consider in deciding whether to buy or sell our common stock is our distribution yield, which is our distribution rate as a percentage of the share price of our common stock, relative to market interest rates. If market interest rates continue to **stay elevated or** increase **further** , prospective investors may desire a higher distribution yield on our common stock or may seek securities paying higher dividends or interest. The market price of our common stock is driven partly by the earnings that we derive from rental income with respect to our properties and our related distributions to stockholders, and also from the current market value of the properties themselves. As a result, interest rate fluctuations and capital market conditions are likely to affect the market price of our common stock and such effects could be significant. ~~37The~~ -- **The** market price and trading volume of our common stock may be highly volatile and low, respectively. The stock markets, including the New York Stock Exchange (the " NYSE "), on which our common stock is listed, historically have experienced significant price and volume fluctuations. As a result, the market price of our common stock is likely to be similarly volatile, and investors in our common stock may experience a decrease in the value of their shares, including decreases unrelated to our operating performance or prospects. The price of our common stock could be subject ~~to~~ **37to** wide fluctuations in response to a number of factors, including those listed in this " Risk Factors " section of this Annual Report on Form 10- K and others such as: ● actual or anticipated variations in our quarterly results of operations or dividends; ● changes in our funds from operations or earnings estimates; ● changes in government regulations or policies affecting our business or the farming business; ● publication of research reports about us or the real estate or farming industries; ● sustained decreases in agricultural commodity and crop prices; ● increases in market interest rates that lead purchasers of our common stock to demand a higher yield; ● changes in market valuations of similar companies; ● adverse market reaction to any additional debt we incur in the future; ● additions or departures of key management personnel; ● actions by institutional stockholders; ● speculation in the press or investment community; ● the realization of any of the other risk factors presented in this Annual Report on Form 10- K; ● the extent of investor interest in our securities; ● the general reputation of REITs and the attractiveness of our equity securities in comparison to other equity securities, including securities issued by other real estate- based companies; ● our underlying asset value; ● investor confidence in the stock and bond markets generally; ● changes in tax laws; ● future equity issuances; ● failure to meet earnings estimates; ● failure to meet and maintain REIT qualifications and requirements; ● low trading volume of our common stock; and ● general market and economic conditions, including conditions that are outside of our control, such as the impact of public health and safety concerns ~~, such as the ongoing coronavirus pandemic and efforts to mitigate its spread~~ . In the past, securities class action litigation has often been instituted against companies following periods of volatility in the price of their common stock. This type of litigation could result in substantial costs and divert our management' s attention and resources, which could have a material adverse effect on us, including our financial condition, results of operations, cash flow and the per share trading price of our common stock. Our common stock is subject to trading risks created by the spread of false information and manipulative trading. Our common stock is widely traded and held by a diverse group of investors, including retail investors, and these investors are subject to the influence of information provided by third party investor websites and independent authors distributing information on the internet. This information is often widely distributed, in some cases anonymously, including through platforms that mainly serve as hosts seeking advertising revenue. These sites and internet distribution strategies create opportunities for individuals to pursue both " pump and dump " and " short and distort " strategies. We believe that many of these websites have little or no requirements for authors to have professional qualifications. While these sites sometimes require disclosure of stock positions by authors, as far as we are aware these sites do not audit the accuracy of such conflict of interest disclosures. In addition, we believe that many of these websites have few or lax editorial standards, and thin or non- existent editorial staffs. Despite our best efforts, we may not be able to obtain corrections to information provided on these websites about our Company, and any corrections that are obtained may not be achieved prior to the majority of audience impressions being formed for a given article. These conditions create volatility and risk for holders of our common stock and should be considered by investors. While we have sought to engage **regulators to address activities that we believe are intentionally misleading, we can make no guarantees that regulatory authorities will take action on these types of activities, and we cannot guarantee that any action taken by regulators or legislators will timely address damage done by the activities of these websites and authors.**